

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI**

In the Matter of the Verified Petition of	)	
Union Electric Company d/b/a AmerenUE	)	Case No. GT-2009-
to Change Its Infrastructure System	)	
Replacement Surcharge.	)	

**VERIFIED PETITION OF UNION ELECTRIC COMPANY  
d/b/a AMERENUE TO CHANGE ITS  
INFRASTRUCTURE SYSTEM REPLACEMENT SURCHARGE**

**COMES NOW** Union Electric Company d/b/a AmerenUE (“AmerenUE” or “Company”), pursuant to Sections 393.1009, 393.1012 and 393.1015 of the Revised Statutes of Missouri (Cum. Supp. 2006), and 4 CSR 240-2.060, 2.080 and 3.265 of the Rules of the Missouri Public Service Commission (“Commission”), and for its Verified Petition to Change Its Infrastructure System Replacement Surcharge, respectfully states as follows:

**I. BACKGROUND**

1. Sections 393.1009, 393.1012 and 393.1015 of the Revised Statutes of Missouri authorize eligible gas corporations to recover certain infrastructure replacement costs by establishing an infrastructure system replacement surcharge (“ISRS”). AmerenUE’s ISRS was established effective March 29, 2008 by Commission Order in Case No. GT-2008-0184, covering the costs incurred in connection with ISRS-eligible infrastructure system replacements placed in service from October 1, 2006 through October 31, 2007.

2. Since AmerenUE’s ISRS was established, the Company has continued to incur ISRS-eligible costs. For the period from November 1, 2007 to May 31, 2008,

those costs result in additional annualized ISRS revenues that exceed the threshold necessary to make an ISRS filing. Accordingly, AmerenUE submits this Petition to change its ISRS to reflect those additional costs.

## **II. THE PETITIONER**

3. AmerenUE is a public utility and gas corporation incorporated under the laws of the State of Missouri, with its principal office located at 1901 Chouteau Avenue, St. Louis, Missouri 63103. A Certificate of Good Standing evidencing AmerenUE's standing to do business in Missouri was submitted to the Commission in Case No. EF-2003-0514, and AmerenUE's Fictitious Name Registration as filed with the Missouri Secretary of State's Office was submitted in Case No. GO-98-486. The information contained in these documents is current and correct, and these documents are incorporated by reference herein for all purposes.

4. AmerenUE is engaged in the business of distributing and transporting natural gas to customers in central and eastern Missouri, as a gas corporation subject to the jurisdiction of the Commission.

5. Communications in regard to this Application should be addressed to:

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Thomas M. Byrne  
Managing Assoc. General Counsel  
Wendy K. Tatro  
Associate General Counsel  
Ameren Services Company

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6. Other than cases that have been docketed at the Commission, AmerenUE has no pending actions or final unsatisfied judgments or decisions against it from any state or federal agency or court which involve customer service or rates.

7. AmerenUE is current on its annual report and assessment fee obligations to the Commission, and no such report or assessment fee is overdue.

### **III. THE ISRS REQUEST**

8. With this Petition, AmerenUE requests an adjustment to its ISRS rate schedule to reflect costs incurred in connection with ISRS-eligible infrastructure system replacements made during the period from November 1, 2007 to May 31, 2008. In accordance with the provisions of Sections 393.1009-1015 RSMo and 4 CSR 240-3.265 RSMo, the revised ISRS rate schedule, filed concurrently with this Petition, reflects the appropriate pre-tax ISRS revenues necessary to produce net operating income equal to AmerenUE's weighted cost of capital multiplied by the net original cost of the requested infrastructure replacements during this period that are eligible for the ISRS. AmerenUE also seeks to recover all state, federal and local income or excise taxes applicable to such ISRS income, and to recover all other ISRS costs such as depreciation expense and property taxes due within 12 months of this filing. The total AmerenUE ISRS revenue requirement being requested is \$410,130.

**A. Eligibility of Costs**

9. The infrastructure system replacements for which AmerenUE seeks ISRS recognition are set forth on Appendix A, which is attached hereto and made a part hereof for all purposes. The infrastructure system replacements listed on Appendix A are eligible gas utility plant projects in that they are either: a) mains, valves, service lines, regulator stations, vaults, and other pipeline system components installed to comply with state or federal safety requirements as replacements for existing facilities that have worn out or are in deteriorated condition; or b) main relining projects, service line insertion projects, joint encapsulation projects, and other similar projects extending the useful life, or enhancing the integrity of pipeline system components undertaken to comply with state or federal safety requirements; or c) unreimbursed infrastructure facility relocations due to the construction or improvement of a highway, road, street, public way or other public work required by or on behalf of the United States, the State of Missouri, a political subdivision of the State of Missouri, or another entity having the power of eminent domain.

10. In addition to meeting the foregoing criteria, the infrastructure system replacements listed on Appendix A are also eligible for ISRS treatment because they: a) did not increase revenues by directly connecting to new customers; b) are currently in service and used and useful; c) were not included in AmerenUE's rate base in its most recently completed general rate case, or in a previous ISRS filing; and d) replaced and/or extended the useful life of existing infrastructure.

11. Finally, the infrastructure system replacements listed on Appendix A are eligible for ISRS treatment because AmerenUE's last general gas rate case proceeding

was decided by a Commission order issued within the past 3 years, that is, on March 15, 2007, in Case No. GR-2007-0003 (the “Rate Case”).

**B. Rate Schedules, Calculations and Supporting Documentation**

12. AmerenUE is filing concurrently with this petition a proposed rate schedule that would adjust the ISRS surcharge to reflect the additional costs the Company seeks to recover through this filing. Attached hereto as Appendix B are documents supporting the proposed rate schedule. This proposed rate schedule, on an annualized basis, will produce additional ISRS revenues of at least one-half of one percent, but not in excess of ten percent of AmerenUE’s base revenue level as approved by the Commission in its most recently completed general rate proceeding.

13. In determining the appropriate pre-tax ISRS revenues, the proposed rate schedule utilizes current local, state and federal income tax rates through a combined income tax rate conversion factor of 1.6231.

14. In determining the appropriate pre-tax ISRS revenues, the proposed rate schedule utilizes the regulatory capital structure underlying the Stipulation and Agreement in the Rate Case (“Rate Case Stipulation”) and approved by the Commission in the Company’s companion electric case, Case No. ER-2007-0002, and reflects an overall rate of return of 7.82%.

15. In determining the appropriate pre-tax ISRS revenues, the proposed rate schedule utilizes a weighted average cost of debt of 2.50%, consistent with the Rate Case Stipulation, and approved by the Commission in the Company’s companion electric rate case.

16. In determining the appropriate pre-tax ISRS revenues, the proposed rate schedule utilizes a cost of common equity of 10%, consistent with Paragraph 11 of the Rate Case Stipulation.

17. In determining the appropriate pre-tax ISRS revenues, the proposed rate schedule utilizes depreciation rates currently applicable to the eligible infrastructure system replacements, as set forth in the Rate Case Stipulation.

18. In determining the appropriate monthly ISRS charge, the proposed rate schedule is based on a reasonable estimate of billing units in the period in which the charge will be in effect, utilizing customer class counts determined in the Rate Case. The monthly ISRS charge for each customer class was calculated maintaining the proportional relationship equivalent to the proportional relationship of the monthly customer charge for each customer class (*See* Appendix C).

19. A description of all information to be placed on the Company's website regarding the ISRS and related infrastructure system replacement project, along with proposed call center instructions pertaining to the ISRS, are described in Appendix D, attached hereto.

**C. Required Notices**

20. Sections 8 and 9 of the ISRS Rule set forth certain requirements regarding how customers are to be notified of the ISRS. Accordingly, AmerenUE has attached for the Commission's approval:

- (a) an example of the initial, one-time notice required by subsection (8)(A) of the ISRS Rule which explains the Company's infrastructure system replacement program,

explains how the ISRS will be applied to the Company's various customer classes, and identifies the statutory authority under which the ISRS is being implemented (*see* Appendix E);

(b) an example of the annual notice required by subsection (8)(B) of the ISRS Rule explaining the continuation of the infrastructure system replacement program and the resulting ISRS (*see* Appendix F); and

(c) an example customer bill showing how the ISRS will be described on affected customer's bills in accordance with subsection (8)(C) of the ISRS Rule (*see* Appendix G).

**WHEREFORE**, pursuant to 393.1015.2(3) and Commission Rule 3.265(12), Union Electric Company d/b/a AmerenUE respectfully requests that the Commission issue an Order approving a change to AmerenUE's ISRS rate schedules, to provide for the recovery of the eligible infrastructure system replacement investments made by AmerenUE from November 1, 2007 to May 31, 2008, and granting such other relief as may be necessary and appropriate to accomplish the purposes of Sections 393.1009 through 393.1015 RSMo.

Respectfully submitted,

UNION ELECTRIC COMPANY,  
d/b/a AmerenUE

By: /s/ Thomas M. Byrne

**Steven R. Sullivan**, # 33102  
Sr. Vice President, General  
Counsel and Secretary  
**Thomas M. Byrne**, # 33340  
Managing Assoc. General Counsel  
**Wendy K. Tatro**, #60261  
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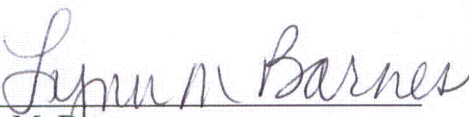
ATTORNEYS FOR AMERENUE



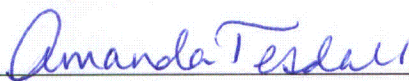
**VERIFICATION**

State of Missouri                    )  
  )  
City of St. Louis                    )           ss

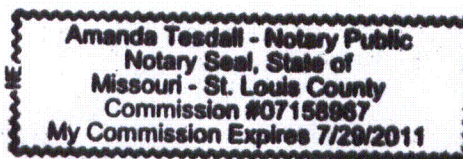
I, Lynn M. Barnes, being of lawful age state: that I am Vice President of Business Planning and Controller for Union Electric Company d/b/a AmerenUE; that I have read the foregoing Petition and the documents attached thereto; that the statements and information set forth in such Petition and attached documents are true and correct to the best of my information, knowledge and belief; and, that I am authorized to make this statement on behalf of Union Electric Company d/b/a AmerenUE.

  
\_\_\_\_\_  
Lynn M. Barnes

Subscribed and sworn to before me this 4th day of August, 2008.

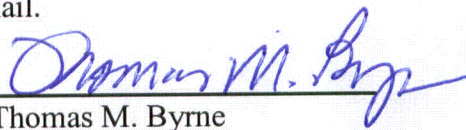
  
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Notary Public

My Commission Expires: 7/29/2011



### CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the foregoing Petition was served on the General Counsel of the Staff of the Missouri Public Service Commission and the Office of the Public Counsel on this 4<sup>th</sup> day of August, 2008 by hand-delivery, fax, electronic mail or by placing a copy of such Petition, postage prepaid, in the United States mail.

  
Thomas M. Byrne

AmerenUE  
ISRS Revenue Requirement Calculation  
Project Detail - Additions

Project	Account	Month Closed to Plant	Gross Additions			Months	Depr Rate	Accum Depr	Annual Depr Expense
			In-Service in	2007	2008				
0A198	DIST SVCS-REPL UNPROT STEEL SVC								
	376	Nov 2007	4,128	-	-	7	0.001533	44	76
	376	Dec 2007	125,292	-	-	6	0.001533	1,153	2,305
	376	Feb 2008	-	(6,839)	(6,839)	4	0.001533	(42)	(126)
	376 Total		129,420	(6,839)	(6,839)			1,155	2,255
	378	Feb 2008	-	737	737	4	0.001742	5	15
	378 Total		-	737	737			5	15
	380	Nov 2007	60,533	-	-	7	0.002208	936	1,604
	380	Dec 2007	30,329	-	-	6	0.002208	402	804
	380	Jan 2008	-	5,807	5,807	5	0.002208	64	154
	380	Feb 2008	-	4,547	4,547	4	0.002208	40	120
	380 Total		90,862	10,354	10,354			1,442	2,682
0A198 Total	383	Nov 2007	1,905	-	-	7	0.001692	23	39
	383	Dec 2007	626	-	-	6	0.001692	6	13
	383	Feb 2008	-	1,554	1,554	4	0.001692	11	32
	383 Total		2,531	1,554	1,554			40	84
			222,813	5,806	5,806			2,642	5,036
0A214	DIST SVCS-CI REPLAC MPSC								
	376	Nov 2007	39,943	-	-	7	0.001533	429	735
	376	Dec 2007	(2,547)	-	-	6	0.001533	(23)	(47)
	376	Feb 2008	-	(1,050)	(1,050)	4	0.001533	(6)	(19)
	376 Total		37,396	(1,050)	(1,050)			400	669
	380	Feb 2008	-	1,062	1,062	4	0.002208	9	28
	380 Total		-	1,062	1,062			9	28
	383	Feb 2008	-	(12)	(12)	4	0.001692	-	-
	383 Total		-	(12)	(12)			-	-
			37,396	-	-			409	697
	0A214 Total								
	0A215	DIST SVCS-PVC REPL MPSC-RELOC							
376		Nov 2007	2,847	-	-	7	0.001533	31	52
376		Dec 2007	(2,060)	-	-	6	0.001533	(19)	(38)

AmerenUE  
ISRS Revenue Requirement Calculation  
Project Detail - Additions

Project	Account	Month Closed to Plant	Gross Additions		Months	Depr Rate	Accum Depr	Annual Depr Expense
			In-Service in	Total				
			2007	2008				
	376	Feb 2008	-	23	4	0.001533	-	-
	376 Total		787	23			12	14
	380	Feb 2008	-	(23)	4	0.002208	-	(1)
	380 Total		-	(23)			-	(1)
0A215 Total			787	-			12	13
<b>15910</b>	<b>FORISTELL PVC REPLACEMENT 2006</b>							
	376	Dec 2007	(715)	-	6	0.001533	(7)	(13)
	376 Total		(715)	-			(7)	(13)
15910 Total			(715)	-			(7)	(13)
<b>15930</b>	<b>WARRENTON PVC REPLACEMENT 2007</b>							
	376	Nov 2007	139,157	-	7	0.001533	1,494	2,560
	376	Dec 2007	313,359	-	6	0.001533	2,883	5,766
	376	Jan 2008	-	113,852	5	0.001533	873	2,095
	376	Feb 2008	-	(26,938)	4	0.001533	(165)	(496)
	376	Mar 2008	-	1,916	3	0.001533	9	35
	376	Apr 2008	-	47	2	0.001533	-	1
	376 Total		452,516	88,877			5,094	9,961
	380	Nov 2007	34,537	-	7	0.002208	534	915
	380	Dec 2007	25,300	-	6	0.002208	335	670
	380	Apr 2008	-	10	2	0.002208	-	-
	380 Total		59,837	10			869	1,585
	383	Dec 2007	8,171	-	6	0.001692	83	166
	383 Total		8,171	-			83	166
15930 Total			520,524	88,887			6,046	11,712
<b>16826</b>	<b>GORDONVILLE RD RPL PROJ CAPE</b>							
	376	Dec 2007	(1,115)	-	6	0.001533	(10)	(21)
	376 Total		(1,115)	-			(10)	(21)
16826 Total			(1,115)	-			(10)	(21)

AmerenUE  
ISRS Revenue Requirement Calculation  
Project Detail - Additions

Project	Account	Month Closed to Plant	Gross Additions		Months	Depr Rate	Accum Depr	Annual Depr Expense	
			In-Service in 2007	2008					Total
17826	2007 Ashland - PVC Main and Service								
	376	Jan 2008	-	336,282		5	0.001533	2,578	6,188
	376	Mar 2008	-	367		3	0.001533	2	7
	376 Total		-	336,649				2,580	6,195
	380	Jan 2008	-	118,640		5	0.002208	1,310	3,144
	380	Mar 2008	-	92		3	0.002208	1	2
	380 Total		-	118,732				1,311	3,146
	383	Jan 2008	-	5,025		5	0.001692	43	102
17826 Total	383	Mar 2008	-	40		3	0.001692	-	1
	383 Total		-	5,065				43	103
			-	460,446				3,934	9,444
17882	MOBERLY 2007 CI - CENTRAL SYSTEM								
	376	Nov 2007	15,313	-		7	0.001533	164	282
	376	Dec 2007	42,832	-		6	0.001533	394	788
	376	Jan 2008	-	25,695		5	0.001533	197	473
	376	May 2008	-	1,779		1	0.001533	3	33
	376 Total		58,145	27,474				758	1,576
	380	Nov 2007	4,211	-		7	0.002208	65	112
	380	Dec 2007	13,262	-		6	0.002208	176	351
	380	May 2008	-	204		1	0.002208	-	5
	380 Total		17,473	204				241	468
	383	Nov 2007	1,270	-		7	0.001692	15	26
17882 Total	383	Dec 2007	683	-		6	0.001692	7	14
	383 Total		1,953	-				22	40
			77,571	27,678				1,021	2,084
17925	COLUMBIA 2007 CI - NE SYSTEM								
	376	Dec 2007	(5,351)	-		6	0.001533	(49)	(98)
	376	Feb 2008	-	(1,871)		4	0.001533	(11)	(34)
	376 Total		(5,351)	(1,871)				(60)	(132)
	380	Feb 2008	-	(19)		4	0.002208	-	(1)

AmerenUE  
ISRS Revenue Requirement Calculation  
Project Detail - Additions

Project	Account	Month Closed to Plant	Gross Additions		Months	Depr Rate	Accum Depr	Annual Depr Expense
			In-Service in	Total				
			2007	2008				(1)
	380 Total		(5,351)	(1,890)			(60)	(133)
17925 Total				(7,241)				
<b>18693</b>	<b>MEXICO - PVC</b>							
	376	Nov 2007	43,518	-	7	0.001533	467	801
	376	Dec 2007	30,496	-	6	0.001533	281	561
	376	Jan 2008	-	1,786	5	0.001533	14	33
	376	Feb 2008	-	(3,397)	4	0.001533	(21)	(63)
	376	Mar 2008	-	(3,376)	3	0.001533	(16)	(62)
	376	May 2008	-	7,236	1	0.001533	11	133
	376 Total		74,014	2,249			736	1,403
	380	Nov 2007	18,422	-	7	0.002208	285	488
	380	Dec 2007	5,055	-	6	0.002208	67	134
	380	Feb 2008	-	(708)	4	0.002208	(6)	(19)
	380	Mar 2008	-	(1,061)	3	0.002208	(7)	(28)
	380	May 2008	-	1,115	1	0.002208	2	30
	380 Total		23,477	(654)			341	605
	383	Nov 2007	252	-	7	0.001692	3	5
	383 Total		252	-			3	5
18693 Total			97,743	1,595			1,080	2,013
<b>18694</b>	<b>BOONVILLE - PVC</b>							
	376	Nov 2007	39,907	-	7	0.001533	428	734
	376	Dec 2007	(3,417)	-	6	0.001533	(31)	(63)
	376	Mar 2008	-	(789)	3	0.001533	(4)	(15)
	376 Total		36,490	(789)			393	656
	380	Nov 2007	20,013	-	7	0.002208	309	530
	380	Mar 2008	-	(396)	3	0.002208	(3)	(10)
	380 Total		20,013	(396)			306	520
18694 Total			56,503	(1,185)			699	1,176
<b>18707</b>	<b>HUNTSVILLE PVC</b>							

AmerenUE  
ISRS Revenue Requirement Calculation  
Project Detail - Additions

Project	Account	Month Closed to Plant	Gross Additions			Months	Depr Rate	Accum Depr	Annual Depr Expense
			2007	In-Service in 2008	Total				
	376	Nov 2007	546,308	-	546,308	7	0.001533	5,864	10,052
	376	Dec 2007	405,217	-	405,217	6	0.001533	3,728	7,456
	376	Feb 2008	-	41,717	41,717	4	0.001533	256	768
	376	Mar 2008	-	59,572	59,572	3	0.001533	274	1,096
	376 Total		951,525	101,289	1,052,814			10,122	19,372
	380	Nov 2007	105,056	-	105,056	7	0.002208	1,624	2,784
	380	Dec 2007	133,323	-	133,323	6	0.002208	1,767	3,533
	380	Jan 2008	-	3,466	3,466	5	0.002208	38	92
	380	Feb 2008	-	20,127	20,127	4	0.002208	178	533
	380	Mar 2008	-	24,687	24,687	3	0.002208	164	654
	380	Apr 2008	-	284	284	2	0.002208	1	8
	380 Total		238,379	48,564	286,943			3,772	7,604
	383	Dec 2007	6,599	-	6,599	6	0.001692	67	134
	383 Total		6,599	-	6,599			67	134
18707 Total			1,196,503	149,853	1,346,356			13,961	27,110
Grand Total			2,202,659	731,190	2,933,849			29,727	59,118

AmerenUE  
ISRS Revenue Requirement Calculation  
Project Detail - Retirements

Project	Account	Total	Depr Rate	Annual Depr Expense
<b>0A198</b>	<b>DIST SVCS-REPL UNPROT STEEL SVC</b>			
	376 Nov 2007	(1,600)	1.84%	(29)
	376 Dec 2007	(34)	1.84%	(1)
	376 Total	(1,634)		(30)
	378 Nov 2007	(674)	2.09%	(14)
	378 Total	(674)		(14)
	380 Nov 2007	(10,408)	2.65%	(276)
	380 Dec 2007	(5,681)	2.65%	(151)
	380 Total	(16,089)		(427)
	383 Nov 2007	(1,092)	2.03%	(22)
	383 Dec 2007	(173)	2.03%	(4)
	383 Total	(1,265)		(26)
0A198 Total		(19,662)		(497)
<b>0A215</b>	<b>DIST SVCS-PVC REPL MPSC-RELOC</b>			
	376 Nov 2007	(299)	1.84%	(6)
	376 Total	(299)		(6)
0A215 Total		(299)		(6)
<b>15911</b>	<b>REPLACE CAST IRON MAINS SEMO</b>			
	376 Dec 2007	(60,399)	1.84%	(1,111)
	376 Total	(60,399)		(1,111)
	380 Dec 2007	(22,264)	2.65%	(590)
	380 Total	(22,264)		(590)
	383 Dec 2007	(262)	2.03%	(5)
	383 Total	(262)		(5)
15911 Total		(82,925)		(1,706)
<b>16826</b>	<b>GORDONVILLE RD RPL PROJ CAPE</b>			
	376 Nov 2007	(35,801)	1.84%	(659)
	376 Est Reversal	8,083	1.84%	149
	376 Total	(27,718)		(510)
16826 Total		(27,718)		(510)
<b>17808</b>	<b>High St Benton Renewal</b>			
	376 Dec 2007	(22,568)	1.84%	(415)
	376 Total	(22,568)		(415)
17808 Total		(22,568)		(415)
<b>17826</b>	<b>2007 Ashland - PVC Main and Service</b>			
	376 Mar 2008	(45,398)	1.84%	(835)
	376 Total	(45,398)		(835)
	380 Mar 2008	(108,129)	2.65%	(2,865)
	380 Total	(108,129)		(2,865)
	383 Mar 2008	(3,308)	2.03%	(67)



AmerenUE  
ISRS Revenue Requirement Calculation  
Project Detail - Retirements

Project	Account	Total	Depr Rate	Annual Depr Expense
	383 Total	(3,308)		(67)
17826 Total		(156,835)		(3,767)
<b>17882</b>	<b>MOBERLY 2007 CI - CENTRAL SYSTEM</b>			
	376 May 2008	(25,037)	1.84%	(461)
	376 Est Reversal	21,735	1.84%	400
	376 Total	(3,302)		(61)
	380 May 2008	(32,054)	2.65%	(849)
	380 Est Reversal	4,242	2.65%	112
	380 Total	(27,812)		(737)
	383 May 2008	(34)	2.03%	(1)
	383 Est Reversal	74	2.03%	2
	383 Total	40		1
17882 Total		(31,074)		(797)
<b>17925</b>	<b>COLUMBIA 2007 CI - NE SYSTEM</b>			
	376 Nov 2007	(39,120)	1.84%	(720)
	376 Est Reversal	19,213	1.84%	354
	376 Total	(19,907)		(366)
17925 Total		(19,907)		(366)
<b>18693</b>	<b>MEXICO - PVC</b>			
	376 Jan 2008	(139,452)	1.84%	(2,566)
	376 May 2008	(27,645)	1.84%	(509)
	376 Est Reversal	25,177	1.84%	463
	376 Total	(141,920)		(2,612)
	380 Jan 2008	(174,453)	2.65%	(4,623)
	380 May 2008	(55,377)	2.65%	(1,467)
	380 Est Reversal	2,617	2.65%	69
	380 Total	(227,213)		(6,021)
	383 Est Reversal	480	2.03%	10
	383 Total	480		10
18693 Total		(368,653)		(8,623)
<b>18694</b>	<b>BOONVILLE - PVC</b>			
	376 Nov 2007	(38,138)	1.84%	(702)
	376 Total	(38,138)		(702)
	380 Nov 2007	(39,995)	2.65%	(1,060)
	380 May 2008	(33)	2.65%	(1)
	380 Total	(40,028)		(1,061)
	383 Nov 2007	(1,364)	2.03%	(28)
	383 Total	(1,364)		(28)
18694 Total		(79,530)		(1,791)
<b>18707</b>	<b>HUNTSVILLE PVC</b>			

AmerenUE  
ISRS Revenue Requirement Calculation  
Project Detail - Retirements

Project	Account		Total	Depr Rate	Annual Depr Expense
	376	May 2008	(179,668)	1.84%	(3,306)
	376 Total		(179,668)		(3,306)
	380	May 2008	(270,259)	2.65%	(7,162)
	380 Total		(270,259)		(7,162)
	383	May 2008	(6,598)	2.03%	(134)
	383 Total		(6,598)		(134)
18707	Total		(456,525)		(10,602)
Grand Total			(1,265,696)		(29,080)

AmerenUE  
ISRS Revenue Requirement Calculation  
Based on Additions through May 31, 2008

Gross Additions	\$ 2,933,849
Accumulated Depreciation	(29,727)
Accumulated Deferred Income Taxes	(125,235)
Incremental Accumulated Depreciation	(104,062)
Incremental Accumulated Deferred Taxes	<u>(281,818)</u>
Total ISRS Rate Base	2,393,007
Overall Rate of Return per GR-2007-0003	<u>7.82%</u>
Utility Operating Income Required	187,133
Income Tax Conversion Factor	<u>1.6231</u>
Revenue Requirement Before Interest Deductibility	<u>303,736</u>
Total ISRS Rate Base	2,393,007
Weighted Cost of Debt per GR-2007-0003	<u>2.50%</u>
Interest Deduction	59,825
Effective Tax Rate	<u>38.39%</u>
Income Tax Deduction Due to Interest	22,967
Income Tax Conversion Factor	<u>1.6231</u>
Revenue Requirement Impact of Interest Deductibility	<u>37,278</u>
Total Revenue Requirement on Capital	266,458
Annual Depreciation - Gross Additions	59,118
Annual Depreciation - Retirements	(29,080)
Annual Property Taxes	<u>113,634</u>
Total Company ISRS Revenue	<u><u>\$ 410,130</u></u>

AmerenUE  
ISRS Revenue Requirement Calculation  
Accumulated Deferred Income Taxes

	Adjusted Tax Basis on Additions	
In-service 2007	\$ 2,202,659	
First Year Tax Rate	5.00%	
<u>Second Year Tax Rate</u>	<u>9.50%</u>	
Total	<u>14.50%</u>	
		319,386
In-service 2008	731,190	
First Year Tax Rate	<u>5.00%</u>	
		<u>36,560</u>
Total Accumulated Tax Depreciation		355,946
Total Book Depreciation		<u>29,727</u>
		326,219
Effective Tax Rate		<u>38.39%</u>
Total Accumulated Deferred Income Taxes		<u><u>\$ 125,235</u></u>

AmerenUE  
ISRS Revenue Requirement Calculation  
COST OF CAPITAL SUMMARY GR-2007-0003  
06/30/06

<u>Type of Capital</u>	<u>\$ Amount</u>	<u>Proportion of Total</u>	<u>Cost of Each Type</u>	<u>Cost</u>
Long Term Debt	\$ 2,551,919,839	44.964%	5.473%	2.46%
Short Term Debt	45,093,124	0.795%	5.360%	0.04%
Preferred Stock	114,502,040	2.017%	5.189%	0.10%
Common Stock	<u>2,963,961,528</u>	<u>52.224%</u>	10.000%	<u>5.22%</u>
TOTAL	<u>\$ 5,675,476,531</u>	<u>100.000%</u>		<u>7.82%</u>

AmerenUE  
ISRS Revenue Requirement Calculation  
Property Taxes

Property Tax Calculation  
Based upon GR-2007-0003

Property Tax	\$ 6,214,988
Gas Utility Plant in Service	<u>\$ 313,558,295</u>

Rate	1.9821%
------	---------

Gross Plant Additions for 2007 (previous filing Jan-Oct)	\$ 3,530,332
Gross Plant Additions for 2007 (current filing Nov-Dec)	<u>2,202,659</u>
	<u>\$ 5,732,991</u>

Annual Property Taxes	<u><u>\$ 113,634</u></u>
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AmerenUE  
ISRS Revenue Requirement Calculation  
Incremental Accumulated Depreciation and Deferred Income Taxes

	Accumulated Depreciation	Accumulated Deferred Income Taxes
At May 2008	204,893	547,989
At October 2007	<u>100,831</u>	<u>266,171</u>
Incremental Change	<u><u>104,062</u></u>	<u><u>281,818</u></u>

AmerenUE

CASE NO. GT-2009-XXXX  
FILE NO. YG-2009-XXXX  
ISRS RATE DESIGN

November 2007 Filing **\$1,211,459.00**  
July 2008 Filing **\$410,130.00**  
Company's Total ISRS Revenues **\$1,621,589.00**

Customer Rate Class	Number of Customers <sup>1</sup>	Customer Charges <sup>2</sup>	Ratio To Res. Cust. Charge	Weighted Customer #	Customer Percentage	ISRS charge	ISRS Revenues
Residential	112,443	\$15.00	1.0000	112,443	83.1138%	\$1.00	\$1,347,765
Small General Service	13,186	\$24.00	1.6000	21,098	15.5946%	\$1.60	\$252,880
Interruptible Service	15	\$221.00	14.7333	221	0.1634%	\$14.72	\$2,649
Large Volume Service	19	\$1,205.00	80.3333	1,526	1.1282%	\$80.24	\$18,295
							\$0
<b>TOTAL</b>	<b>125,663</b>			<b>135,288</b>	<b>100.0000%</b>		<b>\$1,621,589</b>

Footnote #1 - must use number of customers reported in annual report, or average number of customers (by class) for 12-months - adjusted for customer who pay ISRS, but don't buy gas.

Footnote #2 - must use every class tariffed when calculating ISRS.



**APPENDIX D**  
**INFORMATION TO BE POSTED ON**  
**AMERENUE'S WEBSITE REGARDING ISRS**

Since 2003, AmerenUE has spent more than \$18 million in order to provide safe and reliable gas service in Missouri. Including service lines, the company is responsible for nearly 5,000 miles of natural gas pipeline. AmerenUE uses an infrastructure system replacement surcharge, or ISRS, to fund part of this work—which includes maintaining and upgrading the system and relocating facilities affected by local, state and federal public improvement projects and safety requirements. The ISRS charge is typically smaller for residential customers; while larger users in other customer classes are charged a greater amount. The amount of the charge may be adjusted periodically after review by the Missouri Public Service Commission. Effective \_\_\_\_\_, 2008, AmerenUE's ISRS will be increased to reflect eligible costs incurred from November 1, 2007 to May 31, 2008. The ISRS charge is being implemented in accordance with Sections 393.1009, 393.1012 and 393.1015 of the Revised Statutes of Missouri.

**DESCRIPTION OF INSTRUCTIONS TO BE  
PROVIDED TO CALL CENTER PERSONNEL REGARDING ISRS**

Effective (DATE), the Missouri Public Service Commission has approved a surcharge for **gas** customer bills.

The surcharge is an Infrastructure System Replacement Surcharge (ISRS) and covers a portion of the expenses that AmerenUE must incur to maintain and upgrade its gas system and to relocate facilities in connection with local, state and federal public improvement projects and safety requirements. The surcharge reflects a 2003 law that allows utilities to adjust their gas rates twice a year to recover these mandated costs. None of the costs and projects produce any new revenue for AmerenUE to meet these obligations.

Meters read on or after (DATE) will have the charge applied to their monthly bills. The surcharge is a flat charge per month. Different surcharges apply based on customer service type. Below is a chart reflecting customer type and the amount of the surcharge to be applied:

(SAMPLE CHART SHOWING CUSTOMER TYPE AND ASSOCIATED SURCHARGE)

The initial customer bill showing an ISRS surcharge will show a prorated charge that is a **portion** of the full charge. Future bills will reflect the full monthly surcharge amount.

The charge will be shown as a line item on a customer bill. (EXAMPLE BILL)

## **APPENDIX E**

### **Initial Notice**

Since 2003, AmerenUE has spent more than \$18 million in order to provide safe and reliable gas service in Missouri. Including service lines, the company is responsible for nearly 5,000 miles of natural gas pipeline. AmerenUE uses an infrastructure system replacement surcharge, or ISRS, to fund part of this work—which includes maintaining and upgrading the system and relocating facilities affected by local, state and federal public improvement projects and safety requirements. The ISRS charge is typically smaller for residential customers; while larger users in other customer classes are charged a greater amount. The amount of the charge may be adjusted periodically after review by the Missouri Public Service Commission. Effective \_\_\_\_\_, 2008, AmerenUE's ISRS will be increased to reflect eligible costs incurred from November 1, 2007 to May 31, 2008. The ISRS charge is being implemented in accordance with Sections 393.1009, 393.1012 and 393.1015 of the Revised Statutes of Missouri.

## **APPENDIX F**

### **Annual Notice**

Each year, AmerenUE spends millions of dollars in order to provide safe and reliable gas service in Missouri. Including service lines, the company is responsible for nearly 5,000 miles of natural gas pipeline. AmerenUE uses an infrastructure system replacement surcharge, or ISRS, to fund part of this work—which includes maintaining and upgrading the system and relocating facilities affected by local, state and federal public improvement projects and safety requirements. The ISRS charge is typically smaller for residential customers; while larger users in other customer classes are charged a greater amount. The amount of the charge may be adjusted periodically after review by the Missouri Public Service Commission. The ISRS charge has been implemented in accordance with Sections 393.1009, 393.1012 and 393.1015 of the Revised Statutes of Missouri.

PRES	RDG	PREV RDG	USE	READING	RATE	AMOUNT
01289	01262	27	ACTUAL	RS GS P		50.74
VANDALIA MUNI TAX						2.71
MO LOCAL SALES TAX						0.77
Infrastructure Replacement Surcharge						1.00
AMOUNT DUE ON 07/25						55.22

FIRST CLASS MAIL  
U.S. POSTAGE  
PAID 1 OUNCE  
ST. LOUIS, MO  
PERMIT NO. 2859

Service at: 111 ABC STREET  
Service from 06/10 to 07/11/08 Days 31  
Last Payment 07/14/08 \$361.68  
Acct. No 12345-67890 Bill Date 07/15/08

RETURN THIS STUB WITH PAYMENT TO:  
AmerenUE  
P.O. BOX 66529  
ST. LOUIS, MO 63166-6529

Acct. No. 12345-67890

JOHN DOE  
111 ABC STREET  
VANDALIA, MO 63382-2131

AMT DUE	\$55.22
Due By	07/25
Delinquent By	08/05

(800) 552-7583

CUSTOMER SERVICE BULLETIN



You're in control with Budget Billing. Your energy payments are predictable. Avoid surprises, and gain peace of mind. Mark an "X" in the box to enroll in Budget Billing.

DOLLAR MORE is a year-round program that helps needy families survive. To give just a dollar more a month with your payment, please mark an "X" in the box.

RETURN THIS STUB TO: AmerenUE P.O. BOX 66529 ST. LOUIS, MO 63166-6529

AMOUNT DUE	\$55.22
DUE BY	07/25

JOHN DOE  
111 ABC STREET  
Acct. No 12345-67890

Amount Enclosed \$

0010000 0012345678900 00000000 00000000 00055220



Amount  
Enclosed \$ \_\_\_\_\_

P. O. Box 66301  
St. Louis, MO 63166-6301



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