

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

In The Matter of Union Electric Company,)
d/b/a, AmerenUE's Tariffs to Increase)
its Annual Revenues for Electric Service) Case No. ER-2008-0318
)

**MISSOURI DEPARTMENT OF NATURAL RESOURCES' STATEMENT OF
POSITION**

The Missouri Department of Natural Resources (MDNR) is actively participating in one issue, only, in this case. Consequently, its Statement of Position will be confined to the Low-Income Weatherization Issue appearing in paragraph 14, page 15 of the List and Order/Schedule of Issues, and Order of Witnesses and Opening Statements. However, the MDNR's silence on the other issues in the above-styled case should not be construed as agreement with the position advocated by any other party to this case.

Paragraph 14 in the List and Order/Schedule of Issues, and Order of Witnesses and Opening Statements filed in the above-styled case provides as follows:

Low-Income Weatherization Program. Should AmerenUE provide an additional \$300,000 for funding the current low-income weatherization program for the full amount directed by the Commission in Case No. ER-2007-0002 for the twelve months ended July 5, 2008? Should AmerenUE continue to fund the current low-income weatherization program for the full amount directed by the Commission in Case No. ER-2007-0002 for the twelve months ending July 5, 2009? In what annual amount and from what source of funds, should AmerenUE continue to fund the current low-income weatherization program beyond the Commission's Report and Order in Case No. ER-2007-0002?

In its Report and Order in Case No. ER-2007-0002, the Commission ordered AmerenUE to fund a low-income weatherization program. AmerenUE was to provide

annual funding in the amount of \$1,200,000, with \$600,000 of that coming from ratepayers and \$600,000 from AmerenUE's shareholders. Following the Report and Order, AmerenUE also entered into an agreement with the MDNR's Energy Center and the Commission's Staff, which provided that AmerenUE would submit its first payment on September 1, 2007. AmerenUE was to make the remaining annual payments on July 5 of each subsequent year.

On July 5, 2008, AmerenUE submitted \$900,000 to MDNR for the low-income weatherization program. From Data Request responses, MDNR has determined that the source of the funding for the \$900,000 is \$600,000 in ratepayer funds and \$300,000 in shareholder funds. In its current case, AmerenUE has included an amount of \$600,000 for a low-income weatherization program, coming from ratepayers. It has indicated that it will not be providing an additional \$600,000 in shareholder dollars.

MDNR's position is that AmerenUE should, as ordered by this Commission in Case No. ER-2007-0002 and agreed to by AmerenUE in the Cooperation and Funding Agreement, submit an additional \$300,000 to fund the low-income weatherization program for the twelve months ended July 5, 2008.

AmerenUE should continue to fund a low-income weatherization program for the full amount directed by the Commission in AmerenUE's last rate case and, again, as agreed to by AmerenUE in the Cooperation and Funding Agreement it signed for the twelve months ending July 5, 2009.

MDNR's position is that AmerenUE should continue to fund a low-income weatherization program for its service area in the total amount of \$1,200,000. As the

Commission recognized in Case No. ER2007-0002, the need is there. Any disruption of the program causes significant problems, both financial and practical for the agencies that provide these very important services. If the Commission desires at some future date or time to terminate the program (which the MDNR would not recommend), later Commissions are always free to issue such an order. Providing that the program continue until a later Commission issues such an order does not unduly or improperly bind that later Commission.

Finally, MDNR does not take a position on the appropriate source of that funding.

WHEREFORE, the Missouri Department of Natural Resources respectfully submits this Statement of Position.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or e-mailed to all counsel of record this 13th day of November, 2008.

/s/ Shelley A. Woods
Shelley A. Woods