

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

In the Matter of an Investigation Into	)	
An Incident in December 2005 at the	)	
Taum Sauk Pumped Storage Project	)	<u>Case No. ES-2007-0474</u>
Owned and Operated by the Union	)	
Electric Company, doing business as	)	
AmerenUE.	)	

STAFF’S REPLY TO AMEREN UE

COMES NOW the Staff of the Missouri Public Service Commission, by and through the Commission’s General Counsel, pursuant to §§ 386.071 and 386.390.1, RSMo 2000, and Commission Rule 4 CSR 240-2.070(1), and for its Reply to AmerenUE’s Response to Staff’s Motion to Open an Investigation, states as follows:

1. Staff’s Motion to Open Investigation, while filed in response to the furor caused by Leonard’s article, is in no way dependent upon the truth or falsity of the allegations made by Mr. Leonard. Rather, Staff suggests that Ameren UE’s performance of the past five years has been such that the public interest demands this investigation.

2. The several reports already produced on the Taum Sauk debacle, referred to by AmerenUE, strongly suggest that the dam collapse was the result of human error and was entirely avoidable. The Commission, as the agency of the State of Missouri charged with the regulation of investor-owned public utilities, including the safety and adequacy of their services and facilities, must necessarily be concerned to determine at least these questions:

A. How is it that this disaster was allowed to occur?

B. To what extent does this event reflect a problem affecting other AmerenUE facilities?

C. To what extent does this event reflect a problem in AmerenUE's management?

D. To what extent is the public at risk for other, similar catastrophic failures by AmerenUE facilities?

3. Staff has no desire to impede the resolution of ongoing litigation arising out of the Taum Sauk disaster. Staff is instead concerned, as is the Commission, to prevent any further disasters and to ensure safe and adequate service for AmerenUE's ratepayers.

WHEREFORE, on account of all the foregoing, Staff prays that the Commission will grant its motion to an investigatory docket previously filed herein; and grant such other and further relief as is just in the circumstances.

Respectfully Submitted,

/s/ KEVIN A. THOMPSON

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Certificate of Service

I hereby certify that a true and correct copy of the foregoing was served, either electronically or by hand delivery or by First Class United States Mail, postage prepaid, on this **15th day of June, 2007**, as set out below:

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s/ Kevin A. Thompson