BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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In the Matter of Union Electric Company d/b/a AmerenUE for Authority to File Tariffs Increasing Rates for Natural Gas Service Provided to Customers in the Company's Missouri Service Area.

Case No. GR-2010-0363

RESPONSE TO COMMISSION QUESTIONS

COMES NOW Union Electric Company d/b/a Ameren Missouri (Ameren Missouri), and on behalf of the Staff of the Missouri Public Service Commission (Staff), the Office of the Public Counsel (Public Counsel) and the Missouri Department of Natural Resources (MDNR), respectfully states to the Missouri Public Service Commission (Commission) the following as their Response to Commission Questions:

1. The Commission discussed the Unanimous Stipulation and Agreement at its January 12, 2011 agenda meeting. During that discussion, Chairman Clayton asked about the agreed-to energy efficiency spending levels in relation to gross revenue and about the working of the energy efficiency collaborative. Additionally, an issue was raised as to whether the terms of the Stipulation would allow the Commission to inquire of the parties at an agenda meeting.

2. In regard to the first question, the Stipulation calls for an initial annual funding target level of \$700,000 for natural gas energy efficiency programs. Ameren Missouri has further agreed to target annual energy efficiency program funding levels by year three in an amount equal to 0.5% of its gross operating revenues for gas service, including gas cost, or approximately \$850,000, for expenditures prudently incurred on cost-effective programs. In each year, \$263,000 of the annual funding amount is required to be forwarded to the Environmental Improvement and Energy Resources Authority (EIERA) for administration by

MDNR for the weatherization of homes of Ameren Missouri low-income natural gas heating customers.

3. By the terms of the Stipulation, the Ameren Missouri natural gas energy efficiency collaborative will function as an advisory group on a going forward basis and shall hereafter be referred to as the Energy Efficiency Advisory Group (EEAG). Ameren Missouri shall be responsible for all final decisions regarding its natural gas energy efficiency programs.

4. Lastly, if the Commissioners have additional questions for the parties concerning the Unanimous Stipulation and Agreement, the parties have no objection to producing their representatives at the next Commission agenda to answer any questions. If that is the Commission's desire, the parties suggest the Commission issue a notice directing their presence.

WHEREFORE, Ameren Missouri respectfully submits this Response to Commission Questions and requests the Commission approve the Unanimous Stipulation and Agreement as filed.

Respectfully submitted,

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ATTORNEYS FOR AMEREN MISSOURI

CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the foregoing document was sent by electronic transmission to all counsel of record on this 13th day of January, 2011.

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