

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

In the Matter of the Consideration of Adoption)	
Of the PURPA Section 111(d)(12) Fuel Sources)	Case No. EO-2006-0494
Standard as Required by Section 1251 of the)	
Energy Policy Act of 2005.)	

RESPONSE OF AMERENUE

COMES NOW Union Electric Company d/b/a AmerenUE (AmerenUE) and for its response to the prepared list of questions set forth in the Commission's *Order Sustaining Motion for Late Filing of Procedural Schedule, Setting Technical Conference, and Directing Filing*, states as follows:

I. BACKGROUND

1. On August 8, 2005, the Energy Policy Act of 2005 (EPAAct 2005) became law and amended the Public Utilities Regulatory Policies Act of 1978 (PURPA). EPAAct 2005 added five new standards within PURPA §111(d). Each standard must be considered by state commissions and a determination made of whether or not to adopt the standard. The standards to be considered involve net metering, interconnection standards, fuel sources, fossil fuel generation efficiency and time-based metering. PURPA §111(b) states that consideration is to include public notice and a hearing.

2. As an exception to the requirement that a state commission consider a standard, PURPA ¶112(a) provides that state commissions do not have to consider a standard if, prior to the enactment of EPAAct 2005, the state has implemented the standard or a comparable standard, if the state commission has held a proceeding considering the standard or a comparable standard or if the state's legislature has voted on the implementation of the standard or a comparable standard.

3. On June 23, 2006, the Missouri Public Service Commission (Commission) established this case to consider and make a determination as to whether to adopt the fuel sources standard set forth in Section 1251 of EPAct 2005. Specifically, the fuel sources standard, the standard in question, requires the Commission to make a determination as to whether

Each electric utility shall develop a plan to minimize dependence on 1 fuel source and to ensure that the electric energy it sells to consumers is generated using a diverse range of fuels and technologies, including renewable technologies. (PURPA §111(d)(12)).

4. On August 17, 2006, the Commission issued an *Order Sustaining Motion for Late Filing of Procedural Schedule, Setting Technical Conference, and Directing Filing*. This order requested all parties to file responses to a prepared list of questions no later than September 15, 2006. The questions posed are as follows:

Question: Can this case be closed based on “prior state actions” as provided in Section 1251(b)(3) of the Act [16 U.S.C. 2622(d)], and why or why not?

Question: Can this case be consolidated with any, some or all of the following cases – EO-2006-0493, EO-2006-0495, EO-2006-0496 and EO-2006-0497 – because the issues addressed in one or more of these cases are similar, and why or why not?

Question: What type of proceeding (e.g., rulemaking, rate case implementation, etc.) should the Commission use to address the issues in this case in order to meet the Public Utility Regulatory Policies Act of 1978 (“PURPA”) Section 111(a) and 111(b) “consideration and determination” requirements [16 U.S.C. 2621(a), 2621(b)], and why?

II. COMMISSION CONSIDERATION OF FUEL SOURCES STANDARD

A. Question - Can this case be closed based on “prior state actions” provided in Section 1251(b)(3) of the Act [16 U.S.C. 2622(d)], and why or why not?

5. The Commission has adopted Electric Utility Resource Planning rules which set forth standards for resource planning for utilities. 4 CSR 240-22.010, et. seq.

4 CSR 240-22.040 establishes minimum standards for the scope and level of detail required in supply-side resource analysis. “The analysis of supply-side resources shall begin with the identification of a variety of potential supply-side resource options which the utility can reasonably expect to develop and implement...” 4 CSR 240-22.040(1). The rule also requires the utility to develop fuel price forecasts for its primary fuel and for any alternative fuel that may be practical as a contingency option. 4 CSR 22-040(8)(A). These standards are consistent with EPACT 2005’s goal of ensuring more than one fuel source is analyzed by utilities and should suffice as prior state action in this area.

6. Significantly, as the prior state action exception in PURPA §112(a) has been met, no hearing is required. The Commission is not obligated to undertake any further consideration of this standard and should make a finding as such and close the case.

B. Question- Can this case be consolidated with any, some or all of the following cases – EO-2006-0493, EO-2006-0495, EO-2006-0496 and EO-2006-0497 – because the issues addressed in one or more of these cases are similar, and why or why not?

7. AmerenUE feels strongly that the prior state action exception applies to this standard and, accordingly, that the Commission need do nothing more than make a finding stating the same.

C. Question: What type of proceeding (e.g., rulemaking, rate case implementation, etc.) should the Commission use to address the issues in this case in order to meet the Public Utility Regulatory Policies Act of 1978 (“PURPA”) Section 111(a) and 111(b) “consideration and determination” requirements [16 U.S.C. 2621(a), 2621(b)], and why?

8. Again, if the Commission makes a finding that the prior state action exception applies, this question become unnecessary. AmerenUE feels closing this case is the appropriate course of action.

WHEREFORE, AmerenUE respectfully requests that the Commission accept this Response to its Order of August 17, 2006 and further, that the Commission find it has no

obligation to consider the fuel sources standard found within Section 1251 of EPAct 2005
because of prior state action on this topic.

Respectfully submitted,

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d/b/a AmerenUE

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 15th day of September, 2006.

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