

BEFORE THE PUBLIC SERVICE COMMISSION

STATE OF MISSOURI

In the Matter of the Application of)	
Union Electric Company d/b/a AmerenUE)	
for an Order Authorizing the Sale and)	Case No. EO-2010-0263
Transfer of Certain Assets of AmerenUE)	
to St. James Municipal Utilities)	
and Rolla Municipal Utilities.)	

MOTION TO RESPOND TO REPLY

1. I am making this Motion to the Missouri Public Service Commission (the MoPSC) as a Response to The City of Rolla's and The City of St. James' Reply to Staff Response filed on May 25, 2010. I respectfully state the following.
2. Rolla Municipal Utilities (RMU) have filed to Intervene in this case based on the City having a "direct interest in this proceeding that is different from that of the general public and could be adversely affected..." (Joint Application to Intervene, para 3). In their application they appear to use a definition for the general public as that of the State of Missouri rate payers who are subject to MoPSC rate

regulation. After Staff responded that I do have standing before the MoPSC in this case, RMU now attempts to change the definition of general public to that of Rolla ratepayers only (RMU Reply to Staff Response, para 1). I believe that the first definition for general public is consistent with MoPSC policy. If RMU meets the “distinct interest” based on the definition for “general public” in their Application to Intervene, then that should be the “general public” definition that I should have to meet. RMU cannot change definitions to suit whatever their current objections or pleadings are before the MoPSC.

3. RMU stipulates that the Phelps substation affects all customers which is undeniably true. However, those RMU customers should be afforded the same considerations that any MoPSC-regulated utility customer has. Namely, that any MoPSC decision will result from a critical analysis of all documents presented by AmerenUE or RMU that support their plan to upgrade the Rolla system. In this instance, it is not the rates per se that are the issue but most certainly will be impacted if RMU is allowed to overbuild the Rolla electric system to the extent that will be accomplished with this purchase. Overbuilding the Rolla electric system is contrary to the basic principles of Good Utility Practices.
4. I have already submitted that there are no extended outages due to system overload or to lengthy wait times for AmerenUE to assess Phelps substation problems with RMU’s own published outage reports.
5. I have submitted that the RW Beck power system study is no longer valid due to large declines in electricity usage in Rolla since 2007. Therefore, I do believe it is time to revisit the RW Beck engineering study because any failure to demand

accurate current data and make projections based on current data will violate the basic principles of Good Utility Practice.

6. I have submitted that the Missouri State Auditor in 2008 Rolla petitioned audit (page 20, <http://auditor.mo.gov/press/2009-41.htm>) has indicated that MJMEUC/MoPEP/MAMU are simply shell corporations for managing joint contracts of member cities. It follows that any MAMU financial commitments specific to this project should be translated and assigned to Rolla. All RMU payments for MAMU's shell commitments to pay for the MDFB revenue notes should have been specifically authorized by a majority vote of the Rolla City Council or the citizens of Rolla as required by the Missouri constitution after a full disclosure of the terms of the revenue notes and structured financing. The fact that the Rolla City Council did not fully investigate less expensive financing that they could full understand points to a lack of due diligence in representing Rolla citizens. Instead they chose to believe that they were only approving a lease purchase even after I explained that MAMU was proposing the same risky financing schemes that brought down Wall Street supports their assertion that they are not capable of making utility related decisions. To date, RMU has not disclosed the full details of the BayernLB GIC's in the Cayman Islands to the Rolla public. Therefore, I do submit that the risky financing that RMU chose should be minimally utilized to provide only the least expensive upgrades (after assessing whether engineering data support that need) instead of overbuilding the Rolla power system to support a peak summer demand that probably will not happen for years, maybe decades.
7. With RMU's continued insistence that publication of the RW Beck report is a Homeland Security threat, there is no possibility of full disclosure for less

expensive alternate plans to the Rolla public. The Missouri Sunshine Laws demand that a redacted copy of the report should be made available to the general public. RMU, with the blessings of both the Mayor (a former RMU Board officer) and Rolla City Council, continues to withhold a redacted copy. This decision violates Missouri Sunshine laws that are designed to provide governmental transparency on all issues whether or not they are utility specific. Therefore, I submit that Rolla citizens have not been duly represented by their elected council or appointed utility board. There appears to be a cooperative effort between the Mayor, City Council and RMU Board to block citizen access to the RW Beck study and data that holds many answers as to whether this project continues to be a viable solution to future reliability. I submit that in the interests of due process, the MoPSC make available to the Rolla public a redacted copy of the RW Beck power system study.

8. The critical factor in this proceeding for Rolla citizens is that there are numerous instances of decisions by RMU and Rolla elected representatives to block information flow regarding governmental decisions that is critical in a democratic society. Given the RMU issues shown in the Missouri State Audit, statements by the Rolla City Council that they are not capable of rate and policy setting oversight of RMU, and the violations of statutory requirements outlined previously, it would not be difficult to prove that Rolla citizens are completely without the regulatory review and protection needed in this particular proceeding. This situation was compounded by the lack of notice for the MoPSC public comment period. Any local entity with knowledge of the MoPSC Notice could have intervened to make sure that Rolla citizens concerns are heard by the Commissioners. Unfortunately, no local entity felt the need to respect Rolla citizens' rights. The City Council, the RMU Board and managers, the Phelps

County Commission, and even the local newspaper, the Rolla Daily News, have all failed in this most basic duty toward Rolla citizens. It was only through chance that I stumbled upon the notice when I was researching selling RMU in the context of the benefits AmerenUE retail customers have over RMU retail customers. Therefore I submit that a re-opened comment period with full public notice be made in the Rolla area.

9. For all of the proceeding reasons outlined in this motion and in previous motions before the MoPSC, I submit for consideration that the MoPSC is the only independent body with the power to apply discretion in its rules in a manner that could remedy this situation by mandating that RMU publish a redacted RW Beck study for public review of at least a month, followed by a re-opened MoPSC comment period with public notification made mandatory, and that my Application to Intervene be approved.

Respectfully submitted,

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CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the foregoing document was
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