

ROBERT C. JOHNSON
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FILED³

MAY 04 2000

May 3, 2000

Missouri Public
Service Commission

Mr. Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
501 West High Street, Suite 530
Jefferson City, MO 65102

Re: Union Electric Company Case No. ET-2000-666 -- Tariff File No. 200000913

Dear Mr. Roberts:

Enclosed for filing in the above matter please find original and fifteen copies of each of the following:

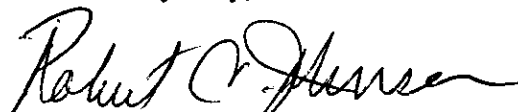
1. Motion for Immediate Stay, Suspension of Tariff and for Oral Argument; and
2. Application of MEG Interruptibles for Reconsideration, Rehearing and for Oral Argument.

I would appreciate the return of one file stamped copy of each of the above described pleadings.

Copies of this filings are being mailed this date to all counsel of record.

Thank you for bringing this filing to the attention of the Commission.

Yours very truly,


Robert C. Johnson

Enclosure

FILED³
MAY 04 2000

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

Missouri Public
Service Commission

In the Matter of Union Electric Company's)	
Tariff Sheets to Revise Rates for Interruptible)	Case No. ET-2000-666
Customers of Union Electric Company)	Tariff No. 200000913

**APPLICATION OF MEG INTERRUPTIBLES FOR RECONSIDERATION,
REHEARING AND FOR ORAL ARGUMENT**

Holnam Inc., Lone Star Industries Inc. and River Cement Company ("MEG Interruptibles") pursuant to Section 386.500, Revised Statutes of Missouri and 4 C.S.R. 240-2.160 of the Missouri Public Service Commission (the "Commission") Rules of Practice and Procedure hereby request reconsideration and rehearing of the Commission's Order Denying Motion to Suspend Tariff, Denying Motion to Consolidate and Approving Tariff, entered herein on April 27, 2000 (the "Order"). The MEG Interruptibles further request oral argument on the issues raised herein.

In support hereof the MEG Interruptibles state as follows:

INTRODUCTION

The MEG Interruptibles have been served for many years by Union Electric Company ("UE") under UE's traditional interruptible tariff, under the terms of which the utility has the right and power to interrupt service in response to reliability concerns. In return for this right, customers served by the utility received a monthly credit. The difference between the cost of firm service and interruptible service to the MEG Interruptibles is approximately \$2.5 million per year.

In connection with the settlement of certain rate design issues in case number EO-96-15, the parties as part of overall negotiations and compromise agreed to the imposition

on June 1, 1999 of a voluntary curtailment tariff, which allowed an interruptible customer to voluntarily leave the system in exchange for a stated consideration. Under the terms of the Settlement Agreement, the MEG Interruptibles continued to be served under the interruptible tariff that had been in effect for many years throughout the summer of 1999 and until June 1, 2000. The new voluntary curtailment tariff, filed by UE, was not well received by the customers for reasons, we submit, were primarily based upon lack of economic benefit.

In accordance with the Settlement Agreement, the MEG Interruptibles and UE met on several occasions and conducted negotiations with respect to a new tariff that would be mutually acceptable to both. In an effort to reach a compromise the MEG Interruptibles submitted a comprehensive outline of a tariff, which would be acceptable to them and included provisions that were intended to address some of the concerns raised by UE in negotiations, a copy of which is attached as exhibit A. Ultimately, these negotiations were unsuccessful and as a result, on March 20, 2000 the MEG Interruptibles filed their Application to Initiate a Docket for Consideration of an Alternative Rate Option for Interruptible Customers of Union Electric Company and for Approval of an Interim Alternative Interruptible Rate, case number EO-2000-580, pursuant to the terms of the Settlement Stipulation entered in to in docket number EO-96-15.

Subsequently, UE on April 6, 2000 filed a new tariff designated as "Rider M Option Based Curtailment Rider," a copy of which is attached to this pleading as exhibit B. This is an entirely new tariff, in substance and in form, is different from any

interruptible type tariff previously in effect and structures a rate that is determined and controlled by the utility without regulatory oversight.

Subsequently, in the instant case, the MEG Interruptibles on April 19, 2000 moved to suspend UE's proposed new tariff and also filed motions to consolidate the UE tariff proceeding (Case No. ET-2000-666) with the docket established by the Commission in response to the MEG Interruptibles initial filing (Case No. EO-2000-580).

SPECIFICATIONS OF ERROR

1. The Commission erred by its decision denying the Application of MEG Interruptibles to suspend the UE Rider M Tariff herein and to consolidate proceedings herein with proceedings in case number ET-2000-580, without a hearing or the taking of evidence on the issues herein in this proceeding because:

- a.) The UE Tariff Rider M is a new interruptible tariff different in substance and form from any prior interruptible tariff filed by UE, gives UE control over the rates payable by the customer without regulatory oversight and we submit has very significant revenue implications, which almost certainly will increase UE's revenue and result in significantly higher costs for electric service for the MEG Interruptibles.
- b.) Such decision, in effect, deregulates interruptible service, preserves the utility's monopoly status, but denies competitive sourcing.

c.) Such decision is unsupported by substantial, competent evidence on the whole record in this proceeding in violation of Article 5, Section 18 of the Missouri Constitution.

d.) Such decision is unsupported by findings of fact based upon the evidence in the record as required by Missouri law.

2. The Commission erred by failing to suspend the UE Tariff Rider M, and consolidate proceedings herein with proceedings in case number ET-2000-580 and establishing a schedule of proceedings to include a full evidentiary hearing on the issues in this matter because:

a.) The record is bereft of any evidence of any kind to support the actions of the Commission in approving a tariff, which almost certainly will have significant revenue impact.

b.) UE has failed to file any financial data, projections or other evidence of any kind to sustain its burden of proving such new tariff to be just and reasonable as required by Missouri Statutes.

c.) The Commission failed to consider all relevant factors in determining electric rates in direct violation of §393.270 (4) R.S.Mo and Missouri Supreme Court decisions in State ex rel. Utility Consumers Council v. Public Service Commission, 585 S.W.2d 41 (Mo banc 1979) and State ex rel. Missouri Water Company v. Public Service Commission, 308 S.W. 2d 704 (Mo 1957.)

d.) The MEG Interruptibles were denied the opportunity to present evidence on an essential contested issue contrary to applicable Missouri statutes.

e.) Such action denied The MEG Interruptibles their right to a full and fair hearing on the issues in violation of their rights of due process and equal protection under Article I, Sections 2 and 10 of the Missouri Constitution and the Fourteenth Amendment to the Constitution of the United States.

3. The Commission erred in failing to suspend the UE tariff because said tariff is unreasonable unjust and unlawful for the foregoing reasons and the reasons indicated in the pleadings filed herein and in related case number ET-2000-580 by the MEG Interruptibles.


4. The Commission erred in denying the MEG Interruptibles Application thereby denying the MEG Interruptibles their right to a full and fair hearing on the revenue and other issues and an opportunity to present evidence on such issues. Such action of the Commission being unreasonable, unjust, unlawful, discriminatory, arbitrary and capricious.

With respect to the matters described herein resulted in clear and unlawful discrimination against the MEG Interruptibles in violation of Missouri law, including section 393.130 R.S.Mo 1969, and their rights to due process of law and equal protection of Article I, Section 2 and 10 of the Missouri Constitution and the Fourteenth Amendment to the Constitution of the United States.

The decisions of the Commission herein are unlawful, unjust, unreasonable, discriminatory, arbitrary and capricious are not supported by findings of fact, are not based upon substantial and competent evidence on the whole record and denied The MEG Interruptibles their right to be heard on the essential revenue and other issues herein and their right of due process and equal protection under the law.

Wherefore the MEG Interruptibles pray that the Commission grant this Application for Reconsideration and Rehearing and reverse this decision on the matters raised herein and grant MEG Interruptibles a full and fair hearing on interruptible tariff issues, and further suspend the effectiveness of the UE Tariff Rider M pending a full and fair hearing herein. The MEG Interruptibles further request oral argument on the issues raised herein.

Respectfully Submitted,



Robert C. Johnson #15755
720 Olive St. Suite 2400
St. Louis, MO 63101
(314) 345-6436
(314) 588-0638 (fax)

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been mailed or hand delivered to the following on this 3rd day of May 2000

James Cook
Union Electric Company
P.O. Box 149
St. Louis, MO 63166

John B. Coffman
Office of Public Counsel
Truman Building, Room 250
301 West High Street
P.O. Box 7800
Jefferson City, MO 65102

Steven R. Dottheim
Chief Deputy General Counsel
Missouri Public Service Commission
Truman Building
301 West High Street, 7-N
P.O. box 360
Jefferson City, MO 65102

Maurice Brubaker
Brubaker & Associates Inc.
1215 Fern Ridge Parkway, Suite 208
P.O. box 412000
St. Louis, MO 63141-2000

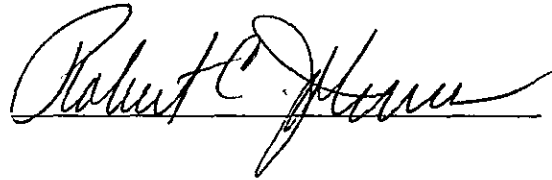
A handwritten signature in black ink, appearing to read "Robert C. Hume", is written over a horizontal line.

EXHIBIT A

TO

**Application of MEG Interruptibles for Reconsideration, Rehearing and
for Oral Argument**

Case No. ET-2000-666

Tariff No. 200000913

12/14/99

PROPOSED INTERRUPTIBLE RATE CONCEPTS
AmerenUE - (Missouri)

1. AmerenUE (UE) can interrupt for reliability purposes, consistent with the current tariff. UE may not interrupt simply because it anticipates the approach of a system peak.
2. The demand/energy structure of the rate, and the price relationship to the firm tariff, is maintained.
3. In addition to the reliability-based interruptions in paragraph 1, UE may, during not more than 60 hours per calendar year, declare a "high cost period." Such a period may be declared only if UE's anticipated incremental cost of generating or purchasing power exceeds \$500 per megawatthour (MWh). The customer has the right to curtail or to continue to purchase power during such periods.
4. UE will provide the customer with notice of the "high cost" period by not later than 8:00 AM on the preceding day. At such time, UE will provide the customer with its good faith best estimate of the incremental cost which will form the basis for the payment or credit.
 - a. The incremental cost amount quoted will be fixed, and not subject to later change.
 - b. The customer will have six hours to notify UE whether it intends to curtail or continue to purchase power. If the customer elects to purchase power, it will be charged a price equal to the quoted incremental cost, plus a mark-up of 1¢ per kilowatthour (kWh), for all kWh actually taken in excess of its assurance power demand.
 - c. If the customer elects to curtail, it shall advise UE of the level of demand to which it shall curtail, which may be equal to, greater than, or less than its assurance power demand level. The customer will receive a payment from UE equal to 90% of the quoted incremental cost times the number of kWh estimated to have been curtailed.
 - d. If the customer makes an election to curtail, but fails to curtail to the level indicated, it shall be subject to a penalty. The penalty will equal \$10 per kW times the difference between the committed curtailment and the actual average demand experienced during the curtailment period.
5. On-peak hours will be 10 AM – 8 PM, Monday through Friday.
6. Customer may change the level of its contracted Assurance Power Demand level with 90 day's notice. After a change has been made, no additional change may become effective sooner than 12 months following the date of change.
7. UE will maintain records supporting its good faith best estimate and the actual incremental cost. These records will be subject to review by the MPSC Staff and by the interruptible customers.

EXHIBIT B

TO

**Application of MEG Interruptibles for Reconsideration, Rehearing and
for Oral Argument**

Case No. ET-2000-666

Tariff No. 200000913

Ameren Services

Steven R. Sullivan
Vice President and General Counsel

One Ameren Plaza
1901 Chouteau Avenue
PO Box 66149, MC 1300
St. Louis, MO 63166-6149
314.554.2098
314.554.4014 fax
srsullivan@ameren.com

RECEIVED
APR 11 2000

April 5, 2000

VIA FEDERAL EXPRESS



Mr. Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
301 West High Street – 7N
Jefferson City, MO 65101

Dear Mr. Roberts:

The accompanying tariff sheets issued by Union Electric Company d/b/a AmerenUE are transmitted to you for filing as a revision of Schedule No. 5, Schedule of Rates for Electric Service.

<u>FILED</u>	<u>CANCELING</u>
Original Sheet No. 116.3	--
Original Sheet No. 116.4	--
Original Sheet No. 116.5	--
Original Sheet No. 116.6	--

These tariff sheets are issued April 6, 2000, to become effective on and after May 6, 2000.

This new Rider M is being filed to provide the Company's primary service rate customers the opportunity, at their option, to grant Company the right to call for the curtailment of a portion of such customers' electrical usage based upon a number of curtailment options selected by each individual customer and contracted for with Company.

In consideration for such customers' participation in this Option Based Curtailment Rider, company will pay each participating customer a levelized amount each summer billing month (June – September) based upon the following options selected by each individual customer: a) curtailment strike price of either \$100, \$250, \$500, \$750 or \$1,000 per megawatt-hour, b) allowed frequency of curtailments of from one (1) to five

Mr. Dale Hard Roberts

Page 2

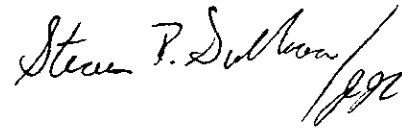
April 5, 2000

(5) weekdays per week and c) a curtailment interval duration of either eight (8) or sixteen (16) hours. In addition to this levelized payment based upon each individual customer's selected options, the customer will also receive compensation for all megawatthours curtailed during each curtailment at their selected strike price.

Under the proposed Rider M, the Company will contract each year with each individual participating customer for the summer billing months of June through September. During these and all other months of the year, Rider M customers will also be provided the opportunity to participate in Rider L, the Company's Voluntary Curtailment Rider, when Rider M is not in effect or being activated by the Company.

Kindly acknowledge receipt and filing of this letter by stamping, as filed, a copy of this letter and returning it in the enclosed envelope.

Yours truly,

A handwritten signature in cursive script, appearing to read "Steven P. Sullivan", followed by a diagonal slash and the initials "JJS".

Enclosures

cc: Office of the Public Counsel
James Watkins (MPSC)

APPLYING TO

MISSOURI SERVICE AREA

RIDER M
OPTION BASED CURTAILMENT RIDER

1. PURPOSE

The purpose of this Rider is to provide customers the option to grant Company the right, but not the obligation, to call for curtailment of a certain level of customer's energy consumption, based upon various curtailment options and associated prices offered by Company, selected by customer, and specified by contract between customer and Company.

2. APPLICABILITY

This Rider is applicable to and is to be used in conjunction with the Company's Electric Service Classifications 4(M) - Small Primary Service Rate or 11(M) - Large Primary Service Rate. All of the provisions of such Service Classifications and the Company's General Rules and Regulations shall apply, except as modified by this Rider. Customers may elect to be served under this Rider and the Company's Rider L Voluntary Curtailment Rider. However, Company will specify in its notification of curtailment whether said curtailment is to be treated as Rider M or Rider L. If Customer receives both Rider M and Rider L notification of curtailment for the same day, then only the provisions of this Rider M will apply. Customers may not be served under this Rider and the Company's Rider G - Curtailable Power Project.

The applicability of this Rider is limited to customers receiving service under the above referenced Service Classifications and who agree to curtail their electrical use, upon notice by Company, by a minimum of 1,000 kilowatthours (kWh) per hour at a single premises, under the terms and conditions of this Rider and those specified by contract.

Applicants for this Rider must provide the Company with an acceptable action plan for complying with the provisions of the Rider.

3. OPTION PREMIUM PAYMENT

The Option Premiums offered by Company, for payment to customer under the provisions of this Rider, will be based upon projected power market prices for the forthcoming summer season and the curtailment options selected by customer. Due to market price volatility, the Option Premiums quoted under the provisions of this Rider will be time sensitive and subject to the conditions in existence at the time such Premiums are contracted for between Company and customer. However, all customers will be quoted the same Options Premium, per unit of load reduction, for the same selected customer options at the same point in time.

P.S.C. Mo. DATE OF ISSUE April 6, 2000DATE EFFECTIVE May 6, 2000ISSUED BY Charles W. Mueller
NAME OF OFFICERPresident & CEO
TITLESt. Louis, Missouri
ADDRESS

APPLYING TO

MISSOURI SERVICE AREARIDER MOPTION BASED CURTAILMENT RIDER

The Option Premium Payment shall be based upon the following options selected by customer and contracted for with Company: a) curtailment Strike Price of either \$100, \$250, \$500, \$750, or \$1000 per megawatthour, b) allowed frequency of curtailments from one (1) to five (5) weekdays per week, and c) the curtailment interval duration of either eight (8) or sixteen (16) hours.

Said Option Premium Payment shall be paid to customer in four monthly installments (billing periods of June, July, August, and September), in consideration for the curtailment option provided by customer to Company under the provisions of this Rider.

4. STRIKE PRICE APPLICATION

For each kWh that the customer curtails, up to the level of curtailment called for by contract, Company shall pay customer the Contract Strike Price selected by customer. Such kWh shall be determined in accordance with the verification methodology set forth below. The total amount paid by Company under this provision shall be provided as a credit on the customer's bill, for the month during which the curtailment occurred, or paid by separate check, at the Company's discretion.

5. PASSTHROUGH MARKET PRICE

Should customer fail to reduce its kWh consumption by its contracted for level during any Company call for curtailment, customer shall pay Company a Passthrough Market Price for each kWh customer failed to curtail during any hour of the curtailment interval. Such kWh shortfall shall be determined in accordance with the verification methodology set forth below.

The Passthrough Market Price for each hour will be equal to the positive difference, if any, between (a) the Weighted Average Index Price for delivery to Cinergy as published in the Megawatt Daily "Trades for Standard 16-Hour Daily Products," (Daily Market Price) for the day the customer failed to curtail consumption, adjusted to account for the value difference between daily and hourly products by multiplying the Daily Market Price by the applicable hourly factor set forth below; and (b) the Contract Strike Price. The adjustment factor, based on such value difference, shall be as follows:

<u>Hour Ending</u>	<u>Factor</u>
700-1200	0.25
1300-1400	1.00
1500-1800	2.50
1900-2200	0.60

P.S.C. Mo. DATE OF ISSUE April 6, 2000DATE EFFECTIVE May 6, 2000ISSUED BY Charles W. Mueller

President & CEO

St. Louis, Missouri

NAME OF OFFICER

TITLE

ADDRESS

APPLYING TO

MISSOURI SERVICE AREA

RIDER M
OPTION BASED CURTAILMENT RIDER

6. CURTAILMENT NOTIFICATION

Company shall provide customer notice of its intent to exercise a curtailment option by facsimile, which, at Company's sole discretion, may be supplemented with contact by telephone, pager, or E-mail. The notice shall state the date and time that the curtailment shall commence, the required curtailment interval duration (Curtailment Period). Such notice shall be provided no later than 10:00 a.m. Central Prevailing Time (CPT) of the last business day immediately prior to the intended day of curtailment.

Curtailment interval durations of sixteen hours will commence at 6:00 a.m. CPT. Curtailments interval durations of eight hours will commence, at Company's sole discretion, between 6:00 a.m. CPT and 2:00 p.m. CPT. All referenced hours refer to clock hours.

7. VERIFICATION OF CUSTOMER COMPLIANCE

Customer compliance with Company's curtailment notice shall be determined based upon the average kilowatthours (kWh) consumed by the customer during each hour of the customer's Equivalent Period, as defined below, less the actual kilowatthours (kWh) consumed during each hour of the Curtailment Period. The calculation is expressed as the following formula:

Curtailment Kilowatthours (kWh) for each Curtailment Period Hour =

[Average Kilowatthours (kWh) for each Equivalent Period Hour]

Minus

[Actual Kilowatthours (kWh) for each Curtailment Period Hour]

For purposes of verification, customer's Equivalent Period shall be the same hours as those hours noticed for the Curtailment Period during the fifteen (15) non-curtailed, non-holiday weekday periods immediately prior to the date of notification. Company reserves the right to adjust Equivalent Period days for periods where usage during such days is not a typical peak weekday, such as a weekend day, holiday, or day when other events influenced usage patterns.

P.S.C. Mo. DATE OF ISSUE April 6, 2000DATE EFFECTIVE May 6, 2000ISSUED BY Charles W. Mueller
NAME OF OFFICERPresident & CEO
TITLESt. Louis, Missouri
ADDRESS

APPLYING TO

MISSOURI SERVICE AREA

RIDER M

OPTION BASED CURTAILMENT RIDER8. BILLING DEMAND STANDARD

Company's exercise of its curtailment option under this Rider shall not result in any adjustment or prorating of the customer's billing demand determined in accordance with the provisions of Service Classifications 4(M) or 11(M).

9. ADDITIONAL METERING

Service under this Rider requires the use of interval time sensitive electronic load profile metering at each meter location, metering not considered standard by Company under some rate classifications. The customer shall pay a monthly fee of \$21 for each electronic load profile meter required solely for the application and billing of this Rider.

10. COMPANY AND CUSTOMER OBLIGATIONS

Company shall have no liability to a customer or to any other person, firm or corporation for any loss, damage or injury by reason of non-delivery of electric energy during any curtailment relative to Company's exercise of its Curtailment Option.

The customer's generating equipment, if any, shall not be operated in parallel with Company's service except when such operation is approved by Company and permitted under a separate written agreement with Company. Company assumes no responsibility for controlling the customer's generation and/or shedding the customer's load and shall not be liable for the cost of fuel, operation and maintenance expense or repairs resulting from a customer's use of its own electric generation during curtailments under this Rider.

The possibility of interruption, curtailment or reduction of electric service caused by, resulting from, or arising out of unexpected causes or occurrences shall not be deemed to be Company's exercise of any Curtailment Option entitling the customer to the payment of the Strike Price under this Rider.

11. Contract

Service under this Rider shall be evidenced by a contract between the customer and the Company, a copy of which shall be provided for informational purposes to the Commission's Manager of the Electric Department within ten days of execution.

The term of service under this Rider shall be customer's billing months that encompass the calendar months of June through September, within a customer's contract year.