

Exhibit No.:
Issues: FERC 7-Factor Test
Witness: Edward C. Pfeiffer
Sponsoring Party: Union Electric Company
Type of Exhibit: Direct Testimony
Case No.: ER-2008-____
Date Testimony Prepared: April 1, 2008

MISSOURI PUBLIC SERVICE COMMISSION

CASE NO. ER-2008-____

DIRECT TESTIMONY

OF

EDWARD C. PFEIFFER

ON

BEHALF OF

**UNION ELECTRIC COMPANY
d/b/a AmerenUE**

**St. Louis, Missouri
April, 2008**

1 **DIRECT TESTIMONY**

2 **OF**

3 **EDWARD C. PFEIFFER**

4 **CASE NO. ER-2008-____**

5 **Q. Please state your name and business address.**

6 A. Edward C. Pfeiffer, Ameren Services Company (“Ameren Services”), One
7 Ameren Plaza, 1901 Chouteau Avenue, St. Louis, Missouri 63103.

8 **Q. What is your position with Ameren Services?**

9 A. I am the Manager of the Electric Planning Department.

10 **Q. Please describe your educational background, work experience and**
11 **duties of your position.**

12 A. After receiving Bachelor of Science and Master of Science degrees in Electric
13 Systems and Science Engineering from Southern Illinois University in Carbondale, I began
14 my career with Union Electric Company (“UE”) in 1978. I worked for UE as an Engineer in
15 the Transmission Planning Department for approximately 20 years. I am a registered
16 professional engineer in the State of Missouri.

17 After the merger of Central Illinois Public Service Company and UE and the
18 formation of Ameren Services in connection with that merger, I became an employee of
19 Ameren Services and assumed my role as the Manager of the Electric Planning Department.
20 Among other responsibilities, the Electric Planning Department is responsible for both
21 operational and expansion planning for the Union Electric Company d/b/a AmerenUE
22 (“AmerenUE” or “Company”) transmission system. The Electric Planning Department is
23 also responsible for compliance with applicable Federal Energy Regulatory Commission

1 (“FERC”) requirements relating to the transmission system, including for the proper
2 classification of the Company’s energy delivery facilities as distribution or as transmission in
3 accordance with FERC requirements.

4 **Q. What is the purpose of your direct testimony in this proceeding?**

5 A. The purpose of my testimony is to discuss AmerenUE’s classification of its
6 energy delivery facilities in accordance with the 7-Factor Test prescribed by the FERC, and
7 to request a Commission determination confirming the Company’s application of the
8 7-Factor Test to its energy delivery facilities. The Company is making this request solely to
9 comply with a requirement in the Agreement of Transmission Facilities Owners to Organize
10 the Midwest Independent Transmission System Operator, Inc., a Delaware Non-Stock
11 Corporation (the “TO Agreement”), to which the Company is a party by virtue of its
12 participation in the Midwest Independent Transmission System Operator, Inc. (“Midwest
13 ISO”). Specifically, the TO Agreement requires the Company, as a “Transmission Owner”
14 within the Midwest ISO, to request this determination from its state regulatory commission.

15 An Executive Summary of my testimony is attached hereto as Attachment A.

16 **Q. What is the FERC 7-Factor Test?**

17 A. The 7-Factor Test was established by the FERC in its Order No. 888 as a basis
18 to determine the classification of facilities as either local distribution or transmission. The
19 factors are as follows:

- 1 1. Local distribution facilities are normally in close proximity to retail
- 2 customers.
- 3 2. Local distribution facilities are primarily radial in character.
- 4 3. Power flows into local distribution systems; it rarely, if ever, flows out.
- 5 4. When power enters a local distribution system, it is not reconsigned or
- 6 transported on to some other market.
- 7 5. Power entering a local distribution system is consumed in a comparatively
- 8 restricted geographical area.
- 9 6. Meters are based at the transmission/local distribution interface to measure
- 10 flows into the local distribution system.
- 11 7. Local distribution systems will be of reduced voltage.
- 12

13 **Q. Has AmerenUE applied the FERC 7-Factor Test in classifying its energy**
14 **delivery facilities between distribution and transmission?**

15 A. Yes. The Midwest ISO TO Agreement defines an “Owner” as “a utility or
16 other entity which owns, operates, or controls facilities for the transmission of electricity in
17 interstate commerce (as determined by the Midwest ISO by applying the 7-Factor Test set
18 forth in FERC Order No. 888, 61 Fed. Reg. 21,540, 21,620 (1996), or any successor test
19 adopted by the FERC) and which is a signatory to [the TO] Agreement.” TO Agreement,
20 Article I, Section J. The TO Agreement requires that the facilities comprising an Owner’s
21 transmission system, defined in accordance with the FERC 7-Factor Test, be identified in
22 Appendix H of the TO Agreement. AmerenUE has applied the FERC 7-Factor Test in
23 classifying its energy delivery facilities between distribution and transmission and provided
24 the Midwest ISO with a list of AmerenUE’s transmission system facilities, which in turn has
25 been identified in Appendix H of the TO Agreement, as required by its terms. The list of
26 AmerenUE’s transmission system facilities is attached to my testimony as Schedule ECP-E1.

27 **Q. Does this conclude your direct testimony?**

28 A. Yes, it does.

EXECUTIVE SUMMARY

Edward C. Pfeiffer

Manager of the Electric Planning Department for Ameren Services Company

The purpose of my testimony is to discuss AmerenUE's classification of its energy delivery facilities in accordance with the 7-Factor Test prescribed by the Federal Energy Regulatory Commission ("FERC") and to obtain a Commission determination confirming the Company's application of the 7-Factor Test to its energy delivery facilities. The Company is making this request solely to comply with a requirement in the Agreement of Transmission Facilities Owners to Organize the Midwest ISO (the "TO Agreement"), to which the Company is a party by virtue of its participation in the Midwest Independent Transmission System Operator, Inc. ("Midwest ISO"). Specifically, the TO Agreement requires the Company, as a "Transmission Owner" within the Midwest ISO, to obtain this determination from its state regulatory commission.

AmerenUE has classified its energy delivery systems in accordance with the FERC 7-Factor Test. AmerenUE has provided a list of its transmission facilities classified according to the FERC 7-Factor Test to the Midwest ISO, as required by the Midwest ISO TO Agreement. That list is identified in Appendix H of the TO Agreement, as required by Appendix H, and is also attached to my direct testimony as Schedule ECP-E1.

LIST OF AmerenUE FACILITIES TRANSFERRED TO MISO FOR OPERATIONS

345 kV Lines

LINE NAME
Belleau-Montgomery-6
Bland-Franks-3
Callaway-Bland-1
Callaway-Loose Creek-2
Kelso-Lutesville-1
Labadie-Bland-3
Labadie-Montgomery-4
Labadie-Tyson-1
Labadie-Tyson-2
Loose Creek-Franks (AECI)-1
Lutesville-St. Francois-1
Mason-Labadie-3
Mason-Labadie-4
Mason-Sioux-7
Montgomery-Callaway-7
Montgomery-Callaway-8
Montgomery-Spencer Creek-1
Montgomery-Overton-5
Palmyra Tap-Palmyra
Palmyra Tap-Substation T-1
Rush Island-St. Francois-1
Rush Island-St. Francois-2
Rush Island-Tyson-1
Rush Island-Tyson-2
Spencer Creek-Palmyra Tap
Sioux-Belleau-6
Substation T-Hills-6
Sioux-Roxford-5

Note 2

Note 1

161 kV Lines

LINE NAME
Adair-Appanoose(MEC)-2
Barnett(AECI)-California-1
Big Creek(AECI) - Warrenton -3
California-Overton-1
Cape-Joppa(EEI)-1
Cape-Kelso-2
Cape - Kelso - 3
Clark - Cominco - 2
Clark - Pilot Knob - 1
Cottleville(AECI) - Highway N
Dardenne(AECI - Highway N
Eldon - Barnett(AECI) - 1
Fletcher (AECI)- Cominco-1
Fletcher (AECI)- Pilot Knob-2
Fletcher (AECI)- Sweetwater-3
General Motors - Point Prairie-3
Guthrie - Overton - 3
Kelso - Miner - 2
Kelso - Stoddard - 3
Maurer Lake-Carrollton(KCPL)-4
Mid Rivers - Cottleville(AECI) -1
Mid Rivers-Enon(AECI)-1
Miner - Sikeston (SPA)- 1
Missouri City(KCPL)-Maurer Lake-5
Montgomery - Guthrie - 3
Moreau-Apache Flats 161 kV
Osage - Eldon - 1
Overton - Moberly - 1
Overton-Sedalia(MPS)-1
Palmyra-N. Marblehead-1
Palmyra - Viele (ALTW)- 2
Pike - Palmyra - 2
Point Prairie-Big Creek(AECI)-3
Salisbury (KCP&L) -Moberly-10
Thomas Hill(AECI)-Adair-1
Troy(AECI) - Pike - 1
Warrenton - Montgomery - 3

Note 2

Note 2

Note 2

Note 2

Note 2

Note 2

Note 2

Note 2

Note 2

Note 2

Note 2

Note 2

Note 2

Note 2

Note 2

Note 2

Note 2

Note 2

Note 2

Note 2

Note 2

Note 2

Note 2

Note 2

Note 2

Note 2

Note 2

Note 2

Note 2

Note 2

Note 2

161/138 kV Lines

LINE NAME
Belleau - General Motors - 3
Belleau - Troy(AECI) - 1
Rivermines-Cape-1

--- Dardenne 138/161 kV transformer in series with line

--- Dardenne 138/161 kV transformer in series with line Note 2

--- Fredericktown 138/161 kV transformers in series with line

Note 1: McCredie Tap on Montgomery-Overton-5 is a tie with AECI

Note 2: This line is owned by UE and the non-Ameren company who's abbreviation is in parentheses.

**LIST OF AmerenUE FACILITIES
TRANSFERRED TO MISO FOR OPERATIONS**

138 kV Lines

LINE NAME
Arnold-Meramec-3
Ashley-Venice-2
Belleau - General Motors - 3
Belleau - Pike - 1
Baumgartner-Watson-1
Berkeley-Sioux-1
Berkeley-Sioux-2
Cahokia-Ashley-2
Cahokia-Central-1
Cahokia-Central-2
Cahokia-Meramec-1
Cahokia-Meramec-2
Campbell-Maline-1
Campbell-Maline-2
Central-Watson-1
Clark-Osage-2
Clark-Pea Ridge-3
Conway-Tyson-3
Conway-Tyson-4
Dupo Ferry-Selma-1
Franklin-Tegeler-1
Grand Tower-Perryville-1
Gray Summit-Franklin-1
Gray Summit-Franklin-2
Hall Street-Ashley-1
Huster-McClay-1
Huster-Belleau-3
Maries-Osage-1
Marshall-Lakeshire-4
Marshall-Tyson-1
Marshall-Tyson-2
Mason-Gray Summit-1
Mason-Gray Summit-2
Mason-McClay-9
Mason-Meramec-1
Mason-Meramec-2

138 kV Lines

LINE NAME
McClay-Belleau-1
Meramec-Baumgartner-1
Meramec-Sandy Creek-1
Meramec-St. Francois-2
Meramec-Watson-2
Page-Berkeley-1
Page-Berkeley-2
Page-Mason-1
Page-Mason-2
Page-Sioux-4
Page-Warson-5
Page-Warson-6
Rivermines-Cape-1
Rivermines-Clark-2
Rivermines-Maries-1
St. Francois - New Bourbon-1
St. Francois-Rivermines-1
St. Francois-Rivermines-2
St. Francois-Rivermines-3
St. Genevieve-Rivermines-1
Sandy Creek-St. Francois-1
Selma-Rivermines-2
Sioux-Huster-1
Sioux-Huster-3
Sioux-Maline-3
Sioux-Maline-4
Sioux-Roxford-1
Sioux-Roxford-2
Sioux-South Quincy-4
Tegeler-Osage-1
Tyson-Arnold-3
Tyson-Meramec-4
Venice-Campbell-1
Venice-Campbell-2
Warson-Mason-3
Warson-Mason-4

Note 2: This line is owned by UE and the non-Ameren company who's abbreviation is in parentheses.

LIST OF AmerenUE FACILITIES
TRANSFERRED TO MISO FOR OPERATIONS

Substations at Production Plants

	For Specified Voltage(s) Only
SUBSTATION NAME	kV
CALLAWAY PLANT	345
LABADIE PLANT	345
MERAMEC PLANT	138
OSAGE PLANT	138
RUSH ISLAND PLANT	345
SIOUX PLANT	345/138

Substations - Voltage Tie

	For Specified Voltages Only
SUBSTATION NAME	kV
BELLEAU	345/138
CAMPBELL	345/138
CLARK	161/138
DARDENNE	138/161
FREDERICKTOWN	161/138
GRAY SUMMIT	345/138
KELSO	345/161
MASON	345/138
MONTGOMERY	345/161
OSAGE	138/161
OVERTON	345/161
ST.FRANCOIS	345/138
TYSON	345/138
WILDWOOD	345/138

LIST OF AmerenUE FACILITIES
TRANSFERRED TO MISO FOR OPERATIONS

Substations - Switching and Bulk

	For Specified Voltage Only
SUBSTATION NAME	kV
ADAIR	161
ARNOLD	138
ASHLEY	138
BAUMGARTNER	138
BERKELEY	138
BLAND	345
BLANCHETTE	138
BOYD BRANCH	138
BRUSHY CREEK	138
CALIFORNIA	161
CAMPBELL	345
CAPE GIRARDEAU	161
CENTRAL	138
COMINCO MINE	161
CONWAY	138
ELDON	161
EUCLID	138
FRANKLIN	138
GASCO	138
GENERAL MOTORS	161
GUTHRIE	161
HALL STREET	138
HIGHWAY N	161
HUNTER	138
HUSTER	138
LAKESHIRE	138
LOOSE CREEK	345
LOY MARTIN	161
LUTESVILLE	345
MALINE	138
MARION	138 & 161
MARSHALL	138
MAURER LAKE	161
MCCLAY	138
MID RIVERS	161
MINER	161
MOBERLY	138
NORTH FARMINGTON	138
PAGE	138
PHELPS	138
PIKE	161
PILOT KNOB	161
POINT PRAIRIE	161

LIST OF AmerenUE FACILITIES
TRANSFERRED TO MISO FOR OPERATIONS

Substations - Switching and Bulk

	For Specified Voltage Only
SUBSTATION NAME	kV
RIVERMINES	138
SANDY CREEK	138
SELMA	138
SPENCER CREEK	345
STODDARD	161
SWEETWATER	161
VIBURNUM	161
TEGELER	138
WARRENTON	161
WARSON	138
WATSON	138