

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

In the Matter of an Investigation into an	)	
Incident in December 2005 at the	)	
Taum Sauk Pumped Storage Project	)	Case No. ES-2007-0474
Owned and Operated by the	)	
Union Electric Company d/b/a AmerenUE.	)	

**UNION ELECTRIC COMPANY D/B/A AMERENUE'S  
PLAN FOR IMPLEMENTING STAFF'S RECOMMENDATIONS**

COMES NOW Union Electric Company d/b/a AmerenUE (AmerenUE) and states as follows:

1. On June 19, 2007 the Missouri Public Service Commission (Commission) opened this case to investigate the Taum Sauk incident that occurred in December, 2005. The Commission held a hearing beginning on July 24, 2007 and the Missouri Public Service Commission Staff (Staff) filed its Incident Report on October 24, 2007. On December 6, 2007 the Commission issued its Order Receiving Staff Report. AmerenUE voluntarily agreed to adopt a number of Staff recommendations contained in the Staff's Report and agreed to file an implementation plan for the recommendations it agreed to adopt. AmerenUE's implementation plan is set forth below.

2. AmerenUE will exclude from its revenue requirement in future rate cases the cost of investigating the Taum Sauk failure, the costs incurred for the clean-up at Taum Sauk, the costs of compensating parties adversely affected by the failure, the cost of restoring Johnson's Shut-Ins State Park and the cost of the fine paid to the Federal Energy Regulatory Commission for the failure. In addition, until 2009 when the Taum Sauk facility rebuild is scheduled to be complete, AmerenUE will model its system as though the Taum Sauk plant continued to operate

in order to give customers the full benefit of the plant and the economic power it could generate during peak periods.

3. AmerenUE is providing the following accounting treatment to monies expended to rebuild the Taum Sauk plant: AmerenUE books (debits) all incurred Taum Sauk upper reservoir reconstruction costs for a calendar month to the specific capital project 19481 (neither AFUDC nor corporate indirect overheads are applied to this work order) and transfers (credits) the entire amount booked to the reconstruction work order at the end of the month to Accounts Receivable account 20-143-002. Insurance recoveries are applied (credited) to the Accounts Receivable account as the insurance settlement proceeds are received.

4. AmerenUE will submit its accounting treatment to the Staff as follows:

The Company will send to the Staff its accounting treatment for the reconstruction of the Taum Sauk upper reservoir on a semi-annual basis on March 15 and September 15 of 2008 and 2009. Staff will be provided a summary of the expenses incurred, the transfers generated to move the reconstruction cost to Accounts Receivable and the insurance proceeds received and credited to the Accounts Receivable account (see the attached Appendix A). The charge-level detail will be available if required.

AmerenUE will also be installing equipment and constructing facilities not related to the reconstruction of the upper reservoir. These projects were deferred from previous years pending the rebuild approval or added as plant improvements or replacements. AmerenUE will not be submitting data related to these projects. These projects will be subject to normal rate case proceedings.

5. AmerenUE will provide a single, on-site supervising engineer at each generation plant who is assigned to oversee all engineering projects at that facility. The supervising

engineer shall report to the plant manager, but will have the obligation to report any unresolved safety issues to the AmerenUE safety officer responsible for the facility. The AmerenUE Project Management Manual has been revised to reflect this change, as set forth in Appendix B [see the bottom of page 2 titled “On-site Supervising Engineer or Manager (Superintendent or equivalent)”]. The revision will be implemented within ninety (90) days of this filing.

6. AmerenUE will implement an Employee Concerns Program, whereby employees may report safety concerns and other concerns to the Vice President of Power Operations. The Employee Concerns Program is set forth in Appendix C. AmerenUE will provide semi-annual reports to the Staff of any employee concerns reported. This program will be implemented within ninety (90) days of this filing.

7. AmerenUE has designated three separate safety officers for its system: Mark Birk for non-nuclear generation, Adam Heflin for nuclear generation and Ron Zdellar for transmission and distribution facilities.

WHEREFORE, AmerenUE respectfully submits this plan for implementing Staff’s recommendations that it agreed to adopt.

Respectfully submitted,

UNION ELECTRIC COMPANY,  
d/b/a AmerenUE

By: Thomas M. Byrne

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Dated: March 5, 2008

## **CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a true and correct copy of the foregoing document was served via electronic filing with the Missouri Public Service Commission and via electronic mail (e-mail) on this 5<sup>th</sup> day of March, 2008 to:

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