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

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In re: Union Electric Company's 2008 Utility Resource Filing pursuant to 4 CSR 240 – Chapter 22.

Case No. EE-2010-0243

## AMEREN MISSOURI'S REPLY TO COMMENTS OF GRELC

**COMES NOW**, Union Electric Company, d/b/a Ameren Missouri (Ameren Missouri or the Company), and for its reply to the pleading filed by Great Rivers Environmental Law Center (GRELC)<sup>1</sup>, states as follows:

1. First, Ameren Missouri would like to thank GRELC for taking the time to provide this feedback at this point in the process. Providing feedback at this point allows the Company to review the information and, if appropriate, incorporate that feedback into its planning process. The Commission's regulations do not require any feedback to be provided to the utility until after all work is completed and the plan is submitted. The concern, of course, is that relevant information is provided too late to be incorporated into the Company's analysis. GRELC avoids that problem by providing the information earlier in the process rather than holding onto it in order to allege a deficiency after the filing is complete.

2. GRELC's comments provide citations to two nuclear plant cost estimates and characterize these costs as "real world" costs.

3. Ameren Missouri believes its analysis is entirely consistent with the figures contained in GRELC's comments. The number provided at the September 14<sup>th</sup>

<sup>&</sup>lt;sup>1</sup> GRELC was not a party to Ameren Missouri's last IRP case and is not a party to this case, but rather is the law firm which represents parties in the case. In checking EFIS, it appears the filing was actually made on behalf of the Sierra Club, which is a party to this case.

meeting was the estimated overnight cost in 2009 dollars. The overnight cost is the lump sum present value cost of the plant, if it could be constructed "overnight", thus excluding escalation and financing costs. Typically overnight costs are used for quick comparisons of technologies since the all-in cost is sensitive to the in-service year and financing costs.

4. As part of the integration analysis, Ameren Missouri uses MIDAS which applies escalation and financing costs to the overnight costs for each of the unique 200+ alternative resource plans. For example, the Company estimates a 1600 MW nuclear plant going into service in 2026 would cost approximately \$\*\*\_\_\_\_\*\* billion including escalation and financing costs. This example illustrates the Company's nuclear cost estimates are "real world" and consistent with the numbers cited in GRELC's comments.

5. Finally, Ameren Missouri notes that GRELC filed its comments as Highly Confidential. The Company appreciates GRELC's caution against revealing confidential information, but does not believe the pleading contains any information which cannot be released. Accordingly, Ameren Missouri believes GRELC's comments may be made public.

WHEREFORE, Ameren Missouri is using a cost estimate similar to that provided by GRELC and does not believe any action by the Missouri Public Service Commission is warranted.

Respectfully submitted,

UNION ELECTRIC COMPANY, d/b/a Ameren Missouri

Is/ Wendy K. Tatro

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## **CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a true and correct copy of the foregoing Reply was served on all parties of record via electronic mail (e-mail) on this 22<sup>nd</sup> day of October, 2010.

Is Wendy K. Tatro

Wendy K. Tatro