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

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In the Matter of an Application to Intervene in the Union Electric Company d/b/a AmerenUE Proposed Tariff filed under Tariff No. JG-2005-0145

Case No. GT-2005-0069

## AMERENUE'S RESPONSE IN OPPOSITION TO MOTION TO SUSPEND

COMES NOW Union Electric Company d/b/a AmerenUE ("AmerenUE" or "Company") and hereby responds to the Motion to Suspend filed by Proliance Energy, LLC. In opposition thereof, AmerenUE states as follows:

1. On August 31, 2004, AmerenUE filed its proposed tariff sheets to reflect a change adopted by Panhandle Eastern Pipe Line Company (PEPL). Currently, PEPL offers "Burner Tip Balancing" to all AmerenUE transportation customers served off its system. PEPL has notified AmerenUE of its intent to limit the offering of such balancing service. In response, AmerenUE has filed proposed tariffs that reflect PEPL's change whereby only qualifying customers will be eligible for Burner Tip Balancing services on the PEPL system. All other transportation customers will be subject to AmerenUE's existing "cash out" tariff provisions for balancing services. It should be understood that AmerenUE does not set balancing provisions or any other policies of PEPL. In addition, PEPL has no affiliate tie with AmerenUE or its parent and is subject to regulation by the Federal Energy Regulatory Commission (FERC).

2. On September 17, 2004, ProLiance Energy, LLC, filed a motion to suspend the proposed tariffs and to intervene in this proceeding.

3. On September 20, 2004, the Commission issued its Order in which it granted intervention by ProLiance Energy, LLC. The Commission also ordered the Staff of the Commission and AmerenUE to respond to the motion to suspend by September 24, 2004.

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4. As indicated above, AmerenUE's proposed tariffs were filed only in response to the fact that PEPL, in general, effective October 1, 2004, will no longer offer "Burner Tip Balancing" services to <u>all</u> AmerenUE's gas transportation customers served off of PEPL's system. AmerenUE's proposed tariffs simply reflect that change. AmerenUE will allow gas transportation customers to continue to be "Burner Tip Balanced" by PEPL, if PEPL allows it, under terms acceptable to AmerenUE. The proposed tariffs will also allow each of AmerenUE's gas transportation customers to nominate a Group Manager and participate in Group Balancing which should help to minimize overall cash out costs. No other changes to AmerenUE's existing Commission approved tariffs are being proposed with this filing.

5. AmerenUE recognizes that its existing Commission approved transportation rates and charges may be different from what PEPL charges its customers and marketers for balancing services. However, in contrast to AmerenUE, PEPL is a large interstate pipeline company with vastly different operating characteristics and available resources. AmerenUE's proposed tariffs do not change any of the base rates or charges associated with the services available to any of its customers, including transportation customers. The cash out tariff provisions for transportation customers to which ProLiance objects have already been approved by the Commission and in effect for the Company's transportation customers since November 1, 2000. AmerenUE has several non-PEPL transportation customers that are currently operating without Burner Tip Balancing pursuant to its current Commission approved transportation tariffs. Therefore, the existing cash out tariff provisions are not subject to review as part of the instant filing.

6. AmerenUE notes that ProLiance states clearly in paragraph 6 of its Motion To Suspend that it is not opposed to AmerenUE's proposal to allow transportation customers to "Group Balance". Group Balancing should serve to mitigate concerns regarding daily imbalance charges. Group Balancing will allow marketers and other gas suppliers to net their daily over

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and under deliveries on the AmerenUE system, thereby reducing their daily cash out costs. This change is extremely important to smaller gas transportation customers who have little or no control over their daily gas usage.

7. AmerenUE notes that if the proposed tariff sheets do not go into effect by October 1, 2004, then all of AmerenUE's transportation customers will be balanced pursuant to AmerenUE's existing transportation tariffs which do not provide the substantial benefits of Group Balancing.

**WHEREFORE**, AmerenUE respectfully requests that the Commission deny ProLiance's Motion to Suspend and allow the tariffs filed on August 31, 2004 to be approved and take effect as requested.

Respectfully submitted,

UNION ELECTRIC COMPANY d/b/a AmerenUE

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Dated: September 24, 2004

## CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this 24<sup>th</sup> day of September, 2004, served the foregoing Response in Opposition to Motion to Suspend by electronic means to all parties by their attorneys of record as provided by the Secretary of the Commission as shown below.

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/s/ Thomas M. Byrne

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