BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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In the Matter of an Investigation of Union Electric Company d/b/a AmerenUE's Storm Preparation and Restoration Efforts.

Case No. EO-2008-0218

RESPONSE OF AMERENUE TO STAFF'S REPORT OF JUNE 18, 2008

COMES NOW Union Electric Company d/b/a AmerenUE (AmerenUE) and for its Response to Staff's Report of June 18, 2008, states as follows:

1. On June 17, 2008, the Staff (Staff) of the Missouri Public Service Commission (Commission) filed its *Final Report of Staff Investigation* (Staff Report).

2. On June 18, 2008, the Commission issued its Order Establishing Time to

Respond to Staff Report, which requires AmerenUE to respond no later than August 15, 2008.

Response to Staff Recommendations

3. Staff recommendation - Schedule a presentation with the Commission to discuss the KEMA report and the Company's anticipated actions in response to the recommendations in the report." *Staff Report*, p. 3.

At the Commission's request, KEMA was made available to answer questions from the Commission on July 17, 2008. Attachment 1 to this pleading lists the implementation status of each KEMA recommendation.

4. Staff recommendation – Review and evaluate the finding, conclusions and recommendations of the other December 2007 Storm Investigation reports. Determine if practices implemented by other utilities may be beneficial to utility operations during outage restoration. *Staff Report*, p. 4.

AmerenUE accepts this recommendation and will review the reports of the other December 2007 storm investigations.

5. Staff recommendation – Participate in a Commission sponsored storm restoration workshop to discuss this report and concurrent reports for other utilities. Incorporate an agenda item for the workshop to include a consistent methodology for future utility storm reporting. *Staff Report*, p. 4.

AmerenUE would support a Commission sponsored workshop that is constructive and designed to share ideas to help Missouri utilities improve their restoration processes. AmerenUE hopes that all participants will approach this workshop as an opportunity to share useful information and ideas and not merely as a forum to criticize a particular utility or group of utilities.

6. Staff recommendation – Review customer comments in any EFIS filing pertaining to the Company. *Staff Report*, p. 41.

AmerenUE accepts this recommendation. The Company has already gathered all of the comments filed on EFIS to date and has followed up on each one that alleges any type of reliability or system operational problem in an attempt to resolve the customer's issue, if possible.

7. Staff recommendation – Develop and utilize a Company community outreach function to participate with city and county agencies in an active role in assisting citizens that have special needs during an outage. *Staff Report*, p. 43.

AmerenUE is a bit unclear what action Staff is suggesting that it undertake. The Company recognizes that its customer base includes those with special needs and is open to considering new ideas which could assist those customers during

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times when there is a power outage. The Company, however, is concerned with this specific recommendation for a couple reasons. First, the Commission has a specific regulation which prohibits AmerenUE from making public customer specific information, which would include sharing information about which customers are registered as having specific medical (or other) needs with county or city agencies. 4 CSR 240-2.135(1)(B)1. AmerenUE believes this restriction is an appropriate limitation and so is unclear how Staff would have it proceed with this recommendation.

AmerenUE does have a system that allows customers with special medical needs to be put on a list that is kept internally. Accordingly, during non-major outages, the Company is able to target those customers and restore their service as quickly as possible. During efforts to restore service after a major outage, however, AmerenUE is not able to target its restoration efforts to these customers. If this recommendation is asking AmerenUE to change its restoration process during major outages, the Company believes it to be counterproductive to the goal of restoring service as quickly as possible. Attempting to restore the power grid in a piecemeal basis will do nothing but slow down restoration for the entire system. Part of the reason AmerenUE was able to restore its customers as quickly as it did during the 2007 storm was its prioritizing of the restoration work. The introduction of another standard would negatively impact AmerenUE's ability to repeat that success and AmerenUE would object to any such recommendation.

8. Staff recommendation – Review the Company's Communication Plan with respect to major outage restoration and develop a process to aid in delivering a consistent effective message to the public. *Staff Report*, p. 45.

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AmerenUE has previously reviewed and revised its Communication Plan in order to work towards sending more effective messages to the public. The Company will continue to work on improving this process so that it can provide consistent and accurate information to the public during major outages.

9. Staff recommendation – Revise vegetation management procedures to incorporate the Commission's Electrical Corporation Vegetation Management Standards and Reporting Requirements, 4 CSR 240-23.030, which will become effective on June 30, 2008. *Staff Report*, p. 46.

AmerenUE accepts this recommendation and has already completed this work. The revised procedures were filed with the Commission in Case No. EO-2009-0010 as part of the requirement contained in 4 CSR 240-23.030 (4)(C), which states as follows:

Each electrical corporation shall file a copy of its vegetation management standards, guidelines and procedures at the commission by July 1, 2008, with verification by affidavit of an officer who has knowledge of the matters stated herein.

10. Staff recommendation – Revise operational standards to incorporate the Commission's Electrical Corporation Infrastructure Standards, 4 CSR 240-23.020, which will become effective on June 30, 3008. *Staff Report*, p. 46.

AmerenUE accepts this recommendation and has already completed this work. The revised procedures were filed with the Commission in Case No. EO-2009-0011 as part of the requirement contained in 4 CSR 240-23.020(3)(B), which states as follows:

Each electrical corporation subject to this rule shall file at the commission by no later than July 1, 2008, compliance

plans for the inspection and record keeping required by this rule with verification by affidavit of an officer who has knowledge of the matters stated therein. These compliance plans shall include the proposed forms and formats for annual reports and source records, as well as the electrical corporation's plans for the types of inspections and equipment to be inspected during July 1 through December 31, 2008 and the upcoming calendar year. The electrical corporation's compliance plan shall include a projected schedule for completing a full cycle for each infrastructure classification shown in the attached table entitled Corporation System Inspection "Electrical Cycles (Maximum Intervals in Years)."

WHEREFORE, for the above stated reasons, AmerenUE asks that the Commission accept this response to the recommendations contained in the Staff Report

of June 18, 2008.

Respectfully submitted,

UNION ELECTRIC COMPANY, d/b/a AmerenUE

<u>|s| Wendy K. 7atro</u>

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been emailed to the following this 15th day of August, 2008:

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