

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

In the Matter of Union Electric Company d/b/a       )  
AmerenUE's Tariff Establishing an Industrial       )       Case No. ET-2007-0459  
Demand Response Program.                               )

**RESPONSE OF AMERENUE TO STAFF'S SECOND RECOMMENDATION**

COMES NOW Union Electric Company d/b/a AmerenUE (AmerenUE or Company), and hereby responds to the Missouri Public Service Commission Staff's (Staff) *Staff's Second Recommendation*. In response, AmerenUE states as follows:

1. Staff filed its *Staff's Second Recommendation* on November 15, 2007. A Staff *Memorandum* was attached.

2. Staff's *Memorandum* stated that the costs of the proposed Industrial Demand Response (IDR) pilot will be paid with shareholder funds. *Memorandum*, p. 2.

3. AmerenUE files this *Response* to make clear to the Commission that the Company intends to place the costs of this program in a regulatory asset, consistent with the *Stipulation and Agreement as to Certain Issues/Items (Stipulation)* approved by the Commission in ER-2007-0002 on April 11, 2007. The *Stipulation* adopted Staff witness Lena Mantle's recommendation that demand-side costs be placed in a regulatory account. The amounts in the regulatory asset are to be reviewed for prudence at the time of AmerenUE's next rate case. See also, *Response of Union Electric Company, d/b/a AmerenUE, to Commission Order Respecting AmerenUE's Revised Industrial Demand Response Program Tariff*, July 2, 2007, ET-2007-0459, pp. 9-11.

WHEREFORE, the Company files this *Response* and asks the Commission to approve the IDR tariff or to otherwise allow it to become effective on November 22, 2007.

/s/ Thomas M. Byrne  
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#### **CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 15<sup>th</sup> day of November, 2007.

/s/ Wendy Tatro  
Wendy K. Tatro