

May 21, 2002

VIA HAND DELIVERY

Mr. Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
200 Madison Street, Suite 100
Jefferson City, MO 65101

FILED³
MAY 21 2002
**Missouri Public
Service Commission**

Re: MPSC Case No. EC-2002-1059

Dear Mr. Roberts:

Enclosed for filing on behalf of Union Electric Company, d/b/a AmerenUE, in the above matter, please find an original and eight (8) copies of its Response to (r) Staffs Replies to Union Electric Company's Proposed Procedural Schedule for the Final Year of the Second UE Experimental Alternative Regulation Plan and (ii) Office of the Public Counsel's Complaint Regarding the Third Year of the Second Experimental Alternative Regulation Plan.

Kindly acknowledge receipt of this filing by stamping a copy of the enclosed letter and returning it to me in the enclosed self-addressed envelope.

Very truly yours,

James J. Cook

James J. Cook
Managing Associate General Counsel

JJC/mlh
Enclosures

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

OFFICE OF PUBLIC COUNSEL,	)	
Complainant,	)	
	)	Case No. E -2002-1059
v.	)	
UNION ELECTRIC COMPANY,	)	
d/b/a AmerenUE,	)	
Respondent.	)	

UNION ELECTRIC COMPANY'S RESPONSE TO (I) STAFF'S REPLIES TO UNION
ELECTRIC COMPANY'S PROPOSED PROCEDURAL SCHEDULE FOR THE FINAL
YEAR OF THE SECOND UE EXPERIMENTAL ALTERNATIVE REGULATION PLAN
AND (ii) OFFICE OF THE PUBLIC COUNSEL'S COMPLAINT REGARDING THE THIRD
YEAR OF THE SECOND EXPERIMENTAL ALTERNATIVE REGULATION PLAN

COMES NOW Union Electric Company d/b/a AmerenUE ("Company" or "LIE") and
for its Response to the three' above-referenced pleadings regarding the procedural
schedule for the third year of the second experimental alternative regulation plan ("EARP")
states as follows:

1. Staffs pleadings (in Case Nos. EM-96-149 and EC-2002-1025) make
several statements which, absent an explanation that has not yet been forthcoming, are
disingenuous. The Company believes that it is critical that these statements be addressed
prior to the Commission establishing a procedural schedule in these proceedings.

2. In its most recent pleadings, Staff sets forth the following historical analysis
of the parties' proposed procedural schedules [items in bold were not provided in Staffs
pleadings] as follows:

¹ See, Staff's Reply to Union Electric Company's Response Respecting Procedural Schedule for the Final Year of the Second UE Experimental Alternative Regulation Plan, Case No. EM-96-149; Staffs Reply to Union Electric Company's Response Respecting Procedural Schedule for the Final Year of the Second UE Experimental Alternative Regulation Plan and Staff Motion for Leave to Late-File Staff's Reply, Case No. EC-2002-1025; and [Office of Public Counsel's (OPC)] Complaint Regarding the Third Year of the Second Experimental Alternative Regulation Plan, Case No. EC-2002-1059 (which supports Staff's proposed schedule).

EVENT	UE 4125/02 PROPOSAL	STAFF 5/6102 PROPOSAL	STAFF 4/15/02 PROPOSAL
UE's filing of Final Earnings Report for Third Sharing Period	10/16/01 180 days	10/16/01 180 days	10/16/01 180 days
Staff Direct	4/15/02 25 days	4/15/02 25 days	4/15/02
Public Counsel Direct	5/10/02 105 days	5/10/02 45 days	56 days
LIE Rebuttal	8/23/02 21days	6/24/02 53 days	6/10/02 51 days
Staff/OPC Surrebuttal	9/13/02 10 days	8/16/02 21 days	7/31/02 8 days
Statement of Positions	9/23/02 7 days	9/06/02 10 days	8/8/02 6 days
Hearings	9/30/02	9/16-18/02	8/14-16/02

3. Staffs statement that UE's proposed procedural schedule unduly protracts these proceedings which, in turn, results in an interest free loan to UE (Staffs Replies, @ 1.) is disingenuous. As shown by the above chart, Staff took some six months to assemble and file its testimony for the third sharing period. Apparently, Staff is not at all concerned with the concept of an interest free loan when it relates to the timing of its own filings. One justification provided by Staff for its delays was that it needed additional time to prepare filings in Case No. EC-2002-1 (the \$250 million Complaint case Staff now has pending against UE).² Now Staff seeks to compel the Company's filing of testimony in this proceeding a mere 44 days after Company's filing of testimony in the Complaint case and a mere 17 days before the hearing (the Complaint case trial is scheduled for July 11-August 2, 2002) in that case. By all accounts, the Complaint case is the single largest electric

complaint case in the history of the State. It is imperative that the Company be allowed sufficient time to prepare for the hearing in that case.

4. Staffs suggestion that its newly proposed procedural schedule addresses UE's concerns (Staffs Replies, @ paragraph2.) is disingenuous. As a result of numerous conferences with the Company regarding this procedural schedule, Staff is well aware that the sole reason the Company proposes its procedural schedule is to allow the Company sufficient time to prepare for the hearing in the Complaint case. To be specific, should the Company be required to file testimony in this case under the Staffs proposed procedural schedule, it will be required to devote significant resources to respond to the issues raised by Staff. Many of these same resources will be required to timely respond to numerous data requests from the Staff, OPC and Industrial Interventors to assist them in their preparation of surrebuttal testimony in Case No. EC-2002-1. These same resources will also be required to prepare testimony responding to testimony filed by OPC and Industrial Intervenor testimony in Case No. EC-2002-1, as well as prepare for formal hearings. Further, it should not go unnoticed that the Staff suggested filing its surrebuttal testimony in this proceeding after the complaint case hearings so as to allow itself, once again, sufficient time to prepare its testimony in that case. Simply put, the Company is merely seeking fair treatment in the manner similar to that which has already been afforded to Staff and OPC.

5. Staff also suggests that this Commission's Order in Re Southwestern Bell Telephone Company, Case Nos. TC-93-224 and TO-95-192, 2 Mo.P.S.C. 479 (1993), somehow mandates Staffs procedural schedule so as to avoid the potential for double recovery of costs by UE in sharing credits and in the rates being established in the Complaint case. Staffs concerns are unclear. However, the Company has suggested on several occasions that if Staff can clearly express its concerns, the Company would be

⁵ See, Staff Motion for Extension of Deadline to File Notice of Areas of Disagreement and for Leave to Late-File Instant Motion, previously filed in Case No. EM-96-149.

willing to enter into a stipulation to prevent such a problem. Notwithstanding the foregoing, it is difficult to understand how the mere filing of testimony, which is neither sponsored nor the part of any record could possibly allay Staffs concerns.

6. Staff also expresses concern that the Company's proposed procedural schedule does not allow Staff sufficient time to file surrebuttal testimony. As stated, the Company's only concern is that it has sufficient time after the hearing in the Complaint case to file its testimony in this proceeding. Accordingly, the Company would have no objection to providing Staff additional time to file its surrebuttal testimony. Further, under the Company's proposed procedural schedule, concerns over any "double counting" can be addressed in testimony filed after the complaint case.

7. Under the Staffs original schedule it is anticipated that the Commission's final order in this matter would be issued around October 1, 2002. If the Company's proposed schedule is adopted, that Order might be issued in November. If the Company's proposed schedule is adopted, the Company will provide interest from October 1, 2002.³ This will **allow the Company a more** appropriate time to prepare, and customers will not be harmed by the additional brief delay in the payment of the credits.

WHEREFORE, the Company states its opposition to the procedural schedule proposed by Staff and respectfully requests this Commission to enter the proposed

³ The interest provided by the Company shall be at the rate provided on funds deposited with the Circuit Court of Cole County.

procedural schedule previously submitted by the Company with such modifications as the Commission deems necessary or proper.

Respectfully submitted,

UNION ELECTRIC COMPANY
d/b/a AmerenUE

By James J. Cook / sh

James J. Cook, MBE #22697
Managing Associate General
Counsel

Steven R. Sullivan, MBE #33102
Vice President, General Counsel
& Secretary

Ameren Services Company
One Ameren Plaza
1901 Chouteau Avenue
P.O. Box 66149 (MC 1310)
St. Louis, MO 64166-6149
314-554-2237
314-554-2098
314-554-4014 (fax)

OF COUNSEL:
Robert J. Cynkar
Victor J. Wolski
Cooper & Kirk
1500 K Street, N.W.
Suite 200
Washington, D.C. 20005
202-220-9600
202-220-9601 (fax)

DATED: May 21, 2002

CERTIFICATE OF SERVICE

I hereby certify that on this 21st day of May, 2002, a copy of the foregoing was served via first class, U.S mail, postage prepaid, upon All Parties of Record.

James J. Cook / sh
James J. Cook