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August 9, 2000

Mr. Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102

FILED²
AUG 09 2000

Missouri Public
Service Commission

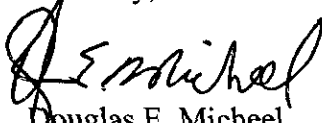
**RE: Union Electric Company d/b/a AmerenUE,
Case No. GR-2000-512**

Dear Mr. Roberts:

Enclosed for filing in the above referenced case, please find the original and 8 copies of the **Public Counsel's Response to Union Electric Company's Motion for Authorization To File Supplemental Direct Testimony.** Please "file stamp" the extra enclosed copy and return it to this office. I have on this date mailed, faxed, or hand-delivered the appropriate number of copies to all counsel of record.

Thank you for your attention to this matter.

Sincerely,


Douglas E. Micheel
Senior Public Counsel

DEM:jb

cc: Counsel of Record

Enclosure

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

FILED²
AUG 09 2000

Missouri Public
Service Commission

In the Matter of UE Company)
d/b/a AmerenUE for Authority to File)
Tariffs Increasing Rates for Gas Service)
Provided to Customers in the Company's)
Missouri Service Area)

Case No. GR-2000-512

**Public Counsel's Response to Union Electric Company's Motion For
Authorization To File Supplemental Direct Testimony**

Comes now the Office of the Public Counsel ("Public Counsel") and for its Response to Union Electric Company's ("UE") Motion For Authorization to File Supplemental Direct Testimony states as follows:

1. On or about August 2, 2000 UE filed its Motion For Authorization To File Supplemental Direct Testimony ("Motion"). UE seeks permission to file supplemental direct testimony of two witnesses. UE proposes to file supplemental testimony because UE completed a detailed site inventory of the facilities used in serving the customers in UE's Interruptible and Transportation Rate classes. (Motion ¶2). Specifically, UE wishes to supplement the testimony of Philip B. Difani, Jr. with an updated version of the cost of service study contained in Mr. Difani's direct testimony. (Motion ¶5). UE also wishes to supplement the direct testimony of William M. Warwick with the calculation of new specimen rates based on Mr. Difani's updated cost of service study. (Motion ¶5).

2. UE asserts that allowing this supplemental testimony will provide the parties and the Commission with additional information that is relevant to development of an appropriate rate design for UE. (Motion ¶7). UE alleges that it presented "the results of its

facilities inventory” to the Staff and Public Counsel at a “technical workshop” on June 28, 2000. (Motion ¶3).

3. UE is correct that it discussed its facilities inventory with Public Counsel technical personnel on June 28, 2000. UE is incorrect that it discussed the final results of that inventory with Public Counsel. As noted by witness Difani in his proposed supplemental direct testimony at the June 28, 2000 meeting UE discussed and presented the “preliminary results” of the study. (Proposed Difani Supplemental Direct, p. 4, line 14). As stated by witness Difani: “[t]he Company described its DI Study as a ‘work in progress’ at that time, indicating that it would be provided to all parties when finalized.” (Proposed Difani Supplemental Direct, p. 4, lines 15-17). Public Counsel did not receive a final copy of the Distribution Inventory Study until July 27, 2000 as noted by witness Difani at page 4 of his proposed supplemental direct testimony. Any implication that Public Counsel has had a final version of the Distribution Inventory Study since June 28, 2000 is simply wrong.

4. The filing of the new Distribution Inventory Study and the supplemental direct testimony of witnesses Difani and Warwick raise significant new issues that will have to be thoroughly explored. For example, as a result of the Distribution Inventory Study certain components of UE’s class cost of service study (“CCOS”) have changed. The workpapers for the old CCOS are not directly comparable to the workpapers supporting the new CCOS thus Public Counsel cannot readily compare and trace the changes that UE has made to its old CCOS.

5. Public Counsel is not opposed to having the Commission grant UE’s proposal to file supplemental testimony provided Public Counsel is given an appropriate amount of time to review the new information provided by UE. Public Counsel requests that the Commission allow Public Counsel, Staff and any intervenor the right to file supplemental rate

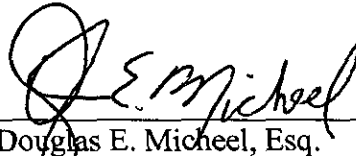
design direct testimony regarding issued raised by UE's supplemental testimony on or before August 22, 2000. Public Counsel also requests the Commission move the filing date for rebuttal testimony from September 26, 2000 to October 3, 2000 to allow appropriate discovery to be conducted regarding the new Distribution Inventory Study.

6. Public Counsel understands that UE, Staff and MGUA do not oppose changing the procedural schedule as requested by Public Counsel.

7. Public Counsel is opposed to UE attempting to change its "as filed" rates by the rates found in the supplemental testimony Schedule 6 of witness Warwick. UE claims in its Motion that it "is not proposing to withdraw either the original cost of service study or the original rate calculations derived there from..." (Motion ¶6). Those proposed rates are found on the proposed tariff sheets filed with UE's rate filing on February 18, 2000. (See proposed: P.S.C. Mo. No. 2 3rd Revised Sheet No. 5, P.S.C. Mo. No. 2 3rd Revised Sheet No. 6, etc.). If UE wishes to file for new or different rates than it filed for in February it should be required to withdraw the proposed rates filed on February 18, 2000 and refile proposed tariffs with the new proposed rates to place all potential party's on notice of the new proposed rates. To the extent UE may claim it is changing its proposed tariffed rates via its August 2, 2000 from the rates filed on February 18, 2000 Public Counsel objects to such a filing.

WHEREFORE: Public Counsel requests the procedural schedule in this proceeding be amended as set out in paragraph 5 of this Response and indicating that UE must abide by the rates contained in the proposed tariffs filed on February 18, 2000.

Respectfully submitted,
OFFICE OF THE PUBLIC COUNSEL

A handwritten signature in black ink, appearing to read "D. E. Micheel". The signature is written in a cursive style with a large, looped initial "D".

Douglas E. Micheel, Esq. (Bar No. 38371)
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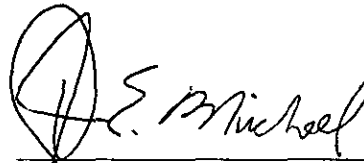
CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been mailed or hand-delivered to the following on this 7th day of August 2000.

Thomas Schwartz, Jr.
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102

Stuart W. Conrad
Finnegan, Conrad & Peterson
Penntower Office – Suite 1209
3100 Broadway
Kansas City, MO 64111

Michael C. Pendergast
Laclede Gas Company
Attn: Legal Department
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St. Louis, MO 63101

A handwritten signature in black ink, appearing to read "D. E. Micheel", written over a horizontal line.

Douglas E. Micheel