Exhibit No.:
Witness: James T. Selecky
Type of Exhibit: Surrebuttal Testimony
Issues: Revenue Requirement
Sponsoring Party: Missouri Industrial Energy Consumers
Case No.: ER-2010-0036

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the matter of Union Electric, d/b/a AmerenUE's Tariffs to Increase Its Annual Revenues for Electric Service	)))))	**Case No. ER-2010-0036** Tariff Nos. YE-2010-0054 and YE-2010-0055

Surrebuttal Testimony and Schedules of

James T. Selecky

Revenue Requirement

On behalf of

Missouri Industrial Energy Consumers

March 5, 2010

BRUBAKER & ASSOCIATES, INC.
CHESTERFIELD, MO 63017

Project 9187

BEFORE THE PUBLIC SERVICE COMMISSION
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STATE OF MISSOURI)
) **SS**
COUNTY OF ST. LOUIS)

Affidavit of James T. Selecky

James T. Selecky, being first duly sworn, on his oath states:

1. My name is James T. Selecky. I am a consultant with Brubaker & Associates, Inc., having its principal place of business at 16690 Swingley Ridge Road, Suite 140, Chesterfield, Missouri 63017. We have been retained by Missouri Industrial Energy Consumers in this proceeding on their behalf.

2. Attached hereto and made a part hereof for all purposes are my surrebuttal testimony and schedules, which were prepared in written form for introduction into evidence in the Missouri Public Service Commission Case No. ER-2010-0036.

3. I hereby swear and affirm that the testimony and schedules are true and correct and that they show the matters and things that they purport to show.

James T. Selecky

Subscribed and sworn to before me this 4th day of March, 2010.

MARIA E. DECKER
Notary Public - Notary Seal
STATE OF MISSOURI
St. Louis City
My Commission Expires: May 5, 2013
Commission # 09706793

Notary Public

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Surrebuttal Testimony of James T. Selecky

Q PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A James T. Selecky. My business address is 16690 Swingley Ridge Road, Suite 140, Chesterfield, MO 63017.

Q ARE YOU THE SAME JAMES T. SELECKY WHO HAS PREVIOUSLY FILED TESTIMONY IN THIS PROCEEDING?

A Yes.

Q ARE YOUR EDUCATIONAL BACKGROUND AND EXPERIENCE OUTLINED IN THAT PRIOR TESTIMONY?

A Yes. This information is included in Appendix A to my direct testimony.

Q WHAT IS THE PURPOSE OF YOUR SURREBUTTAL TESTIMONY?

A My surrebuttal testimony will address the rebuttal testimony of Staff witness Arthur Rice and AmerenUE witnesses John Wiedmayer and Mark Birk on the subject of book depreciation. The fact that I do not address an issue that has been raised by

any of these parties in their rebuttal testimony should not be construed as an endorsement of their position.

Q PLEASE SUMMARIZE YOUR CONCLUSIONS AND RECOMMENDATIONS.

A A summary of my conclusions and recommendations is as follows:

1. The retirement of the steam generators at Callaway should be excluded from the Account 322 life and net salvage analyses. The retirement of the steam generators was premature and as a result AmerenUE received compensation from Westinghouse.

2. Consistent with AmerenUE's revised position, the net salvage ratios for the other production plants should be lowered from -5% to -2%.

3. If the Commission approves whole life depreciation rates for the steam production plants, the final retirements of Venice, Mound and Cahokia should be excluded from the life analysis. These units are gas/oil-fired generating units and AmerenUE's current generation fleet consists of coal-fired generating units. Finally, the heat rates of these gas/oil-fired generating units are two to three times greater than the heat rates of AmerenUE's current coal-fired generating units.

4. For clarification purposes, I have utilized the same life characteristics to develop my other production depreciation rates as those employed by AmerenUE.

5. I am taking no position on the life characteristics and the net salvage ratio utilized to develop the depreciation rates for Account 312.03 – Aluminum Coal Cars.

6. If the Commission elects to utilize the life span method for purposes of calculating the depreciation rates for the steam production plants, the life of Meramec should be extended by five years. This is consistent with a study that was completed in June 2009 that addressed the life span of Meramec under various assumptions.

7. If the life span approach is utilized to develop steam production depreciation rates, the net salvage for Account 312 should be lowered from AmerenUE's proposed -15% to -10%. The -10% net salvage ratio is more reflective of AmerenUE's actual experience and reflects a cost for future inflation.

8. I concur with Mr. Wiedmayer's rebuttal testimony that I have overstated the amount of net salvage in AmerenUE's proposed transmission and distribution (T&D) depreciation rates. As a result, I am reducing my T&D offset from $35 million to $25 million. Even with my $25 million offset, AmerenUE will collect through its T&D depreciation rates significantly more net salvage than it is reasonably expected to incur.

RESPONSE TO STAFF WITNESS ARTHUR W. RICE, PE

Account 322 – Nuclear Plant Reactor Equipment

Q IN MR. RICE'S TESTIMONY ON PAGE 4, HE DISCUSSES YOUR POSITION REGARDING THE REMAINING LIFE AND NET SALVAGE RATIO FOR ACCOUNT 322 – NUCLEAR PLANT REACTOR EQUIPMENT. MR. RICE STATES THAT THE STAFF DOES NOT AGREE THAT THE 2005 RETIREMENTS OF THE STEAM GENERATORS FROM ACCOUNT 322 SHOULD BE EXCLUDED FROM THE LIFE ANALYSIS. HE GOES ON TO SAY "THAT BECAUSE THE REMAINING LIFE OF THIS NUCLEAR PLANT IS BASED ON A FIXED DATE, THERE IS NO IMPACT ON RECOMMENDED DEPRECIATION RATES" OF INCLUDING OR EXCLUDING THE RETIREMENTS OF THE STEAM GENERATORS. DO YOU AGREE WITH MR. RICE'S CONTENTION?

A No. Interim retirement activity, including the subject retirements of the steam generators, influences the calculation of the remaining life for Account 322. The Staff is recommending the same depreciation rate that the Company recommends for this account. A review of Company witness Wiedmayer's Schedule JFW-E1 shows that interim retirement activity indeed factored into the development of the Account 322 depreciation rate.

Q SHOULD THE RETIREMENTS OF THE STEAM GENERATORS BE EXCLUDED FROM THE DEVELOPMENT OF THE ACCOUNT 322 DEPRECIATION RATE?

A Yes. First, the Staff does agree that the steam generator replacement should be removed from the net salvage analysis (Rice Rebuttal, page 4, lines 19-20). Therefore, there appears to be some inconsistency regarding the Staff's treatment of the steam generator replacement in the development of the Account 322 depreciation

rate. The Staff believes that the steam generator retirements should be excluded from the salvage analysis but still included these retirements in the life analysis.

Apparently, Staff takes the position to include the subject retirements in its life analysis because it is unaware that these retirements were in fact partially reimbursed retirements (third-party payments). (See Rice Rebuttal at 4, lines 13 through 18). However, as indicated in my rebuttal testimony, AmerenUE received payments from Westinghouse as a result of early retirements of the steam generators. AmerenUE response to Data Request MIEC No. 16-4 states that AmerenUE received $35 million from Westinghouse in association with the retirements of the steam generators. Therefore, Mr. Rice's opinion is premised upon a factual misunderstanding. Thus, the steam generator retirements should in fact be excluded from the life analysis.

Q FOR ACCOUNT 322, THE STAFF EXCLUDES THE STEAM GENERATORS FROM THE NET SALVAGE ANALYSIS. HOWEVER, EVEN WITH THIS REMOVAL, THE STAFF SUPPORTS A NET SALVAGE PERCENTAGE OF -10%. DO YOU AGREE WITH THE STAFF'S CONCLUSION?

A No. The removal of the steam generators from the net salvage analysis produces a net salvage ratio of -6.8%. (Schedule JTS-4). AmerenUE witness Wiedmayer's rebuttal testimony (page 42) concurs that removing the steam generator retirements produces a net salvage ratio of -6.8%. So the Staff's contention that the correct number is -10% is erroneous.

In addition, the Staff has made no adjustment to reflect the fact that the net salvage ratio for Account 322 should just be applied to the interim retirements and not the final plant retirement. As Mr. Rice points out in his testimony, there is a separate decommissioning fund for the final removal of the nuclear plant. (See Rice Rebuttal

at 4, lines 19 through 22). Therefore, any net salvage developed for this account should only reflect interim retirement activity. The Staff has not proposed any such adjustment. Therefore, the Commission should reject the use of -10% net salvage to develop the depreciation rate for this account.

Net Salvage Ratio for Steam Production Plants

Q ON PAGE 5 OF HIS REBUTTAL TESTIMONY, MR. RICE DISAGREES WITH YOUR ADJUSTMENT TO THE NET SALVAGE RATIO FOR THE OTHER PRODUCTION PLANT ACCOUNTS. DO YOU CONCUR WITH MR. RICE'S OBSERVATION THAT AMERENUE'S RECOMMENDED NET SALVAGE RATIO FOR THE OTHER STEAM PRODUCTION PLANTS DOES NOT INCLUDE ANY COMPONENT FOR THE EVENTUAL DISMANTLING OF THE OTHER PRODUCTION PLANTS?

A No. First, as indicated in my direct testimony on page 20, AmerenUE, in response to Data Request MIEC No. 4-13, proposed a net salvage percentage for the other production plant accounts of -5%, which reflected some removal cost to dismantle the units at the time of their final retirements. In addition, a review of the other production summary of book salvage, as provided on AmerenUE's Schedule JFW-E1 on page B-43, indicates that the net salvage percentage over the entire life has been -2% and, over the last five years, has been +40%. Because of the minimal amount of retirements that have occurred over the last five years, I recommend that the entire history data be utilized and the appropriate net salvage value for the other production plant accounts be -2%. Also, Mr. Wiedmayer supports MIEC's adjustment relating to the net salvage ratios used to develop the depreciation rates for the other production

plant accounts (Accounts 341 through 345), and that support is consistent with my position on these accounts.

Finally, Mr. Rice states that he is not clear as to my reference to "other production plant accounts." This refers to Accounts 341 through 346. The other production plant accounts designation that I use is the same one used by AmerenUE in its direct testimony and schedules.

Whole Life Depreciation Rates for Steam Production Plants

Q IN HIS REBUTTAL TESTIMONY ON PAGE 5, LINES 21 THROUGH 26, MR. RICE STATES THAT STAFF DOES NOT AGREE WITH THE ANALYSIS USED BY MIEC TO COMPUTE THE WHOLE LIFE DEPRECIATION RATES FOR THE STEAM PRODUCTION PLANT ACCOUNTS. THE STAFF BELIEVES MIEC USED THE INTERIM RETIREMENT SURVIVOR CURVES GENERATED FOR USE IN THE LIFE SPAN TREATMENT FROM A COMPILATION OF ALL PRODUCTION UNIT DATA FOR EACH ACCOUNT BUT FAILED TO TRUNCATE THESE CURVES AT AN ESTIMATED RETIREMENT DATE. WOULD YOU PLEASE RESPOND TO THAT STATEMENT BY MR. RICE?

A Mr. Rice is confused. The truncation of the survivor curves is associated with the life span approach. In this case, I have provided life span depreciation rates if that is the Commission's preferred method for developing depreciation rates. The depreciation rates that Mr. Rice is referring to are my whole life steam production plant depreciation rates. I will address later in this surrebuttal testimony why I believe Mr. Rice's whole life analysis is flawed.

In addition, Mr. Rice's discussion of this issue also mentions my proposed reduction of $44.485 million in depreciation expense, leading one to believe that

Mr. Rice thinks that the entire reduction was proposed for just this adjustment. (Rice Rebuttal, page 5, lines 18 through 20). The proposed $44.485 million reduction is the sum of a reduction in the depreciation rate for Account 322 and reductions to other production plant depreciation rates, which I discussed previously. Therefore, Mr. Rice's testimony in this regard appears to be based upon some incorrect factual assumptions about my testimony.

Life Used to Develop Whole Life Depreciation Rates for Steam Production Plants

Q MR. RICE, IN HIS REBUTTAL TESTIMONY, TAKES EXCEPTION TO THE LIFE RECOMMENDATIONS USED TO DEVELOP YOUR PROPOSED WHOLE LIFE DEPRECIATION RATES. WOULD YOU PLEASE BRIEFLY DESCRIBE WHAT CAUSES THE DIFFERENCE BETWEEN THE AVERAGE SERVICE YOU ARE RECOMMENDING AND THE AVERAGE SERVICE THAT MR. RICE IS RECOMMENDING FOR THE STEAM PRODUCTION PLANT ACCOUNTS USING THE WHOLE LIFE METHOD?

A The basic difference between the average service that I recommended and the average service that Mr. Rice recommended is whether the final retirements associated with certain steam production units should be included in the life analysis. As I stated in my rebuttal testimony, Mr. Rice has included in his life analysis final retirements of units that are not representative of the type of steam production units that are currently in service. For instance, Mr. Rice has included in his analysis gas/oil-fired units that have a much higher heat rate than AmerenUE's existing coal-fired steam production units. Including gas/oil-fired units in the life analysis distorts the results. Therefore, they should be excluded from the analysis.

It should be noted that Mr. Wiedmayer (who does not support the whole life approach) agrees with me. He states the following on this issue:

> "In fairness to Mr. Selecky, the reason why he excluded Venice, Mound and Cahokia is that they were older and smaller plants whose service lives he claims are not representative of the current plants in service. This is a valid reason." (Wiedmayer Rebuttal, page 44, lines 8 through 10).

Q HAS AMERENUE PROVIDED ANY TESTIMONY WHICH INDICATES THAT INCLUDING UNITS THAT HAVE A HIGHER HEAT RATE MAY NOT BE APPROPRIATE FOR PURPOSES OF DEVELOPING LIVES FOR AMERENUE'S CURRENT FLEET OF COAL-FIRED STEAM PRODUCTION PLANTS?

A Yes. In his rebuttal testimony, AmerenUE witness Birk, on page 12, takes exception to my extending the life span of the Meramec plant. His criticism for extending the Meramec Units 3 and 4 service lives is that the heat rates of the Meramec units range from 10,400 to 11,800 BTU/kWh versus a range of 9,400 to 10,300 BTU/kWh for the units of Labadie, Rush Island and Sioux. Mr. Birk then explains that this means that Meramec is a less efficient plant and requires higher fuel and emission costs to operate, which is one of the reasons it was in cycling service for an extended period of time. Mr. Birk then explains that this is one of the reasons why the Meramec Units 3 and 4 will have shorter service lives than the other coal-fired units currently in service.

Q DO YOU HAVE ANY OTHER COMMENTS ABOUT THIS ISSUE?

A Yes. It is my understanding that Mr. Rice has included in his life analysis the retirements of Mound, Cahokia and Venice units. As indicated in response to Data Request MIEC No. 16-1, the heat rates for the Mound, Cahokia and Venice I units

were 23,676 BTU/kWh, 22,655 BTU/kWh and 36,482 BTU/kWh, respectively. Since heat rates of these gas/oil-fired units are two to three times the heat rates of the existing coal-fired production units, providing capital expenditures to extend the lives of units would have been difficult. The key point here is that because these units had such a poor heat rate and were used in cycling service, their useful lives were likely shorter than the useful life of AmerenUE's existing coal-fired steam production units.

By way of an analogy, this is like retiring a gas-guzzling SUV that is two years old with 10,000 miles on it. If the price of gasoline was $10/gallon, some people would retire the SUV well before they might retire a fuel efficient car. During a time of $10/gallon gas we should not be using the retirement experience of SUVs to estimate retirement of fuel efficient vehicles. Here, the coal-fired plants at issue are more fuel efficient than the gas-fired plants whose retirements I suggest excluding from the analysis. Therefore, it is inappropriate to utilize these retirement data in the life analysis since they are not representative of the type of units now in service for which depreciation rates are being developed.

Q DO YOU HAVE ANY OTHER REASONS TO EXCLUDE THE CAHOKIA, MOUND AND VENICE UNITS FROM THE LIFE ANALYSIS?

A Yes. On page 2 of Mr. Rice's rebuttal testimony, he takes issue with some of the units that AmerenUE witness Mr. Loos included in his database as comparable to AmerenUE units. Mr. Rice states that the 12 AmerenUE steam production units in service have an average capacity of 457 MW. Mr. Rice then goes on to state that of the 586 retired units that Mr. Loos included in his database, only three had a capacity greater than 250 MW. The units, that had a capacity greater than 250 MW, were retired because of environmental reasons. AmerenUE has not claimed that any of its

existing coal-fired steam production units will be retired for that reason. It is my understanding that none of the Mound, Cahokia or Venice units had a capacity rating in excess of 200 MW. Therefore, these smaller units are not representative of the type of units that AmerenUE has currently in service and should not have been included in his analysis.

Q WHAT IS THE IMPACT ON THE STEAM PRODUCTION DEPRECIATION EXPENSE IF THE GAS/OIL-FIRED UNITS ARE EXCLUDED FROM THE LIFE ANALYSIS?

A Excluding the gas/oil-fired units from the life analysis reduces the Staff depreciation expense by approximately $20.5 million.

RESPONSE TO AMERENUE WITNESS JOHN F. WIEDMAYER

Service Life Estimates for Other Production Plant

Q IN MR. WIEDMAYER'S REBUTTAL TESTIMONY ON PAGE 4, LINES 18 THROUGH 20, HE TAKES EXCEPTION TO THE SERVICE LIFE ESTIMATES THAT YOU UTILIZED FOR ACCOUNTS 341 THROUGH 345. WOULD YOU RESPOND TO MR. WIEDMAYER'S CRITICISM?

A Yes. Although my Schedule JTS-5, page 2 of 2 shows that my proposed life span for the other production units is 45 years for Accounts 341 through 345, I did not utilize those life spans to develop my depreciation rates. My proposed depreciation rates utilize the remaining lives that Mr. Wiedmayer utilized. These remaining lives are shown on Mr. Wiedmayer's Schedule JFW-E1, page III-13, attached to his direct testimony. The difference between my depreciation expense and Mr. Wiedmayer's expense is solely related to lowering the net salvage ratio from -5% to -2%.

Therefore, there is no difference between the life parameters that I used and the life parameters Mr. Wiedmayer used to calculate his depreciation rates.

Account 322 – Nuclear Plant Reactor Equipment

Q MR. WIEDMAYER, IN HIS REBUTTAL TESTIMONY, TAKES EXCEPTION TO YOU REMOVING THE STEAM GENERATORS FROM YOUR LIFE AND NET SALVAGE ANALYSES FOR ACCOUNT 322. DO YOU HAVE ANY COMMENTS REGARDING MR. WIEDMAYER'S CLAIM THAT THOSE RETIREMENTS SHOULD BE INCLUDED IN THE ANALYSIS?

A Yes. Mr. Wiedmayer appears to justify his inclusion of these retirements because AmerenUE will be faced with what he characterizes as significant retirements in the near-term future. On page 40 of Mr. Wiedmayer's testimony, he identifies retirements that are expected to occur over the next five years. Mr. Wiedmayer seems to be saying that we should adjust the depreciation rate for Account 322 to reflect these future retirements and therefore the steam generator retirements should be incorporated into the life analysis. I am not aware of this Commission adjusting life analysis to include retirements that are intended to reflect retirements that may occur during the next five years for any plant account.

Mr. Wiedmayer, on page 41 of his rebuttal testimony, provides an example that I assume is intended to support his conclusion that the steam generator retirements should be included in the analysis. His example is intended to show that in the early years of Callaway the interim retirements will be low and will increase over time. This phenomenon is a consequence of using the life span approach.

The Public Utility Depreciation Practices Manual published by the National Association of Regulatory Utility Commissioners (NARUC) states that a general

characteristic of properly using the life span method is the gradual increase in the depreciation rate as property ages (page 142). Mr. Wiedmayer wants to reflect a higher depreciation rate now and not wait until future studies are performed. I believe Mr. Wiedmayer would agree that depreciation studies should be conducted about every five years. Future retirements and additions can be addressed at that time.

Q WHY IS IT APPROPRIATE TO EXCLUDE THE STEAM GENERATORS FROM THE LIFE ANALYSIS?

A These retirements were atypical. In its response to Data Request MIEC No. 16-4, AmerenUE stated the following regarding the expected life of the steam generators:

> "The expected design life of the original steam generators was 40 years. AmerenUE received a cash payment of $10,000,000, a fuel credit of $20,000,000 and a non-fuel related credit of $5,000,000."

It is clear from this response that AmerenUE expected the steam generators to live 40 years. The fact of the matter is their life spans were less than half that. Had the steam generators been in service for 40 years this would not have been an issue in this case.

To utilize another analogy, assume that a car is purchased and turns out to be a "lemon" and that the car is unusable after a few years. A depreciation analyst would not use the life span of that car to develop the life span of other cars that are not lemons. The steam generators at issue were "lemons" and that is why Ameren received compensation from Westinghouse.

Q MR. WIEDMAYER ALSO TAKES EXCEPTION WITH YOUR PROPOSED NET SALVAGE RATIO FOR ACCOUNT 322 BECAUSE YOU HAVE EXCLUDED THE STEAM GENERATOR RETIREMENTS FROM YOUR NET SALVAGE ANALYSIS. DO YOU HAVE ANY COMMENTS TO MAKE REGARDING MR. WIEDMAYER'S CRITICISM?

A Yes. Mr. Wiedmayer does concur with me on page 42 of his direct testimony that excluding the steam generator retirement results in a net salvage estimate of -6.8% versus the actual net salvage experience of -18%, that includes the steam generators. It appears that Mr. Wiedmayer's Account 322 proposed net salvage ratio of -10% is based on expectations of future retirements.

What Mr. Wiedmayer fails to point out is that when retirements take place, the equipment will most likely be replaced by equipment that will cost more than the equipment that has been retired. The net salvage accrual will increase because of the increase in plant in-service. The net salvage ratio that is a component of the depreciation rate is applied to the plant in-service. Therefore, as the plant in-service grows, so will the amount of the accrual set aside for net salvage. In fact, a review of the gross plant in-service at Callaway over the last 10 years clearly shows a growth in plant in-service. Mr. Wiedmayer's analysis of net salvage ignores this very important factor. Finally, as I previously indicated, the depreciation rate will be adjusted periodically so if an increase in net salvage is needed, it can be made at that time.

Aluminum Coal Cars

Q MR. WIEDMAYER TAKES EXCEPTION TO YOUR OVERESTIMATION OF A NET SALVAGE FOR ACCOUNT 312.03 – ALUMINUM COAL CARS. WOULD YOU PLEASE EXPLAIN YOUR POSITION?

A Yes. When I developed my depreciation rates, I utilized the entire net salvage history to develop my recommended net salvage ratio and average service life recommendations for Account 312.03. I have not in detail reviewed the position put forth by AmerenUE and the Staff. As a result, I am withdrawing my proposed net salvage value and will be taking no position on that plant account.

Net Salvage for Account 312 – Boiler Plant Equipment

Q ON PAGE 47 OF MR. WIEDMAYER'S REBUTTAL TESTIMONY, HE TAKES EXCEPTION TO YOU LOWERING THE NET SALVAGE PERCENT FOR ACCOUNT 312 – BOILER PLANT EQUIPMENT FROM HIS RECOMMENDED -15% TO -10%. WOULD YOU PLEASE RESPOND TO MR. WIEDMAYER'S CRITICISM?

A Mr. Wiedmayer's analysis is based on a comparison of the ratio for net salvage that Account 312 has experienced over the study life with what he projects for the level of interim retirements that are likely to occur during the estimated life span of the steam production units. Mr. Wiedmayer states that he has adjusted the net salvage estimate to -15% based on the assumption that 60% of the retirements are interim retirements. The key here is that Mr. Wiedmayer assumes that 60% of the retirements will be interim retirements. Finally, on page 19 of his rebuttal testimony he states that when the four coal plants that are currently in service retire "a substantial portion, nearly 50 to 80 percent, of the retirements associated with the life span property will occur one date in the future when the plant is retired." There

appears to be a conflict between these two statements as to the amount of retirements that will be interim retirements and the amount that will occur at the time of final retirements.

For my analysis, I have reviewed the actual cost that AmerenUE has incurred during the last 10 years. I have taken that actual incurred cost and have escalated it by 3% per year to develop a projection of what the expected cost will be over the remaining life of the units. I have then developed my net salvage ratio based on that analysis. Again, it should be noted that it is very likely that the investment in the steam production plant accounts will grow over time, and as the steam production investment grows so will the depreciation expense and the accrual for net salvage.

Transmission and Distribution Net Salvage

Q IN MR. WIEDMAYER'S REBUTTAL TESTIMONY HE TAKES ISSUE WITH THE AMOUNT OF NET SALVAGE THAT YOU HAVE STATED IS IN THE TRANSMISSION AND DISTRIBUTION DEPRECIATION RATES. MR. WIEDMAYER STATES THAT YOUR FIGURE OF $76.13 MILLION IS INCORRECT AND THE CORRECT AMOUNT IS $53.68 MILLION. WOULD YOU PLEASE COMMENT ON MR. WIEDMAYER'S CRITICISM?

A Yes. I concur that the amount of net salvage that I have included in my T&D depreciation rates of $76 million is overstated. I agree that the amount of net salvage that is included in the T&D depreciation rates is approximately $55 million. I only have a slight difference with Mr. Wiedmayer's calculation. However, the difference between my calculation and Mr. Wiedmayer's is not significant.

Q GIVEN THAT THE AMOUNT OF NET SALVAGE THAT IS IN THE T&D DEPRECIATION RATES IS APPROXIMATELY $55 MILLION, HAS THAT CHANGED YOUR POSITION REGARDING THE SIZE OF THE ACCRUAL THAT SHOULD BE UTILIZED TO OFFSET THE T&D DEPRECIATION EXPENSE?

A Yes. I have reduced the amount of accrual that should be utilized to offset the depreciation expense to $25 million as opposed to the $35 million that I originally proposed.

Q IF YOU ARE REDUCING THE AMOUNT OF NET SALVAGE THAT IS INCLUDED IN THE T&D DEPRECIATION RATES BY APPROXIMATELY $21 MILLION ($76 MILLION - $55 MILLION), WHY ARE YOU ONLY DECREASING YOUR OFFSET BY $10 MILLION ($35 MILLION - $25 MILLION)?

A My primary concern is with the amount of net salvage that AmerenUE has already accrued for T&D. As stated in my direct testimony, AmerenUE has accrued approximately $582 million for future net salvage. This amount seems excessive. (As a comparison, AmerenUE has accrued approximately $293 million for the final decommissioning of Callaway.) In addition, the amount of net salvage that AmerenUE is likely to incur still greatly exceeds the approximately $55 million that will be included in its T&D depreciation rates.

Finally, it should be remembered that my offset is a fixed number. That is, I am proposing that the $25 million offset remain constant from year to year. However, as AmerenUE's T&D net plant grows over time, the amount of net salvage that it will accrue will increase. This should offset any additional growth in its actual T&D net salvage expense.

Q HAS AMERENUE PROVIDED ANY EVIDENCE THAT THE T&D PLANT MAY GROW OVER TIME?

A Yes, if recent history can be used. Schedule JFW-ER16 shows the distribution plant and transmission plant values from 1950 through 2009. As Schedule JFW-ER16 shows, since 2000 the T&D plant has grown from approximately $3.4 billion to $4.9 billion. Although no one can say how T&D plant will grow in the future, there has been significant growth over the last nine years and, as growth continues, the amount of net salvage that AmerenUE will accrue for the future will also continue to grow.

Q YOU INDICATED THAT THE APPROXIMATELY $55 MILLION ACCRUAL FOR NET SALVAGE IN THE T&D DEPRECIATION RATES AND EXPENSE WOULD GREATLY EXCEED THE AMOUNT OF NET SALVAGE THAT AMERENUE IS LIKELY TO INCUR. WHAT IS YOUR BASIS FOR THAT STATEMENT?

A The Staff has provided an estimate of the T&D net salvage that AmerenUE is likely to incur over the next 10 years (Staff Schedule AWR-6A, page 4 of 4). The result of this analysis shows that the Company may incur an annual expense of approximately $19 million over the next 10 years.

In addition, as shown on my Schedule JTS-10, the actual annual net salvage for the T&D accounts has been approximately $15 million over the last five years and approximately $12 million over the last 10 years. It should be noted that from 2006 through 2008, AmerenUE's net salvage expense related to its T&D accounts has increased significantly from previous levels. This increase in expense is due in part to the storms that occurred on AmerenUE's system in 2006.

Q MR. WIEDMAYER HAS PRESENTED A COUPLE OF SCHEDULES INDICATING THAT AS A RESULT OF YOUR PROPOSAL THE ACCRUALS FOR ACCOUNTS 364 AND 365 WILL FALL SHORT OF THE AMOUNT NEEDED. HOW DO YOU RESPOND TO MR. WIEDMAYER'S CLAIM?

A First, the accrual calculations performed by Mr. Wiedmayer are based solely on the assumption that AmerenUE's projections of net salvage are accurate. It should be noted that Mr. Wiedmayer performed a net salvage study approximately three years ago. The net salvage ratios that he is recommending for Account 364 – Poles & Fixtures and Account 365 - Overhead Conductors & Devices in this case are different from what he recommended three years ago. However, it now appears that Mr. Wiedmayer can predict the amount of net salvage that the Company will incur through 2092 for Account 364 and through 2106 for Account 365.

Second, in Schedule JTS-12 there was a comparison of AmerenUE's actual annual retirements for Accounts 364 and 365 over the last five years with the first five years of projections provided by Mr. Wiedmayer. As Schedule JTS-12 shows, Mr. Wiedmayer is projecting a significant increase in annual retirements for each of these accounts. This raises a question as to the reliability of his analysis.

Third, as I have stated earlier in the testimony, it is a common practice in the utility industry to generally update depreciation studies every three to five years. What I am proposing in this case is that the Commission review my proposal for an offset for T&D depreciation in the future. If it appears that this offset is not allowing AmerenUE to accrue sufficient net salvage, the offset could be modified, or eliminated.

Q HOW DO YOUR RESPOND TO MR. WIEDMAYER'S CONTENTION THAT YOUR PROPOSED TREATMENT OF T&D NET SALVAGE IS ESSENTIALLY THE SAME AS EXPENSING NET SALVAGE (WIEDMAYER'S REBUTTAL TESTIMONY, PAGE 4)?

A As I have indicated in my previously filed testimonies, my proposal is to reduce the amount of T&D net salvage that will be accrued for future net salvage expense. I am not recommending an expensing of the T&D net salvage expense. I am proposing to limit the growth of the T&D net salvage accrual. Under my proposal, the accrual for future net salvage will continue to grow. However, what I am proposing to do is limit the amount of that growth.

Q IN MR. WIEDMAYER'S REBUTTAL TESTIMONY ON PAGE 58, HE STATES THAT THE COMMISSION "HAS ALREADY RECOGNIZED, THE UNIFORM SYSTEM OF ACCOUNTS PROVIDES THAT NET SALVAGE SHOULD BE ACCRUED OVER THE COURSE OF AN ASSET'S LIFE (I.E., RECOGNIZED IN EACH PERIOD IN WHICH THE ASSET PROVIDES SERVICE), AND NOT MERELY RECOGNIZED IN THE PERIOD IN WHICH ANY SALVAGE-RELATED COSTS ARE PAID." DO YOU AGREE WITH THAT STATEMENT?

A Not entirely. As Mr. Wiedmayer has pointed out in his testimony, the Commission does not allow any provision in the depreciation rates for the final dismantling of the fossil fuel plants. Therefore, the Commission's treatment of this item is in conflict with Mr. Wiedmayer's position as to what the Commission recognizes relative to the treatments described in the Uniform System of Accounts.

Depreciation Rate Analysis

Q HOW DO YOU RESPOND TO MR. WIEDMAYER'S CONTENTION THAT YOUR PROPOSED COMPOSITE DEPRECIATION RATE FOR AMERENUE WILL BE ONE OF THE LOWEST IN THE COUNTRY?

A First, it should be pointed out that I am recommending a decrease in the steam production depreciation expense of approximately $2.3 million from the level currently approved by the Commission. If the Commission continues to utilize the whole life method for developing steam production depreciation rates, my proposed composite depreciation rate will be decreased from 1.91% to 1.83%. These composite rates and expense exclude the effect of Account 312.03 – Aluminum Coal Cars. I have not included this in the analysis because I am not addressing this account and the Company is proposing a significant decrease in the depreciation rate for this account.

Second, as I have previously stated in this testimony, I am reducing my offset for T&D depreciation expense from $35 million to $25 million. This results in an increase in my composite depreciation rate. I have sampled transmission and distribution depreciation rates for 50 utilities utilizing data from the FERC Form 1. I developed the depreciation rates for the 50 utilities by dividing their reported depreciation expense by their distribution plant in service. The result of this analysis indicates that my proposed composite rate for distribution depreciation of 2.77% would fall after number 20 in my survey. That is, out of the 50 utilities that I have sampled, 20 would have a lower composite depreciation rate for their distribution investment. It should be noted that a similar analysis for the transmission plant produces similar results in that my proposed transmission composite rate of 2.11% would be higher than 21 of the utilities. For the transmission analysis, two of the utilities did not have any transmission investment so the sample size was 48 utilities.

AmerenUE's composite T&D depreciation rates will likely grow as its investment grows. The reason for this growth is that my depreciation offset is a fixed number and does not grow with an increase in its investment.

RESPONSE TO AMERENUE WITNESS MARK BIRK

Q DOES MR. BIRK TAKE EXCEPTION TO YOUR PROPOSAL TO EXTEND THE LIFE OF THE MERAMEC PLANT BY FIVE YEARS TO DEVELOP THE BOOK DEPRECIATION RATES USING THE LIFE SPAN APPROACH?

A Yes. One of Mr. Birk's criticisms is that I relied in part on the Burns & McDonnell report for purposes of supporting my life extension. Specifically, Mr. Birk states that my conclusions are based on a study that was prepared a "few years ago" (Rebuttal Testimony of Mark Birk, page 11, lines 7 through 8). The Meramec Conditions Assessment Study that I relied on indicates that the study was completed in June 2009, which is less than one year from today. In fact, the study makes reference to the operation of the Meramec unit through 2008. Therefore, his reference to the report being prepared a few years ago appears to be misleading.

Q DOES MR. BIRK PROVIDE ANY OTHER CRITICISMS OF YOUR RELYING ON THE MERAMEC ASSESSMENT STUDY FOR PURPOSES OF RECOMMENDING AN EXTENSION IN THE LIFE OF THE MERAMEC PLANT?

A Yes. Mr. Birk points out that the Burns & McDonnell study assumed that a second nuclear unit would go on-line at the Callaway plant site in 2021 or 2025. Mr. Birk states that the Company is no longer pursuing a second Callaway unit. I am not aware of any specific expansion plans that AmerenUE has in place to address its capacity needs in 2021 or 2025. Therefore, the capacity for the Meramec unit may

be needed to meet AmerenUE's capacity needs in the future. That fact supports a longer, not shorter, life.

Also, Mr. Birk states that Meramec's high production costs coupled with the estimated retirement date for the plant would make it very difficult to justify the installation of major environmental equipment. He seems to be saying that since we have an estimated specific retirement date, any environmental projects that are considered require the use of that date and life extension will never be considered. This does not seem to be a reasonable assumption. Therefore, I am recommending at this point that the Commission extend the service life of Meramec by five years as recommended in my direct testimony.

SUMMARY AND RECOMMENDATIONS

Q HAVE YOU PREPARED ANY SCHEDULES SHOWING THE MODIFICATIONS THAT YOU HAVE MADE TO YOUR DEPRECIATION STUDY?

A Yes. Schedule JTS-13 shows my proposed production depreciation rates utilizing the whole life method excluding Account 312.03 and removing the life spans for Accounts 341 through 345. Schedule JTS-7 shows the results of my depreciation study using the life span approach and is attached to my direct testimony.

Schedule JTS-14 shows the T&D depreciation rates utilizing an offset of $25 million to the T&D depreciation expense as opposed to $35 million.

Schedule JTS-15 compares the steam production, nuclear production, other production and T&D depreciation expense proposed by AmerenUE, the Staff and MIEC.

Q DOES THIS CONCLUDE YOUR SURREBUTTAL TESTIMONY?

A Yes, it does.

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AMERENUE

Comparison Of Actual Retirements With Projected Retirements

Line	Year	Account 364 Retirements (000)	Account 365 Retirements (000)
1	2004	$1,475	$3,811
2	2005	$1,615	$4,618
3	2006	$3,022	$6,413
4	2007	$3,401	$7,243
5	2008	$5,257	$9,951
6	Average	**$2,954**	**$6,407**
7	2009	$6,901	$8,605
8	2010	$7,177	$8,771
9	2011	$7,529	$8,938
10	2012	$7,889	$9,103
11	2013	$8,253	$9,269
12	Average	**$7,550**	**$8,937**

AmerenUE

MIEC Proposed Production Depreciation Parameters And Expense and Comparison With AmerenUE Proposed Production Depreciation Expense

Line		Depreciable Group	Original Cost at Dec 31, 2008	Net Salvage	Average Service Life Proposed	Revised Dep Rate	MIEC Dep Expense	AmerenUE Dep Expense	Dep Expense
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
		Steam Production Plant							
		Meramec Steam Production Plant							
1	311	Structures & Improvements	$39,820,843	-8.0%	115	0.94%	$374,316	$1,035,342	($661,026)
2	312	Boiler Plant Equipment	415,492,860	-25.0%	60	2.08%	8,642,251	28,710,557	(20,068,305)
3	314	Turbogenerator Units	83,427,432	-6.0%	70	1.51%	1,259,754	2,694,706	(1,434,952)
4	315	Accessory Electrical Equipment	43,146,199	-7.0%	80	1.34%	578,159	1,708,589	(1,130,430)
5	316	Miscellaneous Power Plant Equipment	19,153,270	1.0%	60	1.65%	316,029	1,135,789	(819,760)
6		Total Meramec Steam Production Plant	$601,040,604				$11,170,510	$35,284,983	($24,114,473)
		Sioux Steam Production Plant							
7	311	Structures & Improvements	$36,425,327	-8.0%	115	0.94%	$342,398	$925,203	($582,805)
8	312	Boiler Plant Equipment	392,050,516	-25.0%	60	2.08%	8,154,651	14,780,304	(6,625,654)
9	314	Turbogenerator Units	99,339,660	-6.0%	70	1.51%	1,500,029	3,109,331	(1,609,302)
10	315	Accessory Electrical Equipment	34,536,592	-7.0%	80	1.34%	462,790	970,478	(507,688)
11	316	Miscellaneous Power Plant Equipment	10,342,298	1.0%	60	1.65%	170,648	339,227	(168,579)
12		Total Sioux Steam Production Plant	$572,694,393				$10,630,516	$20,124,545	($9,494,029)
		Labadie Steam Production Plant							
13	311	Structures & Improvements	$64,976,426	-8.0%	115	0.94%	$610,778	$896,675	($285,896)
14	312	Boiler Plant Equipment	594,753,745	-25.0%	60	2.08%	12,370,878	13,619,861	(1,248,983)
15	312.03	Boiler Plant Equipment - Aluminum Coal Cars	116,271,400						
16	314	Turbogenerator Units	208,376,677	-6.0%	70	1.51%	3,146,488	4,980,203	(1,833,715)
17	315	Accessory Electrical Equipment	81,057,131	-7.0%	80	1.34%	1,086,166	1,369,866	(283,700)
18	316	Miscellaneous Power Plant Equipment	19,334,388	1.0%	60	1.65%	319,017	378,954	(59,937)
		Total Labadie Steam Production Plant	$1,084,769,767				$17,533,327	$21,245,558	($3,712,230)
		Rush Island Steam Production Plant							
19	311	Structures & Improvements	$53,514,432	-8.0%	115	0.94%	$503,036	$561,902	($58,866)
20	312	Boiler Plant Equipment	385,943,531	-25.0%	60	2.08%	8,027,625	8,027,625	0
21	314	Turbogenerator Units	136,992,202	-6.0%	70	1.51%	2,068,582	2,739,844	(671,262)
22	315	Accessory Electrical Equipment	37,966,123	-7.0%	80	1.34%	508,746	641,627	(132,881)
23	316	Miscellaneous Power Plant Equipment	11,297,925	1.0%	60	1.65%	186,416	203,363	(16,947)
		Total Rush Island Steam Production Plant	$625,714,213				$11,294,405	$12,174,361	($879,956)
		Common							
24	311	Structures & Improvements	$1,959,206	-8.0%	115	0.94%	$18,417	$51,135	($32,719)
25	312	Boiler Plant Equipment	36,983,418	-25.0%	60	2.08%	769,255	1,220,453	(451,198)
26	315	Accessory Electrical Equipment	3,129,975	-7.0%	80	1.34%	41,942	86,074	(44,133)
27	316	Miscellaneous Power Plant Equipment	20,843	1.0%	60	1.65%	344	588	(244)
28		Total Common	$42,093,441				$829,957	$1,358,250	($528,293)
29		**Total Steam Production Plant**	**$2,926,312,418**				**$51,458,715**	**$90,187,697**	**($38,728,982)**

AmerenUE

MIEC Proposed Production Depreciation Parameters And Expense and Comparison With AmerenUE Proposed Production Depreciation Expense

		Depreciable Group	Original Cost at Dec 31, 2008	Net Salvage	Average Service Life Proposed	Revised Dep Rate	MIEC Dep Expense	AmerenUE Dep Expense	Dep Expense
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
		Nuclear Production Plant							
30	321	Structures & Improvements	$908,912,210	-1.0%		1.39%	$12,633,880	$12,633,880	$0
31	322	Reactor Plant Equipment	1,011,169,315	-1.2%		2.07%	20,931,205	25,885,934	(4,954,730)
32	323	Turbogenerator Units	509,558,176	2.0%		2.05%	10,445,943	10,445,943	0
33	324	Accessory Electrical Equipment	211,158,284	0.0%		1.28%	2,702,826	2,702,826	0
34	325	Miscellaneous Power Plant Equipment	171,818,762	0.0%		2.95%	5,068,653	5,068,653	0
35		**Total Nuclear Production Plant**	**$2,812,616,747**				**$51,782,507**	**$56,737,236**	**($4,954,730)**
		Hydraulic Production Plant							
		Osage Hydraulic Production Plant							
36	331	Structures & Improvements	$4,388,345						
37	332	Reservoirs, Dams, & Waterways	26,340,018						
38	333	Water Wheels, Turbines, & Generators	33,927,129						
39	334	Accessory Electrical Equipment	6,077,560						
40	335	Miscellaneous Power Plant Equipment	2,257,999						
41	336	Roads, Railroads, & Bridges	77,445						
42		Total Osage Hydraulic Production Plant	$73,068,496						
		Keokuk Hydraulic Production Plant							
43	331	Structures & Improvements	$5,643,621						
44	332	Reservoirs, Dams, & Waterways	14,294,537						
45	333	Water Wheels, Turbines, & Generators	59,286,459						
46	334	Accessory Electrical Equipment	10,757,362						
47	335	Miscellaneous Power Plant Equipment	2,986,736						
48	336	Roads, Railroads, & Bridges	114,926						
49		Total Keokuk Hydraulic Production Plant	$93,083,641						
		Taum Sauk Hydraulic Production Plant							
50	331	Structures & Improvements	$6,000,732						
51	332	Reservoirs, Dams, & Waterways	28,104,317						
52	333	Water Wheels, Turbines, & Generators	39,324,979						
53	334	Accessory Electrical Equipment	3,947,016						
54	335	Miscellaneous Power Plant Equipment	2,413,628						
55	336	Roads, Railroads, & Bridges	45,570						
56		Total Taum Sauk Hydraulic Production Plant	$79,836,242						
57		**Total Hydraulic Production Plant**	**$245,988,379**						
		Other Production Plant							
58	341	Structures & Improvements	$25,892,740	-2.0%	NA	2.31%	$598,122	$598,122	$0
59	342	Fuel Holders, Producers, & Accessories	24,520,526	-2.0%	NA	2.53%	620,369	620,369	0
60	344	Generators	1,051,873,156	-2.0%	NA	1.85%	19,459,653	19,459,653	0
61	345	Accessory Electrical Equipment	69,921,659	-2.0%	NA	2.59%	1,810,971	1,810,971	0
62	346	Miscellaneous Power Plant Equipment	6,113,533	-2.0%	NA	3.82%	233,537	233,537	0
63		**Total Other Production Plant**	**$1,178,321,614**				**$22,722,653**	**$22,722,653**	**$0**
60		**Total Production Plant**	**$7,163,239,158**				**$125,963,875**	**$169,647,586**	**($43,683,711)**

AmerenUE

MIEC's Allocation Of $25 million Offset To Transmission & Distribution Depreciation Rates

Line	Account	Description	Original Cost at Dec. 31, 2008	AmerenUE Proposed Depreciation Rates	Proposed Annual Depreciation Expense	Total Net Sal Expense ($000)	Allocation of Dep Accrual Offset	Ratemaking Depreciation Expense
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
		Transmission Plant						
1	352	Structures & Improvements	$6,271,634	1.64%	$102,855	$0	$0	$102,855
2	353	Station Equipment	228,351,122	1.75%	3,996,145	0	0	3,996,145
3	354	Towers & Fixtures	70,394,133	1.34%	943,281	9,855	97,258	846,024
4	355	Poles & Fixtures	138,655,625	3.90%	5,407,569	124,790	1,231,517	4,176,053
5	356	Overhead Conductor & Devices	145,108,058	2.49%	3,613,191	29,022	286,406	3,326,785
6	359	Roads & Trails	71,789	-2.79%	(2,003)	0	0	(2,003)
		Total	**$588,852,361**	**2.39%**	**$14,061,038**	**$163,667**	**$1,615,180**	**$12,445,858**
		Distribution Plant						
7	361	Structures & Improvements	$15,366,771	1.68%	$258,162	$0	$0	$258,162
8	362	Station Equipment	598,830,057	1.82%	10,898,707	59,883	590,968	10,307,739
9	364	Poles & Fixtures	767,060,219	5.48%	42,034,900	1,150,590	11,354,839	30,680,061
10	365	Overhead Conductors & Devices	856,325,270	3.17%	27,145,511	453,852	4,478,936	22,666,575
11	366	Underground Conduit	223,547,546	1.94%	4,336,822	89,419	882,450	3,454,372
12	367	Underground Conductor & Devices	527,667,832	2.32%	12,241,894	131,917	1,301,850	10,940,044
13	368	Line Transformers	401,240,245	2.49%	9,990,882	0	0	9,990,882
14	369.1	Overhead Services	153,326,209	7.74%	11,867,449	329,651	3,253,233	8,614,216
15	369.2	Underground Services	134,153,521	3.02%	4,051,436	107,323	1,059,137	2,992,299
16	370	Meters	106,165,932	4.16%	4,416,503	0	0	4,416,503
17	371	Installations On Customers' Premises	164,611	2.26%	3,720	0	0	3,720
18	373	Street Lighting & Signal Systems	109,202,915	3.66%	3,996,827	46,957	463,407	3,533,419
		Total	**$3,893,051,128**	**3.37%**	**$131,242,813**	**$2,369,593**	**$23,384,820**	**$107,857,993**
		General Plant						
19	390	Structures & Improvements	$189,663,144	2.51%	$4,760,545	$18,966	$0	$4,760,545
20	391	Office Furniture & Equipment	55,554,783	4.52%	2,511,076	0	0	2,511,076
21	391.1	Mainframe Computers	0		0	0	0	0
22	391.2	Personal Computers	2,077,726	11.39%	236,653	0	0	236,653
23	392	Transportation Equipment	94,534,723	7.75%	7,326,441	(8,508)	0	7,326,441
24	393	Stores Equipment	2,924,509	3.89%	113,763	0	0	113,763
25	394	Tools, Shop, & Garage Equipment	13,425,316	4.49%	602,797	0	0	602,797
26	395	Laboratory Equipment	7,788,726	4.43%	345,041	0	0	345,041
27	396	Power Operated Equipment	8,575,690	5.96%	511,111	(1,286)	0	511,111
28	397	Communications Equipment	135,601,034	3.32%	4,501,954	0	0	4,501,954
29	398	Miscellaneous Equipment	780,241	4.97%	38,778	0	0	38,778
30		**Total**	**$510,925,892**	**4.10%**	**$20,948,159**	**$9,172**	**$0**	**$20,948,159**
31		**Total TD&G**	**$4,992,829,381**		**$166,252,010**	**$2,542,432**	**$25,000,000**	**$141,252,010**

AMERENUE

Comparison Of Proposed Depreciation Expense - AmereUE, Staff and MIEC

Line	Depreciable Groups	AmerenUE Depreciation Expense (000)	Staff Depreciation Expense (000)	MIEC Whole Life Depreciation Expense (000)	MIEC Life Span Depreciation Expense (000)
	(1)	(2)	(3)	(4)	(5)
1	Steam Production	$90,188	$73,181	$51,459	$76,503
2	Nuclear Production	$56,737	$56,737	$51,782	$51,782
3	Other Production	$22,723	$23,432	$22,723	$22,723
4	Transmission	$14,061	$12,124	$12,446	$12,446
5	Distribution	$131,243	$132,529	$107,858	$107,858
6	Total	$314,952	$298,003	$246,268	$271,312

Notes:
1. Steam production excludes Account 312.03 - Aluminum Coal Cars
2. Column 2 - Schedules JTS -5, 13 & 14
3. For AmerenUE assumed Other Production rates the same based on Wiedmayer Rebuttal
4. For Staff Nuclear Production assumed same expense as Company since composite rates are identical.
5. Column 3 - Schedules AWR-3 & 6A
6. Column 5 - Schedules JTS- 5, 7, 13 & 14