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October 11, 2000

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Director, Administration

DALE HARDY ROBERTS
Secretary/Chief Regulatory Law Judge

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General Counsel

FILED³

OCT 11 2000

Missouri Public
Service Commission

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

**RE: Case No. EO-2000-580 - In the Matter of an Investigation into an Alternative Rate
Option for Interruptible Customers of Union Electric
Company d/b/a Ameren UE.**

Dear Mr. Roberts:

Enclosed for filing in the above-captioned case are an original and eight (8) conformed
copies of a **STAFF'S STATEMENT OF POSITIONS ON THE ISSUES.**

This filing has been mailed or hand-delivered this date to all counsel of record.

Thank you for your attention to this matter.

Sincerely yours,

Dennis L. Frey
Associate General Counsel
(573) 751-8700
(573) 751-9285 (Fax)

Enclosure

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

FILED²

OCT 11 2000

Missouri Public
Service Commission

In the Matter of an Investigation into an)
Alternative Rate Option for Interruptible)
Customers of Union Electric Company)
d/b/a AmerenUE.)

Case No. EO-2000-580

STAFF'S STATEMENT OF POSITIONS ON THE ISSUES

COMES NOW the Staff ("Staff") of the Missouri Public Service Commission ("Commission"), and for its Statement of Positions on the Issues in the above-styled case, respectfully states as follows:

Issue A: Should the Commission order Union Electric Company to file tariff sheets to implement the interruptible rate concepts proposed by the MEG Interruptibles?

Staff's Position:

- Staff opposes the interruptible rate concept proposed by the MEG Interruptibles.
- If the Commission were to order the Company to file tariff sheets modifying the previous Service Classification No. 10(M)-Interruptible Power Rate, the Commission would need to resolve Issues B, C and D below, or make provision for their resolution by ordering the Company to perform additional studies.

Issue B: Should such interruptible rate provide for an average discount of \$5.00 per kilowatt per month?

Staff's Position:

- Staff believes that a further analysis of Union Electric Company's current avoided costs, which accounts for all relevant factors, would have to be performed in order to determine the appropriate level of the discount.

Issue C: Should such interruptible rate explicitly provide for the number and cumulative hours of interruptions allowable?

Staff's Position:

- Staff believes that such an interruptible rate should explicitly state the maximum number and/or cumulative hours of load curtailments that are allowed during each year. A further analysis would have to be performed in order to determine the appropriate maximum, which would be a relevant factor to consider in determining the appropriate level of the discount.

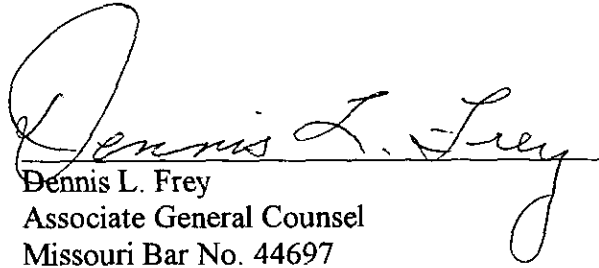
Issue D: Should such interruptible rate explicitly state the conditions under which interruptions may occur, and, if so, should those conditions be such that they are capable of being objectively verified?

Staff's Position:

- Staff believes that no conditions should be placed on curtailing load up to the maximum allowed each year. If, under certain circumstances, additional curtailments are allowed above the maximum, then the conditions under which those curtailments are allowed should be explicitly stated and should be capable of being objectively verified.
- Any condition placed on curtailing load up to the maximum is a relevant factor to consider in determining the appropriate level of the discount.
- If additional curtailments above the maximum are allowed for economic reasons, then any additional payment that the Company is required to make to its interruptible customers is a relevant factor to consider in determining the appropriate level of the discount.

Respectfully submitted,

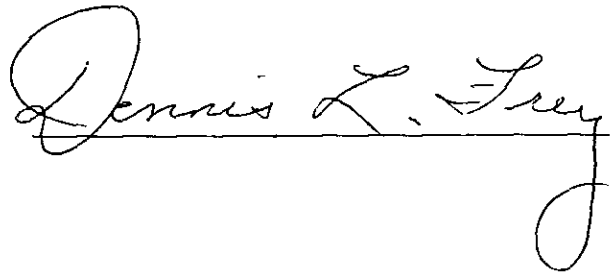
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Certificate of Service

I hereby certify that copies of the foregoing have been mailed or hand-delivered to all counsel of record as shown on the attached service list this 11th day of October 2000.



Service List for
Case No. EO-2000-580
Revised: October 11, 2000

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