

Exhibit No.:  
Issues: Advertising Expense,  
Targeted Separation Plan  
Witness: John M. Boczkiewicz  
Sponsoring Party: MoPSC Staff  
Type of Exhibit: Direct Testimony  
Case No.: EC-2000-795

**MISSOURI PUBLIC SERVICE COMMISSION**  
**UTILITY SERVICES DIVISION**

**DIRECT TESTIMONY**  
**OF**  
**JOHN M. BOCZKIEWICZ**

**FILED**

MAY 30 2000

Missouri Public  
Service Commission

**UNION ELECTRIC COMPANY**

**CASE NO. EC-2000-795**

*Jefferson City, Missouri*  
*May, 2000*

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JOHN M. BOCZKIEWICZ**

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Direct Testimony of  
John M. Boczkiewicz

1           A.     Yes. Please refer to Schedule 1, attached to this direct testimony, for a list  
2 of cases in which I have previously filed testimony.

3           Q.     What is the purpose of your direct testimony?

4           A.     My direct testimony will discuss the following items:

5                   1)     The Staff's recommendation regarding the amount of  
6                             sharing credits in the first year of the second Experimental  
7                             Alternative Regulation Plan (EARP) for Union Electric  
8                             Company, which was approved in Case No. EM-96-149.

9                   2)     A general discussion regarding the basis for all of the  
10                            Staff's adjustments which are at issue in this proceeding.

11                  3)     A discussion of the adjustments I am specifically  
12                            supporting.

13          Q.     Please explain the term "sharing credits".

14          A.     The term relates to the amount of earnings that are credited to current  
15 ratepayers, on a one-time basis, depending on UE's achieved return on equity during each  
16 annual sharing period. The annual sharing period is July 1 of one year through June 30 of  
17 the next year. The initial EARP, approved in Case No. ER-95-411, provided for three  
18 annual sharing periods from July 1, 1995 through June 30, 1998. The second EARP,  
19 approved in Case No. EM-96-149, provides for three additional annual sharing periods  
20 from July 1, 1998 through June 30, 2001.

21          Q.     How is the achieved return on equity determined for each one year sharing  
22 period?

1           A.     The achieved equity return is based on the average capital structure, the  
2 average rate base and the booked earnings, as adjusted, during the particular one year  
3 sharing period.

4           Q.     What amounts of sharing period earnings are credited to ratepayers?

5           A.     Fifty percent of the sharing period earnings that reflect an achieved equity  
6 return above 12.61% and less than or equal to 14% is credited to the ratepayers. Ninety  
7 percent of the sharing period earnings that reflect an achieved equity return above 14%  
8 and less than or equal to 16% is credited to the ratepayers. One hundred percent of the  
9 sharing period earnings that reflect an achieved equity return above 16% is credited to the  
10 ratepayers. At the Company's current level of earnings, the Staff's proposed adjustments  
11 would be shared equally between the Company and its ratepayers.

12          Q.     How did the Staff conduct its audit of the first sharing period of the second  
13 EARP?

14          A.     The Staff conducted its audit by reviewing the Company's earnings report,  
15 submitting data requests, and meeting with Company personnel. The Staff's review was  
16 less rigorous than a full rate case audit, which would have involved many additional  
17 auditors (not just accountants), spending much more time than we spent. The Staff  
18 attempted to determine if reasonable explanations existed for areas of expense that were  
19 identified as exhibiting large fluctuations. Although the Staff's review included an  
20 examination of the Company's calculations and supporting data, the Staff's monitoring  
21 was never intended to be limited to only that function.

22          Q.     What is the Staff's recommended level of credits for the sharing period  
23 ended June 30, 1999?

1           A.     The Staff's recommended level of sharing credits is \$23,827,000. All of  
2 the sharing credits are at the 50% sharing level. This earnings level has been factored-up  
3 for income taxes. The Staff Accounting and Monitoring Schedules included in this direct  
4 filing support these calculations. The amounts referenced above specifically appear on  
5 Accounting Schedule 1 and Monitoring Schedule 4.

6           Q.     What is the basis for the adjustments made by the Staff which are at issue  
7 in this proceeding?

8           A.     The Staff is proposing its adjustments in accordance with the criteria  
9 established in the Stipulation and Agreements approved by the Commission in Case Nos.  
10 ER-95-411 and EM-96-149. Part of this criteria from the Stipulation and Agreement  
11 approved in Case No. ER-95-411 appear on pages 9 and 10 in sections 3.f.vii. and viii.  
12 These same sections also appear on pages 17 and 18 of the Stipulation and Agreement  
13 approved in Case No. EM-96-149. These sections state that:

14                   7.f.vi.:

15                   If Staff, OPC or other signatories find evidence that  
16                   operating results have been manipulated to reduce amounts  
17                   to be shared with customers or to misrepresent actual  
18                   earnings or expenses, Staff, OPC or other signatories may  
19                   file a complaint with the Commission requesting that a full  
20                   investigation and hearing be conducted regarding said  
21                   complaint. UE shall have the right to respond to such  
22                   request and present facts and argument as to why an  
23                   investigation is unwarranted.

24                   7.f.vii.:

25                   UE, Staff, OPC and other signatories reserve the right to  
26                   bring issues which cannot be resolved by them, and which  
27                   are related to the operation or implementation of the Plan,  
28                   to the Commission for resolution. Examples include  
29                   disagreements as to the mechanics of calculating the  
30                   monitoring report, alleged violations of the Stipulation and  
31

1 Agreement, alleged manipulations of earnings results, or  
2 requests for information not previously maintained by UE.  
3 An allegation of manipulation could include significant  
4 variations in the level of expenses associated with any  
5 category of cost, where no reasonable explanation has been  
6 provided. The Commission will determine in the first  
7 instance whether a question of manipulation exists and  
8 whether that question should be heard by it.

9  
10 7.f.viii.:

11 Staff, OPC and other signatories have the right to present to  
12 the Commission concerns over any category of cost that has  
13 been included in UE's monitoring results and has not been  
14 included previously in any ratemaking proceeding.

15  
16 Adjustments based on this language are sponsored by Staff  
17 Accounting witness John P. Cassidy, Stephen M. Rackers, and myself.

18 I would also note that the Reconciliation Procedure, Attachment C,  
19 Section 2.g. states, in part, that:

20 UE/Staff/OPC reserve the right to petition the Commission  
21 for resolution of disputed items relating to the operation or  
22 implementation of this Plan.  
23

24 Q. What are the disputed adjustments you are sponsoring which appear on  
25 Accounting Schedule 9, Adjustments to Income Statement?

26 A. I am sponsoring the following Income Statement adjustments:

27 Advertising expense S-8.1

28 Targeted Separation Plan expense S-9.5

29 In addition, I am also sponsoring the Staff's Accounting and Monitoring  
30 Schedules which have been bound separately as part of the Staff's filing in this case.

31 ADVERTISING EXPENSE

32 Q. Please explain adjustment S-8.1.

1           A.     Adjustment S-8.1 restates the sharing period level of expense to reflect the  
2 allowable cost of advertising as defined below.

3           Q.     Please explain the history of such adjustments before the Commission.

4           A.     The Commission, in its Report and Order for Case Nos. EO-85-185 and  
5 EO-85-224 involving Kansas City Power & Light Company (KCPL), adopted the  
6 following treatment which separates advertisements into five categories and provides  
7 separate rate treatment for each category. The five categories of advertisements  
8 recognized by the Commission for purposes of this approach are:

9                   (1)    General-     advertising that is useful in the provision of  
10                   adequate service;

11                   (2)    Safety-     advertising which conveys the ways to safely use  
12                   the Company's service and to avoid accidents;

13                   (3)    Promotional- advertising used to encourage or promote the use of  
14                   the particular commodity the utility is selling;

15                   (4)    Institutional- advertising used to improve or retain the  
16                   Company's public image; and,

17                   (5)    Political-     advertising which is associated with political  
18                   candidates or issues.

19           The Commission adopted these categories for advertisements because it believed that a  
20 utility's revenue requirement should: (1) always include general and safety ads, provided  
21 such costs are reasonable; (2) never include the cost of institutional or political ads; and  
22 (3) include the cost of promotional ads only to the extent that the utility can provide

1 cost-justification for the ads. (KCPL, Report and Order, 28 Mo.P.S.C.(N.S.) 228,  
2 269-71 (1986)).

3 Q. Has this standard been used in more recent cases before the Commission?

4 A. Yes. The Commission has upheld the KCPL standard in numerous cases  
5 since 1985, most recently in Case No. GR-99-315 involving Laclede Gas Company.

6 Q. Please discuss the examination performed by the Staff in relation to the  
7 Company's advertising expenditures.

8 A. The Staff performed a review of each advertisement sponsored in whole or  
9 in part by UE, which was expensed during the sharing period. Attached, as Schedule 2 to  
10 this testimony is a schedule of the Staff's classification of all of the Company's  
11 advertising.

12 Q. How did the Staff determine each advertisement's classification under the  
13 KCPL standard?

14 A. Each advertisement was reviewed to determine which of the following  
15 "primary messages" the advertisement was designed to communicate: (1) the  
16 dissemination of information necessary to obtain safe and adequate service (general,  
17 safety); (2) the promotion of a particular product or service (promotional); (3) the  
18 enhancement of the Company's image (institutional); or (4) the endorsement of a political  
19 candidate or issue (political).

20 Q. Has the Staff used all of the Commission's classifications in the  
21 categorization and review of UE's advertisements?

22 A. No. UE did not submit, nor is the Staff aware of, any advertisements of a  
23 political nature.

1 Q. How has the Staff treated general and safety advertising?

2 A. The Staff made no adjustment to the Company's test year expense  
3 associated with Staff's categorized general or safety advertising.

4 Q. How has the Staff treated promotional advertising?

5 A. The Company ran only one promotional advertisement during the sharing  
6 period. Due to the immateriality of the cost of this advertisement, the Staff has not made  
7 any adjustment to remove promotional advertising from the calculation of sharing credits.

8 Q. How has the Staff treated institutional advertising?

9 A. The Staff has removed the expenses for institutional advertisements from  
10 its calculation of sharing credits. Institutional (or goodwill) advertising is designed to  
11 enhance the Company's public image. This form of advertising is not necessary for the  
12 Company to provide safe and adequate service and therefore should not be included in  
13 the calculation of credits. The Staff believes that this type of image enhancement  
14 advertising only serves to benefit the shareholders of the utility.

15 Q. How much did UE spend on institutional advertising during the first  
16 sharing period of the second EARP?

17 A. The Staff classified \$1,337,231 of the Company's advertising as  
18 institutional. The Staff removed this institutional advertising from its calculation of  
19 sharing credits.

20 Q. What advertising medium constitutes the majority of the dollars classified  
21 as institutional?

22 A. Nearly \$1,100,000 of the total institutional advertising dollars were spent  
23 on television advertisements.

1 Q. Why did the Staff classify these ads as institutional?

2 A. The Staff believes that the primary purpose of each of these  
3 advertisements was to enhance the Company's image. Please refer to Schedule 3 for a  
4 copy of the transcripts of each of these ads.

5 Q. Does the Company agree with the Staff's classification?

6 A. No.

7 Q. Is advertising specifically addressed in the EARP?

8 A. Yes, advertising expense is addressed in the reconciliation procedure,  
9 which is Attachment C to the Stipulation and Agreement from Case No. EM-96-149  
10 (Stipulation and Agreement). Specifically the reconciliation procedure states that when  
11 calculating the amount of sharing credits to be credited to customers, \$250,000 of  
12 goodwill advertising expense will be eliminated from the income statement. This amount  
13 was based on the level of institutional/goodwill advertising UE incurred in its most recent  
14 litigated rate/earnings complaint case under traditional regulation (Case No.  
15 EC-87-114).

16 Q. Does the Staff believe it is prohibited by Attachment C of the Stipulation  
17 and Agreement from making an adjustment to eliminate all goodwill advertising from the  
18 calculation of sharing credits?

19 A. No. As I mentioned previously in this testimony, Section 7.f.vii of the  
20 Stipulation and Agreement states:

21 7.f.vi.:

22 If Staff, OPC or other signatories find evidence that  
23 operating results have been manipulated to reduce amounts  
24 to be shared with customers or to misrepresent actual  
25 earnings or expenses, Staff, OPC or other signatories may

1 file a complaint with the Commission requesting that a full  
2 investigation and hearing be conducted regarding said  
3 complaint. UE shall have the right to respond to such  
4 request and present facts and argument as to why an  
5 investigation is unwarranted.

6  
7 7.f.vii.

8 UE, Staff, OPC and other signatories reserve the right to  
9 bring issues which cannot be resolved by them, and which  
10 are related to the operation or implementation of the Plan,  
11 to the Commission for resolution. Examples include  
12 disagreements as to the mechanics of calculating the  
13 monitoring report, alleged violations of the Stipulation and  
14 Agreement, alleged manipulations of earnings results, or  
15 requests for information not previously maintained by UE.  
16 An allegation of manipulation could include significant  
17 variations in the level of expenses associated with any  
18 category of cost, where no reasonable explanation has been  
19 provided.  
20

21 I also identified above Section 2.g of the Reconciliation Procedure, Attachment C  
22 which is relevant. The current level of goodwill advertising is over five times the amount  
23 provided for in the Stipulation and Agreement. The Staff believes that this increase is a  
24 significant variation in advertising expense for which no reasonable explanation has been  
25 provided. This increase represents a manipulation of earnings results as covered in the  
26 Stipulation and Agreement.

27 Q. Has the Company provided a reasonable explanation for the increase in  
28 advertising expense?

29 A. No. The Staff asked the Company to provide an explanation for the  
30 increase in this advertising expense. However, at the time of the Staff's direct filing, this  
31 data request is still outstanding.

32 Q. What is the potential risk if the Company is only required to eliminate  
33 \$250,000 per year for goodwill advertising during the EARP?

1           A.     The Company would essentially have a “blank check” to spend as much as  
2 it wants to on goodwill advertising during the EARP. UE spent over \$1,300,000 on  
3 goodwill advertising during the first sharing period of the second EARP; however in  
4 future EARP sharing periods it could potentially spend \$5,000,000 or \$10,000,000, which  
5 likely would result in reductions to the level of sharing credits. The Stipulation and  
6 Agreements in Case No. ER-95-411 and Case No. EM-96-149 indicate the Staff thought  
7 that expenditures for goodwill advertising would remain in the \$250,000 range. The  
8 Stipulation and Agreements further indicate that it was not contemplated that the level of  
9 goodwill advertising would escalate to over five times that amount in only four years.  
10 Furthermore, as has been previously discussed, the Commission has traditionally shielded  
11 ratepayers from funding these expenses by disallowing all institutional/goodwill  
12 advertising from customers’ rates. The Staff does not believe that alternative regulation  
13 is intended to provide a mechanism that would require ratepayers to fund costs, which  
14 have traditionally been disallowed by the Commission.

15 **TARGETED SEPARATION PLAN**

16           Q.     Please explain adjustment S-9.5.

17           A.     Adjustment S-9.5 eliminates the excess of the nonrecurring charge for the  
18 Company’s Targeted Separation Plan (TSP) over the amount of savings occurring as a  
19 result of the plan in the first sharing period of the second EARP.

20           Q.     Please describe the Targeted Separation Plan.

21           A.     In March 1998, Ameren (the parent company of Union Electric)  
22 announced plans to reduce operating expenses, including plans to eliminate  
23 approximately 400 employee positions by mid-1999 through a hiring freeze and the TSP.

Direct Testimony of  
John M. Boczkiewicz

1 In July 1998, Ameren offered separation packages to employees whose positions were to  
2 be eliminated through the TSP. During the third quarter of 1998, UE recorded a  
3 nonrecurring charge of nearly \$18,000,000 representing the cost to implement the TSP.  
4 During the sharing period, approximately \$11,000,000 of expense savings were actually  
5 realized by the Company.

6 Q. Why is the Staff recommending an adjustment to the TSP?

7 A. The Staff believes that the amount of cost recognized from the TSP should  
8 not exceed the amount of savings actually realized from this plan during the sharing  
9 period. The Staff's view is that the amount of cost not recognized in this sharing period  
10 should be used as an offset to additional savings resulting from the TSP in the second  
11 and/or third sharing periods of the second EARP. The Staff's approach does not disallow  
12 any cost, but simply matches the amount of cost with the actual realized savings during  
13 the sharing periods. This approach prevents UE's customers from an earnings detriment  
14 in one sharing period based on a cost reduction program that should have long-term  
15 positive results for customers.

16 Q. How has the Staff calculated this adjustment?

17 A. First, the Staff derived a Missouri electric allocation of the TSP expenses  
18 by dividing the TSP expenses charged to Missouri electric operations in the sharing  
19 period by Ameren's total TSP expenses. Next, Ameren's total savings for the sharing  
20 period were calculated by adding the savings achieved resulting from the departed  
21 employees' salaries to the corresponding employee benefit savings. The total amount of  
22 savings was multiplied by the Missouri electric retail jurisdiction percentage of Ameren's  
23 total TSP expenses to arrive at an estimate of the Missouri electric retail portion of

1 Ameren's savings resulting from the TSP during the sharing period. Finally, the TSP  
2 expenses allocated to Missouri electric operations were subtracted from the estimated  
3 Missouri electric retail share of the savings to arrive at the adjustment. The adjustment  
4 reflecting the Missouri electric retail expenses in excess of Missouri electric retail savings  
5 for the TSP in the first sharing period of the second EARP is approximately \$5,500,000.

6 Q. On what basis does the Staff believe it is appropriate to make this  
7 adjustment?

8 A. As mentioned previously in this testimony, Section 7.f.viii. of the original  
9 Stipulation and Agreement states that

10 Staff, OPC and other signatories have the right to present to the  
11 Commission concerns over any category of cost that has been  
12 included in UE's monitoring results and has not been included  
13 previously in any ratemaking proceeding.  
14

15 The Staff believes that the TSP is a new cost that has not been included  
16 previously in any ratemaking proceeding.

17 Q. Does this conclude your direct testimony?

18 A. Yes, it does.

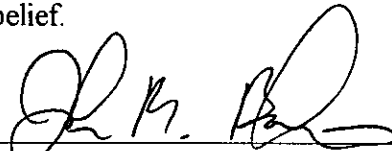
**BEFORE THE PUBLIC SERVICE COMMISSION**  
**OF THE STATE OF MISSOURI**

The Staff of the Missouri Public	)	
Service Commission,	)	Case No. EC-2000- 795
	)	
Complainant,	)	
	)	
v.	)	
	)	
Union Electric Company, d/b/a	)	
AmerenUE,	)	
	)	
Respondent.	)	

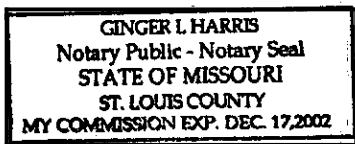
AFFIDAVIT OF JOHN M. BOCZKIEWICZ

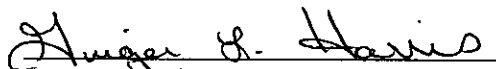
STATE OF MISSOURI    )  
                                   )    ss.  
 COUNTY OF ST. LOUIS    )

John M. Boczkiewicz, is, of lawful age, and on his oath states: that he has participated in the preparation of the foregoing Direct Testimony in question and answer form, consisting of 13 pages to be presented in the above case; that the answers in the foregoing Direct Testimony were given by him; that he has knowledge of the matters set forth in such answers; and that such matters are true and correct to the best of his knowledge and belief.

  
 \_\_\_\_\_  
 John M. Boczkiewicz

Subscribed and sworn to before me this 30 day of May, 2000



  
 \_\_\_\_\_  
 Notary Public  
 My Commission Expires Dec. 17, 2002

**SUMMARY OF RATE CASE INVOLVEMENT**

**JOHN M. BOCZKIEWICZ**

<u>COMPANY</u>	<u>CASE NO.</u>
Southwestern Bell Telephone Company	TC-93-224
Laclede Gas Company	GR-94-220
St. Louis County Water Company	WR-95-145
St. Louis County Water Company	WR-96-263
Missouri-American Water Company	WR-97-237
St. Louis County Water Company	WR-97-382
Laclede Gas Company	GR-98-374
Laclede Gas Company	GR-99-315

Union Electric Company  
Case No. EC-2000-  
4th Sharing Period  
Classifications of Advertisements

Job Number	Title	Cost	Staff Classification	Staff Treatment	Schedule Reference
<b>Television</b>					
AC70269	Safe Lights	207,902	Institutional	Disallowed	3-1
AC80026	Smart Lights	217,250	Institutional	Disallowed	3-2
AC80276	Bump in the Night	420,661	Institutional	Disallowed	3-3
AC80472	Do the Right Thing	143,212	Safety	Allowed	3-4
AC90079	Environmental	232,441	Institutional	Disallowed	3-5
<b>Radio</b>					
AC70262	Safe Lights	41,268	Institutional	Disallowed	3-6
AC70263	Spring Storms	41,268	Institutional	Disallowed	3-7
AC70265	Energy Tips	123,730	General	Allowed	3-8
AC70266	Holiday Tips	66,285	Safety	Allowed	3-9
AC80145	Smart Lights	159,942	General	Allowed	3-10
<b>Print</b>					
AC80269	Mark McGuire	23,048	Institutional	Disallowed	3-11
AC80144	SmartLights	31,127	General	Allowed	3-12
AC80102	Scholarship Winners-'98	13,330	Institutional	Disallowed	3-13
AC80433	SmartLights Winners	15,642	Institutional	Disallowed	3-14
AC80390	Marching Band Ad	31,299	Institutional	Disallowed	3-15
AC80318	Scholarship Ad-'99	32,680	General	Allowed	3-16
AC80490	Pope Ad	11,712	Institutional	Disallowed	3-17
AC80228	Rams Ads (Helmet/Goalpost)	21,655	Institutional	Disallowed	3-18
AC80386	Winter Energy Tips	15,977	General	Allowed	3-19
AC90089	SafeLights-'99	51,549	General	Allowed	3-20
AC90235	Environmental	34,699	Institutional	Disallowed	3-21
AC80367	Sheldon Concert Hall	1,805	Institutional	Disallowed	3-22
AC80447	Opera Theatre St. Louis	1,530	Institutional	Disallowed	3-22
AC80316	Dance St. Louis	2,416	Institutional	Disallowed	3-22
AC80243	Reperatory Theatre of St. Louis	4,705	Institutional	Disallowed	3-22
AC80353	Perf. Notes/Edison Theater	1,050	Institutional	Disallowed	3-22
AC80355	St. Louis Black Repertory	2,050	Institutional	Disallowed	3-22
AC80267	The New Theater	1,000	Institutional	Disallowed	3-22
AC80266	The Fox Playbill	10,500	Institutional	Disallowed	3-22
AC80369	Area Development-"Wires"	22,244	Promotional	Allowed	3-23
AC80495	AmerenUE/AmerenEnergy	23,848	Non-regulated	Allowed	3-24
<b>Total</b>		<b><u>2,007,825</u></b>			

R O D G E R S



T O W N S E N D

## TELEVISION

Ameren  
Safe Lights/UE Version  
"Fat Dogs"  
:30  
2/9/98

ANNCR: Through our new Safe Lights program, AmerenUE donates lighting to neighborhoods. So everyone can rest a little easier. Some perhaps a little too easy.

Help keep our neighborhoods safe. AmerenUE (*Ameren music*)

We're always there.

**Schedule 3-1**

R O O G E R S



T O W N S E N D

Ameren  
Smart Lights/UE Version  
"Slide"  
5/4/98

ANNCR: Why does AmerenUE provide funds to help communities  
light up public areas at night?

Because sometimes there's just not enough hours in the day.

(SUPERS)

The Smart Lights program. Helping communities improve public  
lighting. AmerenUE. We're Always There.

**Schedule 3-2**

R O D G E R S



T O W N S E N D

## TELEVISION

AMEREN  
4th Quarter TV  
"Bump In The Night/UE"  
:30

TIGHT ON SERIES OF NIGHTLIGHTS.

VO: At AmerenUE, we have programs in place to help the environment...

improve neighborhood safety...attract new businesses and jobs...

even help students pay for college.

But of course, all that's nothing compared to our ability to chase away

things that go bump in the night.

CUT TO LOGO AND TAG.

VO: AmerenUE. We're always there.

**Schedule 3-3**

R O D G E R S



T O W N S E N D

TELEVISION

AmerenUE  
Do The Right Thing-99  
Steger/Kite  
:15  
3/19/99

BOY: Sponsored by AmerenUE who reminds you to do the right thing around electricity. Who, what...?

GIRL 1: When you see a power line on the ground, stay away.

BOY: Ooh... uh.

GIRL 2: Never climb a tree that's near a power line.

BOY: Play it safe.

AmerenUE Logo

**Schedule 3-4**

R O D G E R S



T O W N S E N D

TELEVISION

AmerenUE  
Do The Right Thing-99  
Fanning Plugs  
:15  
12/16/98

GIRL 1: Sponsored by AmerenUE who reminds you to do the right thing around electricity.

GIRL 2: Always keep appliances away from water. Pull cords out by the plug, not the wire.

GIRL 1: Be careful.

AmerenUE Logo

**Schedule 3-4**  
**cont'd**

R O D G E R S



T O W N S E N D

TELEVISION

AmerenUE  
Do The Right Thing-99  
Steger/Stage  
:15  
3/19/99

BOY:           Sponsored by AmerenUE who reminds you to do the  
                  right thing around electricity.  
                  Keep ladders away from power lines.  
                  Never ever climb utility poles.  
                  Be careful.

(Clapping SFX)

AmerenUE Logo

**Schedule 3-4  
cont'd**

R O D G E R S



T O W N S E N D

## TELEVISION

Ameren  
Environmental TV  
"Yours and Ours" :30  
4/15/99

OPEN ON KIDS OUTDOORS. DISSOLVE THROUGH VARIOUS SCENES OF  
KIDS RUNNING, JUMPING, PLAYING AND ENJOYING NATURE.

VO: Your kids climb the same trees as ours.

Yours play in the same streams as ours.

Yours breathe the same air as ours.

So, when we tell you Ameren is doing everything we're asked—and  
more—to protect the environment, you don't have to look far to see  
the reasons why...

...yours and ours.

SUPER: AmerenUE (AmerenCIPS)

**Schedule 3-5**

R O D G E R S



T O W N S E N D

RADIO

Ameren  
"Guard Dog" (Safe Lights)  
AmerenUE Version  
:60  
2/9/97

JACK: I borrowed my neighbor's watchdog to demonstrate how effective the new Safe Light's program from AmerenUE is. Rocky, a 150-pound guard dog who is trained to attack at the slightest provocation. You ready, Rocky? Here I come, onto your property. An uninvited AmerenUE lineman.

SFX: Snoring sounds.

JACK: Look Rocky, I'm walking up the steps to your house.

SFX: Yawning sounds.

JACK: I'm carrying a large, blunt object in my hand. (ASIDE) Okay, it's a light bulb, but see, he doesn't know that. Hey, Rocky? Look boy, I'm intruding, Rocky.

SFX: Yawning and groaning sounds.

JACK: Yeah, this graduate of the K-9 guard dog academy is sound asleep. Why? Well, because he knows his porch and every porch in his neighborhood are well lit with light bulbs donated by AmerenUE in coordination with community groups and the local police. And since it's a well-known fact that lighting helps deter crime, Rocky is enjoying some much needed R&R. Aren't you, boy? Yeah, I bet you could use a few pets to your big dog head, couldn't you, boy, huh?

SFX: Dog snarling and growling.

JACK: Oh, well. Maybe not. Safe Lights from AmerenUE. Making our community a safer place to live.

AmerenUE. (*Ameren music*) We're always there.

R O D G E R S



T O W N S E N D

RADIO

Ameren <sup>Storms</sup>  
"Spring Radio"  
AmerenUE Version  
:60  
2/9/97

SFX: *Springtime, romantic music, birds chirping, etc.*

JACK: Aaaaah Spring. Birds are singing, flowers are blooming...and a young man's thoughts turn to...electricity. Well, mine do anyway, but that's probably because I work for AmerenUE. And to me that whole "April showers brings May flowers" thing means we're in for some pretty nasty thunderstorms. So, while the rest of the world is running around acting like lovesick puppies...

SFX: *Romantic music.*

JACK: We linemen are doing our best to keep your power on. Now that is, of course, our job. So it's not like we expect a medal or anything. We just wanted to let you know we're on the case, that's all.

SFX: *Thunder rumbling.*

JACK: In fact, at AmerenUE, we're on it even *before* a storm hits. With the help of our lightning detection center we can determine how many crews to keep on and if and when we need to add more to the schedule.

SFX: *Thunder crash.*

JACK: Of course, even with all of today's technology, it's still sometimes hard to stay ahead of Mother Nature. So, the next time there's a big storm, try to remember those singing birds and blooming flowers.

SFX: *Springtime, romantic music, birds chirping, etc*

JACK: And that we're working as hard and as fast as we can.  
AmerenUE. *(Ameren music)* We're always there.

## RADIO

AmerenUE  
Energy Tips  
"Fill Up/UE"  
:60  
REVISED 5/12/98

*SFX: Sounds at a gas station; traffic in background.*

**ANNCR:** I'm here at the gas station to help AmerenUE make a point about saving energy at home. Just like your car needs gas to keep it running, your home needs energy to keep it cool in the summer and warm in the winter.

*SFX: He puts gas pump into car.*

**ANNCR:** Now, here's how a lot of homes use energy... *(gas shoots out of pump)* ... quickly and inefficiently.

But by turning the thermostat up a few degrees in the summer, and down a few degrees in the winter, you could really cut down energy use... *(gas slows)* ... three percent for every degree. It's what we at AmerenUE call good thermostat management.

*(Gas slows.)* That's better. For even greater energy savings throughout the year, weather strip doors and windows *(gas slows)* can caulk gaps in vents, electrical outlets and window air conditioners *(gas is crawling out now)*.

In some cases, a well-caulked, well-insulated and weather-stripped home uses up to 30 percent less energy.

*SFX: Horn honks. Guy walks up.*

**GUY:** Hey buddy, what's taking so long?

**ANNCR:** One more thing. Follow these tips and you not only save energy and money, you also help the environment.

GUY: And who are you talking to?

ANNCR: AmerenUE. (AMEREN MUSIC) We're always there.

GUY: And where did that music come from?

R O D G E R S



T O W N S E N D

## RADIO

**Ameren**  
Holiday Tips/UE  
"Jingle Bells" :60  
REVISED 11/20/98

(JINGLE BELLS PUNCTUATED BY ELECTRIC BUZZ SFX)

**ANNCR:** This time of year, with all the lights going up for the holidays, the increase in the chance of electrical mishaps in the home can be a little...shocking.

That's why AmerenUE would like to take this moment to remind you that, if you're decorating your home or tree with lights this holiday season, make sure you do so safely.

Check wires to make sure they aren't frayed.

Don't run lights or cords through windows or under rugs.

Remember not to overload outlets.

If you have a live tree, give it plenty of water.

And never leave the house with your holidays lights on.

Because if you think an electrical mishap can ruin a holiday song on the radio, imagine what it could do to your holidays at home.

Please remember to play it safe this holiday season. A message from your friends at AmerenUE. (AMEREN MUSIC) We're always there.

R O D G E R S



T O W N S E N D

## RADIO

Ameren  
SmartLights  
"Ball Game/UE" :60  
REVISED 6/3/98

(LITTLE LEAGUE BASEBALL GAME; BIG CROWD IN STANDS; KIDS HOOTING AND YELLING FROM THE FIELD; PLINK! OF ALUMINUM BAT)

UMP: FOUL BALL! STRIKE TWO!

(CROWD YELLS ENCOURAGEMENT; KIDS YELL FROM FIELD; PLINK!)

UMP: FOUL BALL! STRIKE TWO!

(PLINK!)

UMP: Foul ball! Strike Two!

(CROWD STARTS GRUMBLING; KIDS ARE QUIET)

UMP: (PLINK!) Foul ball. (PLINK!) Foul ball. (PLINK!) Foul ball.  
(PLINK!) Foul (PLINK!) ball. Strike two.

ANNCR: Why does AmerenUE's SmartLights Program provide funds to help communities light up ballfields, basketball courts, parks and other public places at night?

(PARK IS QUIET, EXCEPT FOR CHIRPING OF CRICKETS; PLINK!)

UMP: (HOARSE NOW) Foul ball. Strike two.

ANNCR: Because sometimes there's just not enough hours in the day.

UMP: (PLINK!) (SOBBING AND HOARSE) Foul ball. Strike two.

ANNCR: If you're part of a not-for-profit or community organization in the AmerenUE service area, call us for a SmartLights application or to find out how the SmartLights Program can help your organization purchase energy-efficient public lighting. Call 1-800-552-7583.

ANNCR: The SmartLights Community Lighting Program...

UMP: (PLINK!) Foul ball, strike two. (ROOSTER CROWS)

ANNCR: ...from AmerenUE. (AMEREN MUSIC) We're always there.

Ameren "McGwire Ad"



For the record, congratulations, Mark.



Schedule 3-11

*Got any bright ideas for the*  
**PARKS, PLAYGROUNDS AND BALLFIELDS**  
*in your community?*

---

**I**f there's a public place in your neighborhood that needs new or improved lighting, the AmerenUE SmartLights Program can help. SmartLights provides funds to help qualified not-for-profit and community groups buy energy-efficient public lighting. To be eligible for funds, groups must complete a SmartLights application and provide AmerenUE with a plan that includes energy-efficient lighting. AmerenUE will accept applications from communities and organizations within the AmerenUE service area. Application deadline is September 30. For information or an application, call 1-800-552-7583. Or visit us on the web at [www.ameren.com](http://www.ameren.com). And do something to bring your ideas to life. And to light.



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*We're Always There.*

Ameren UE "Bright Ideas"

*AmerenUE awards*

**100 COLLEGE SCHOLARSHIPS.**

In this case,  
**POWER IS KNOWLEDGE.**

**A**s part of a four-year, \$1 million commitment to education, Ameren recently awarded one hundred \$2,500 scholarships. Recipients, some of whom are listed below, live in the Ameren service area and will attend accredited Missouri or Illinois colleges. Many are recent high school graduates; others are adults returning to school. But to each worthy recipient, whether you're 18, 50-plus, or some age in between, we say congratulations. Go for it. And more power to you.

Matt Anton  
Michelle Armstrong  
Seth Barlage  
Lula Barnes  
Phillip Berg  
Robert Boyars  
Dana Boyd  
Michael-Paul Bridwell  
Troy Brinson  
Deanna Brown  
Steven Bucher  
Tami Bush-Wright  
Brian Carlson  
Mica Carter  
Candice Chasteen  
Julia Chowdhury  
Dorothy Cobb  
Janet Cobb  
Kristy Daum  
Nora Davis  
Lucy Durbin  
Nicholas Franzoni  
Dena Galloway  
Alisha Glenn  
Jennifer Glueck  
Laura Gonzalez

Michelle Ha  
Joshua Haley  
Angela Hartmann  
DeAnna Heuiser  
Kelly Holschen  
April Howard  
Timothy Jowett  
Jeana Klenc  
Stanley Koehler  
Patricia Kolves  
Brian Kraft  
Angela Kuhl  
Michelle Lance  
Erin Leach  
Lori Light  
Rebecca Lind  
Angela Lindberg  
Mark Long  
Sarah Longenecker  
Steve Marre  
Kristina Martinez  
Elizabeth Marty  
Tiaa McClendon  
Kristi McCoy  
Leanne McCrate  
Amy McDavid  
Karen Meyer

Cynthia Minor  
Esther Moore  
Stanley Moss  
Gregory Newell  
Shirley Ng  
Gary Parciak  
Laura Rauscher  
Diane Schnurbusch  
Brianna Shaver  
Ryan Symes  
Kristi Tabor  
Brian Taylor  
Georg Taylor  
Timothy Tedoni  
Kenyatta Thacker  
Paulette Tillery  
Shawn Traes  
Marilyn Tucker  
Simon Uchitel  
Stacy Valentine  
Jodi Warren  
David Weiman  
Benjamin Williams  
Deanna Williams  
Scott Winn  
Jeremy Yates



*We're Always There.*

*Ameren "Scholarship Winner"*

THANKS TO AMEREN,  
THESE GROUPS WILL SEE THINGS  
IN A BETTER LIGHT.

Our SmartLights Program helps not-for-profit, civic and community groups in the Ameren service territories of Missouri and Illinois improve public areas by providing grants to purchase energy-efficient lighting equipment. The 1998 recipients, below, were selected from a field of over 200 by a panel of judges that included community leaders, lighting experts and our employees. In all, \$500,000 in grants was distributed. Ameren congratulates these groups for having the insight to recognize the need for public lighting. And the energy to do something about it.

<i>VERSAILLES HOMETOWN BEAUTIFICATION PROJECT, INC.</i>	<i>BIG RED BOOSTER CLUB/ WARRENTON R-3 SCHOOL DISTRICT</i>	<i>CITY OF ST. ELMO</i>
<i>JEFFERSON COMMUNITY BETTERMENT ASSOCIATION</i>	<i>CITY OF WEBSTER GROVES</i>	<i>HOOPESTON AREA COMMUNITY SCHOOL DISTRICT #11</i>
<i>PACIFIC YOUTH ASSOCIATION</i>	<i>TRAILNET, INC.</i>	<i>VILLAGE OF ONARGA</i>
<i>CITY OF CHAFFEE</i>	<i>COMMUNITY HOPE CENTER, INC.</i>	<i>MARION SOCCER ASSOCIATION</i>
<i>EAST PRAIRIE RECREATION CORP., INC.</i>	<i>CITY OF FLORISSANT</i>	<i>JOHNSTON CITY JR. BASEBALL/SOFTBALL LEAGUE</i>
<i>ADAIR COUNTY FAMILY YMCA</i>	<i>ST. VINCENT HOME FOR CHILDREN</i>	<i>WEST FRANKFORT COMMUNITY PARK DISTRICT</i>
<i>CITY OF ARCADIA/ARCADIA VALLEY SPORTS COMPLEX</i>	<i>NORTH GLENDALE ELEMENTARY/ KIRKWOOD R-7 SCHOOL DISTRICT</i>	<i>VILLAGE OF COBDEN</i>
<i>PILOT GROVE COMMUNITY RECREATION ASSOCIATION</i>	<i>NEW SPIRIT/EAST ST. LOUIS</i>	<i>WESTERN ILLINOIS UNIVERSITY</i>
<i>STURGEON FAIR BOARD</i>	<i>CHESTERFIELD COMMUNITY ASSOC.</i>	<i>SCHUYLER COUNTY FAIR &amp; LIVESTOCK ASSOCIATION</i>
<i>DARDENNE ATHLETIC ASSOCIATION</i>	<i>CITY OF PAGEDALE</i>	<i>ST. JOHN THE EVANGELIST SCHOOL</i>
<i>MOSCOW MILLS ATHLETIC ASSOCIATION</i>	<i>HILLSBORO COMMUNITY CIVIC CLUB</i>	<i>MEDORA ATHLETIC ASSOCIATION</i>
<i>LINCOLN COUNTY FAIR, INC.</i>	<i>PARIS UNION SCHOOL DISTRICT #95</i>	<i>CITY OF PITTSFIELD PARK BOARD</i>
<i>GARDENVILLE COMMUNITY CENTER</i>	<i>C.E.F.S. ECONOMIC OPPORTUNITY CORPORATION</i>	<i>CITY OF GRAFTON</i>
	<i>JASPER COUNTY COMMUNITY UNIT SCHOOL DISTRICT #1</i>	



We're Always There.

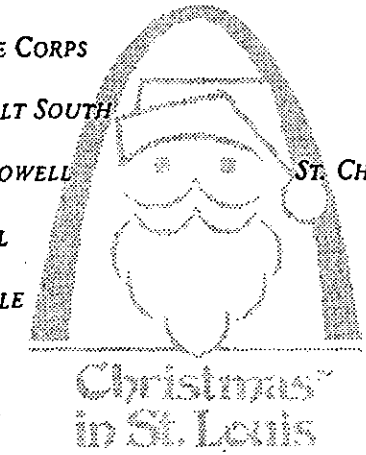
Schedule 3-14

Ameren "Smartlight Winners"

*With This Many Bands,*  
**THERE'S SURE TO BE A JAM**  
*On Market Street.*

**W**e're proud to announce this year's participants in the 1998 Ameren Marching Band Contest, part of the Christmas in St. Louis Mid-America Holiday Parade, Thanksgiving Day, 9 a.m. to 11 a.m., in downtown St. Louis.

<i>BELLEVILLE EAST</i>	<i>BRITTANY WOODS</i>
<i>QUIET STORM DRUM</i>	<i>SOUTHEAST WHITFIELD</i>
<i>&amp; BUGLE CORPS</i>	<i>MATER DEI</i>
<i>FT. ZUMWALT SOUTH</i>	<i>RITENOUR</i>
<i>FRANCIS HOWELL</i>	<i>ST. CHARLES WEST</i>
<i>CENTRAL</i>	<i>SUMNER</i>
<i>COLLINSVILLE</i>	<i>WINDSOR</i>
<i>LADUE</i>	<i>MEHLVILLE</i>
<i>LINDBERGH</i>	<i>NORTHWEST</i>
<i>JOHN FORD HIGHLAND</i>	<i>SHOW ME SOUND DRUM</i>
<i>PIPE BAND</i>	<i>&amp; BUGLE CORPS</i>



*We're Always There.*

©1998 Ameren Corp.

*Marching Band Ad*

**Schedule 3-15**

## KNOWLEDGE IS POWER.

HOW APPROPRIATE, THEN, THAT AMEREN  
IS AWARDING 100 COLLEGE SCHOLARSHIPS.

**A**s part of a four-year, \$1 million commitment to education, this year Ameren will award one hundred college scholarships, each worth \$2,500. The scholarships are need-based and are available to qualified students from among our AmerenUE and AmerenCIPS customers. To be eligible, applicants must be enrolling full-time and seeking an associates or baccalaureate degree at an accredited Missouri or Illinois college. Employees and dependents of Ameren and The Scholarship Foundation are not eligible. Application deadline is April 15, 1999. For guidelines of eligibility and an application, send a self-addressed stamped envelope to The Scholarship Foundation, 8215 Clayton Road, St. Louis, Missouri 63117. And for more information, visit our website at [www.ameren.com](http://www.ameren.com), call The Scholarship Foundation at 314-725-7990, or e-mail them at [schlrshpfd@stlnet.com](mailto:schlrshpfd@stlnet.com).



*We're Always There.*

'999 Scholarship Ad

*Handwritten: American Electric Power*



**Ameren is proud to  
play a role in the visit of  
Pope John Paul II.**

Our area's young people  
have gathered together to take  
part in "Walk in The Light," a  
youth walk from the Arch  
grounds to the Kille Center.  
We're honored to help sponsor  
this important event and be a  
part of St. Louis's story.

**Schedule 3-17**





AmerenUE Presents

# BRIGHT IDEAS IN FOOTBALL HISTORY

No. 2 in a series

## [ MOVING THE GOAL POST BACK. ]

The history of the goal post features more moves than an Armatron pinball game. In 1920, the posts were on the goal line. In '27 they were in the back of the end zone. In '33 they returned to the goal line. This last move was an effort by the league to increase scoring and, as a result, make football more exciting for fans. (It seemed to work. In '32 there were only six field goals. In '33 there were 36. But there was a problem with posts on the field. They sometimes got in the way. If the crowd was the crowd, the goal post was often the thirteenth. And over the years, as the game developed, so did another problem. It was a tall goal was an event. By '73 fans wanted touchdowns. But more often than not, if a drive stalled, a team would kick for three rather than go for six. Once again, in an effort to increase action, and to mention touchdowns, the league voted in '74 to move the goal post to the back, where it remains today. (Last time we looked.) As a company that's always valued bright ideas, AmerenUE congratulates the NFL for its efforts to keep the game exciting. And put the fans first.



Schedule 3-18  
cont'd

# SHUT THE DOOR!

## AND OTHER ENERGY-SAVING TIPS.

**Y**our parents were right. Keeping doors and windows tightly shut is an important and easy way to keep heat in its place. And energy bills in check. Here are some other simple things you can do: Lower your thermostat a few degrees. Every degree results in a savings of about three percent. To boost the energy-efficiency of windows, open drapes and shades during the day, and close them at night. To help keep your furnace running smoothly, change the filter every month. And be sure to weather-strip and caulk doors and windows. A well-caulked, weather-stripped home can result in savings of up to 30 percent. By taking these simple steps, you'll save energy. You'll save money. And your parents will be very proud. For more information on making your home energy efficient, visit us on the web at [www.ameren.com](http://www.ameren.com).



*We're Always There.*

**Schedule 3-19**

Winter Energy Tips

*To be eligible for*  
**OUR SAFELIGHTS PROGRAM,**  
*a community has to apply itself.*

---

**By May 31st.**

**T**o help make neighborhoods safer at night, AmerenUE is giving away thousands of special, long-life, high-efficiency lightbulbs to qualified neighborhood organizations and community groups. So, if your organization or group has a history of conducting successful community programs, can develop a plan for distributing and installing your AmerenUE SafeLights, and has the endorsement of the local police, give us a call. And we'll give you an application. Call 314-554-6441. Or contact us on the web at [www.ameren.com](http://www.ameren.com). And who knows, with your efforts and our help, your neighborhood's future could get a little brighter. And a little safer.



*We're always there.*

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AmerenUE "1999 SAFELIGHTS PROGRAM"

**AC90089AU**

**Schedule 3-20**

**R O D G E R S   ■   T O W N S E N D**



Central Apex Reproductions  
Customer/Rodgers Townsend #15828-3

Date:5-27-99



SOME REQUIRE US  
TO PROTECT THE ENVIRONMENT.

---

OTHERS COMPEL US.



Ameren UE

©1999 Ameren Corp

Ameren "Others Compel Us"

This ran in all programs

**We love all the applause  
when the lights come up.  
But how about a hand  
for the performers?**



*Of course, it's the performing arts that bring this community to its feet.*

*That's why AmerenUE supports the arts through funding, employee efforts and simple patronage.*

*Making life that much brighter for all of us.*



[www.ameren.com](http://www.ameren.com)

Schedule 3-22

**WE'VE EXPANDED OUR HORIZONS.  
CALL US WHEN YOU'RE READY TO EXPAND YOURS.**

*We're Ameren. The newly combined energy company for St. Louis, mid-Missouri and central Illinois. Now, serving twice the number of communities, Ameren has more resources to offer expanding companies than ever before. Access to a larger skilled labor force, fully-improved industrial sites and advanced transportation systems connecting to growing national and international markets. You can also look to Ameren as your complete source for competitive energy services and confidential business development assistance. To meet your Ameren Economic Development Team, call 1-800-961-9409. We're looking forward to growing together.*



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AMEREN "WIRES" - PLANT SITES & PARKS

AC90549A1

Schedule 3-23

R O D G E R S  T O W N S E N D

**BUSINESS CUSTOMERS CAN COUNT ON AMEREN  
FOR MORE THAN JUST ELECTRICITY.**

**GAS, FOR INSTANCE.**

*Businesses count on Ameren for efficient, affordable and reliable electrical service. Now they can do the same when it comes to gas. Introducing AmerenEnergy, a newly formed subsidiary and supplier of natural gas. The combination of AmerenUE and AmerenEnergy makes us uniquely qualified to become your company's total energy provider. That means you can count on us for electricity and natural gas. And much more. Like energy management products. Gas or electric efficiency audits. And a full range of additional products and services to help your company get the most out of the energy we provide. So, for questions about your electrical energy needs, call AmerenUE at 314-554-4500. And to find out more about the new choice for natural gas, call AmerenEnergy at 314-613-9040.*



[www.ameren.com](http://www.ameren.com)