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May 7, 2002

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

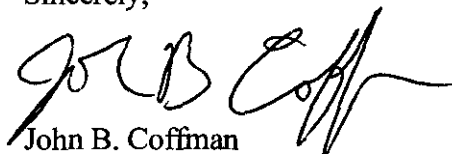
**RE: Union Electric Company,
Case No. EC-2002-**

Dear Mr. Roberts:

Enclosed for filing in the above-referenced case please find the original and eight copies **COMPLAINT REGARDING THE THIRD YEAR OF THE SECOND EXPERIMENTAL ALTERNATIVE REGULATION PLAN**. I have on this date mailed, faxed, and/or hand-delivered the appropriate number of copies to all counsel of record. Please "file" stamp the extra enclosed copy and return it to this office.

Thank you for your attention to this matter.

Sincerely,


John B. Coffman
Acting Public Counsel

JBC:jb

cc: Counsel of Record

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

| | | |
|-------------------------------|---|-------------------|
| OFFICE OF THE PUBLIC COUNSEL, |) | |
| Complainant, |) | |
| |) | |
| vs. |) | Case No. EC-2002- |
| |) | |
| UNION ELECTRIC COMPANY, |) | |
| d/b/a AmerenUE, |) | |
| Respondent. |) | |

**COMPLAINT REGARDING THE THIRD YEAR OF THE
SECOND EXPERIMENTAL ALTERNATIVE REGULATION PLAN**

COMES NOW the Office of the Public Counsel (Public Counsel), pursuant to Section 386.390 RSMo. 2000, Commission Rule 4 CSR 240-2.070(5), and the Stipulation and Agreement filed on July 12, 1996 in Case No. EM-96-149, and approved by the Missouri Public Service Commission (Commission) in its Report and Order issued on February 21, 1997, and files this Complaint against Union Electric Company, d/b/a AmerenUE (Company). In support hereof, Public Counsel states as follows:

1. Company is an "electric corporation" and a "public utility" as those terms are defined in Section 386.020 RSMo. 2000. Company is subject to the jurisdiction and regulation of the Commission pursuant to Chapters 386 and 393 RSMo. 2000. Company's principle office and place of business is located at:

Union Electric Company
One Ameren Plaza
1901 Chouteau Avenue
St Louis MO 63103

2. Public Counsel is a state agency statutorily authorized to represent the public in cases before the Commission. Section 386.700, et al. RSMo. 2000. Public Counsel is authorized to file formal complaints with the Commission pursuant to Section 386.390.1 RSMo. 2000 and Commission Rule 4 CSR 240-2.070(1). Public Counsel's address is:

Office of the Public Counsel
200 Madison Street, Suite 650
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PO Box 7800
Jefferson City MO 65102

3. The Stipulation and Agreement approved by the Commission on February 21, 1997 in Case No. EM-96-149 established a "Second Experimental Alternative Regulation Plan" ("EARP II"). This Stipulation and Agreement outlines the procedure whereby an earnings calculation is performed each twelve months over three years to determine if Company's consumers should receive "sharing credits."

4. On October 17, 2001, Company filed a Final Earnings Report for the Third Sharing Period (covering the twelve months from July 1, 2000 through June 30, 2001) of the EARP II, pursuant to the procedures of the Stipulation and Agreement.

Both the Staff of the Commission (Staff) and Public Counsel have been independently reviewing and investigating the books and records of the Company to determine if its earnings calculations are justified, reasonable, and whether these calculations were the result of earnings manipulation. Public Counsel has discussed various areas of disagreement with Company's Earnings Report in several meetings, including teleconferences on February 27, 2002 and May 2, 2002. Despite these discussions with Company, areas of disagreement remain. On this date, Public Counsel is filing prepared direct testimony and schedules on the following disputed issues:

Environmental Expenses
Injuries and Damages Expense
Legal Expense
Midwest Independent System Operator Cancellation Fee
Venice Power Plant Fire Costs
Lobbying Costs
Coal Inventory
SO2 Allowance Transactions
Capital Structure

These issues involve disagreements regarding the mechanics of calculating the Final Earnings Report and manipulation of earnings results, as detailed in Public Counsel's prepared direct testimony. These disputed issues are brought to the Commission's attention for resolution pursuant to Sections 7.f.vi, 7.f.vii, 7.f.viii, of the February 21, 1997 Stipulation and Agreement and pursuant to Section 2.g. of the Reconciliation Procedure attached to it.

5. Public Counsel has reviewed Staff's revised procedural schedule recommendation in this case, filed on May 6, 2002, and concurs that it is a reasonable and adequate recommendation for proceeding in this matter. Public Counsel urges the Commission not to delay the schedule further than is recommended by Staff.

WHEREFORE, Public Counsel respectfully requests that the Commission adopt the adjustments detailed in its prepared direct testimony regarding the EARP II Third Year Sharing Credits that are due to Company's electric consumers pursuant to the Stipulation and Agreement approved by the Commission on February 21, 1997 in Case No. EM-96-149.

Respectfully submitted,

OFFICE OF THE PUBLIC COUNSEL

By: 

John B. Coffman

(#36591)

Acting Public Counsel

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed or hand-delivered to the following this 9th day of January 2002:

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A handwritten signature in black ink, appearing to read "J. R. B. Coffey", is written over a horizontal line.