

February 9, 2001

VIA FEDERAL EXPRESS



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

FILED²
FEB 13 2001
Missouri Public
Service Commission

Re: MPSC Case No. EO-2000-580

Dear Mr. Roberts:

This letter is to inform you of a correction to the **Initial Brief of Union Electric** filed on January 23, 2001 on behalf of Union Electric Company, d/b/a AmerenUE, in the above matter. The first line on page 16 should read "Lone Star account for 1.3 million..." instead of 1.1 million. The corrected page is enclosed for your convenience.

Kindly acknowledge receipt of this letter by stamping a copy of the enclosed letter and returning it to me in the enclosed self-addressed envelope.

Very truly yours,

A handwritten signature in dark ink, appearing to read "J. Cook", written over the typed name and title.

James J. Cook
Managing Associate General Counsel

JJC/mlh
Enclosures

cc: Parties on Attached Service List

Lone Star account for \$1.3 million (\$800,000 and \$500,000 respectively), Holnam must have received \$1.1 million. If we apply a similar average production loss ratio to \$1.1 million, it can be estimated that Holnam had offsetting production losses of about \$693,000 -- for an annual net savings of approximately \$407,000.

If we add the avoided production losses for the three companies (\$586,000 plus \$238,400 plus \$693,000) we see that the total avoided production losses equal \$1,517,400; leaving a NET lost savings due to the elimination of the 10(M) rate of \$882,600, instead of the claimed \$2.4 million.

The Company does not dispute that \$882,600 is a significant figure, despite the fact that it would be even lower after consideration of off-setting income tax reductions. However, to claim that the customers have incurred a \$2,400,000 loss, when in fact the difference is substantially less, is misleading.

2nd Consequence

The second consequence mentioned by Mr. Brubaker is that "UE no longer has the right to curtail the 40,000 kilowatts of interruptible load that Interruptible Customers previously offered to UE in the event that service to firm customers was jeopardized." (Exhibit 1, p. 13, line 19)

Finally, at the very end of his Direct Testimony, Mr. Brubaker makes a claim that, if everything he suggests were true, begins to look like a reason that at least allows for argument (other than that his clients prefer it to the other options now available). He states that these customers and their 40 MWs of curtailable load are now not available to UE for curtailment. (So far, what he says is true.) He then suggests that this is "extremely valuable" and warns that the ability to "curtail load for reliability purposes ...

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