

LAW OFFICE OF ROBERT C. JOHNSON

720 OLIVE STREET SUITE 2400 ST. LOUIS, MO 63101
FAX: (314) 588-0638

Robert C. Johnson
DIRECT: (314) 345-6436
E-MAIL: rjohnson@bspmlaw.com

Lisa C. Langeneckert
DIRECT: (314) 345-6441
E-MAIL: llangeneckert@bspmlaw.com

April 6, 2001

FILED

APR 9 2001

Missouri Public
Service Commission

Mr. Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
Governor Office Building
200 Madison Street, Suite 100
Jefferson City, MO 65102

Re: MoPSC Case No.: EO-2000-580

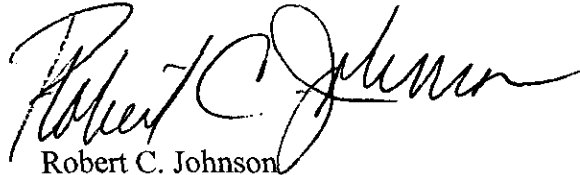
Dear Mr. Roberts:

Enclosed for filing on behalf of Holnam, Inc., et al, in the above matter, are an original and eight (8) copies of each of the following pleadings:

1. Motion to Reopen the Record...; and
2. Motion to Implement Curtailment Tariff on an Interim Basis.

I will appreciate your bringing these filings to the attention of the Commission. Also, please acknowledge receipt of this filing by stamping a copy of this letter and returning it to the undersigned in the enclosed self-addressed envelope.

Yours very truly,



Robert C. Johnson

RCJ/gmw
Enclosures
cc: All parties of record
Maurice Brubaker

FILED

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

APR 9 2001

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

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Case No. EO-2000-580

MOTION TO REOPEN THE RECORD FOR THE ADMISSION OF ADDITIONAL
EVIDENCE AND AUTHORIZE ANY FURTHER PROCEEDINGS AS THE COMMISSION
SHALL DEEM APPROPRIATE

COME NOW, Holnam Inc., Lone Star Industries, Inc., and River Cement Company (the "MEG Interruptibles") and move this Commission to reopen the record in this case, to admit additional evidence described herein and initiate any further proceedings as the Commission shall deem appropriate and in support of this Motion state as follows:

Subsequent to the conclusion of the hearing in this matter, on or about March 19, 2001, Union Electric Company ("U.E.") filed with the Commission in the above matter a "Supplemental Statement" of its counsel, James J. Cook, a copy of which is attached as Exhibit

A. In the Supplemental Statement counsel for U.E. has now admitted that:

1. U.E. has a substantial shortage of generation capacity required to meet this summers load; and
2. There apparently is a problem of transmission constraints that limits the ability of this utility to import needed power and requires an increase in its reserve margins.

It has been a consistent position of the MEG Interruptibles in this case that U.E. did in fact have a shortage of generation and for this reason the Commission should give serious consideration to implementing a curtailment tariff which would make available to U.E. 40 MW of

curtailable power at a cost less than U.E.'s own new gas-fired capacity and relieve the utility from the necessity of purchasing this amount in the wholesale market. The problem of a capacity shortage is now compounded apparently by transmission constraints that limit import capacity. This evidence raises questions about the previous contention of U.E. in this case and further supports the position of the MEG Interruptibles. In addition it emphasizes the necessity for prompt implementation of a curtailment tariff incorporating the Brubaker tariff Proposals.

Also attached as Exhibit B is a copy of an article from the *St. Louis Post-Dispatch* dated March 18, 2001, which contains an interview with Gary Rainwater, an officer of and spokesman for U.E. or an affiliate. Among other things, the article states that the utility intends to purchase 450 MW of power off-system in order to meet its summer loads. This article and statement, if incorporated in the record herein as evidence, further supports the contentions of the MEG Interruptibles in this case.

A third matter has occurred subsequent to the closing of the record in this case. On or about March 29, 2001, U.E. filed with the Commission in Docket No. EM-2001-233 a Request for Leave to Withdraw Application for Transfer of Assets (Exhibit C attached). In this case U.E. had asked for permission to transfer a group of customers to its Illinois affiliate, Ameren CIPS, which, according to U.E., would free up approximately 500 MW of generation and make it available to serve the native Missouri load. Accordingly, it appears that U.E. may be required to purchase a portion of its requirements in the wholesale market which could prove very costly and almost certainly will exceed the cost U.E. would incur in implementing the curtailment tariff recommended by Maurice Brubaker in this proceeding.

All of this information and related evidence when incorporated in the record in this case supports the positions of the MEG Interruptibles and indicates that U.E. may have difficulty in

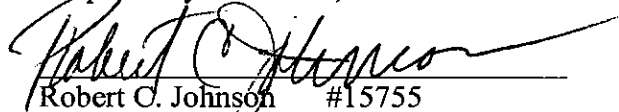
serving its native Missouri load this summer, either because of inadequate generation availability or transmission constraints or both.

Accordingly, the MEG Interruptibles submit that the record in this case should be expanded to include the filings and statement above described as additional evidence relating to the ability of U.E. to serve its native Missouri load this summer and thereby give the Commission a more complete record to consider in deciding the issues in this case.

WHEREFORE, the MEG Interruptibles request that the Commission reopen the record in this proceeding, to admit as evidence the filings and statement described herein, and initiate such additional proceedings as the Commission shall deem appropriate.

Dated at St. Louis, Missouri this 6th day of April, 2001.

Respectfully submitted,



Robert C. Johnson #15755

Phone: (314) 345-6436

E-Mail: bjohnson@bspmlaw.com

Lisa C. Langeneckert #49781

Phone: (314) 345-6441

E-Mail: llangeneckert@bspmlaw.com

720 Olive St., Suite 2400

St. Louis, MO 63101-2396

Fax: (314) 588-0638

CERTIFICATE OF SERVICE

The undersigned counsel hereby certifies that a true and correct copy of the foregoing has been mailed or hand-delivered to the following on this 6th day of April 2001.

A handwritten signature in black ink, appearing to read "Robert C. Johnson", written over a horizontal line.

John B. Coffman
Deputy Public Counsel
Office of the Public Counsel
Governor Office Building
200 Madison Street, Suite 650
Jefferson City, MO 65102

James J. Cook
Managing Associate General Counsel
Ameren Services Company
One Ameren Plaza
1901 Chouteau Avenue
P.O. Box 66149 (MC1310)
St. Louis, MO 63146-6149

Dennis Frey
Assistant General Counsel
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102

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

In the Matter of an Investigation	)	
Into an Alternative Rate Option for	)	
Interruptible Customers of Union	)	Case No. EO-2000-580
Electric Company d/b/a AmerenUE	)	

SUPPLEMENTAL STATEMENT

COMES NOW, Union Electric Company, d/b/a AmerenUE ("the Company") and as a Supplemental Statement, states the following:

In various pleadings and testimony in this case, AmerenUE has maintained that the Company is not facing a capacity crisis. These statements have been made in response to MEG claims that the Company is facing such a crisis, and therefore the 40 MW of load which MEG wishes to place on its proposed "interruptible" rate are required to help alleviate that situation.

UE's position has been that no such crisis exists; but to the extent that the Company needs to plan for additional capacity, the MEG's proposal is not the appropriate answer.

The Company asks leave to file this Supplemental Statement because recent studies conducted by the Company have suggested that, because of constrained transmission facilities, the Company's import capacity for Summer 2001 is severely limited. This has caused the Company to re-evaluate the reserve margin it should maintain, in order to assure continued reliable service to its customers.

The recent studies and re-evaluation of the Company's capacity needs will likely result in new decisions in the near future concerning both short and long term capacity

additions. As with any portfolio of generating capacity, a diverse range of options will be considered. Economics and reliability will, of course, be important considerations as decisions are made. Included in that range of options may very well be new market-based curtailment options and enhancements of current market-based curtailment options, as well as capacity additions and purchases. Clearly, options that will not be considered, would be those, such as the Brubaker proposal, which are uneconomical and burdensome.

The Company brings this matter to the Commission's attention in order that the Commission may be fully apprised of the most recent developments in this area – largely arising subsequent to the hearing in this case. The Company is concerned that, at the surface, the position taken in this case will appear inconsistent with actions the Company anticipates taking in the near future. This is not the case.

The Company's opposition to the Brubaker proposal is unchanged. Even in light of the Company's recent studies and anticipated need for additional capacity, the Brubaker proposal does not offer an economical or workable source of capacity. In addition, as previously developed on the record of this case, MEG's 40 MWs of interruptible load has already been more than offset by the new curtailable load available under the new Riders L and M. MEG's 40 MWs will be of no value whatsoever if that 40 MWs comes at the cost included in the Brubaker proposal.

The Company suggests that this clarification of the Company's capacity situation addresses a question that is largely irrelevant to a decision in this case. The issues listed by the Staff, and addressed by the Staff and Company in this case do not include a question of whether AmerenUE needs additional capacity. Rather the basic issue is whether the Company should be forced to acquiesce in the demands of these three

customers for an uneconomical discount, with restrictive conditions, in order to obtain the ability to interrupt 40 MWs of their load. However, though irrelevant to this case, the MEG raised the matter several times, albeit without any specific evidence to support their claims.

The Company believes that this clarification is needed to allow the Commission to better understand what might otherwise appear as inconsistent positions.

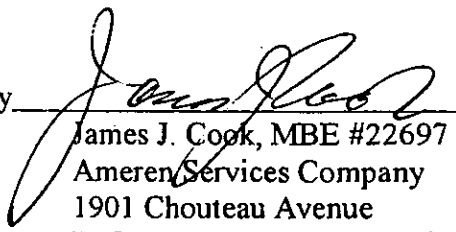
WHEREFORE, for the reasons stated above, AmerenUE hereby requests that this clarification of its capacity situation, as that may be relevant to a decision in this case, be brought to the attention of the Commission before a decision is reached in this case.

Date: March 19, 2001

Respectfully submitted,

UNION ELECTRIC COMPANY
d/b/a AmerenUE

By


James J. Cook, MBE #22697
Ameren Services Company
1901 Chouteau Avenue
P. O. Box 66149 (MC 1310)
St. Louis, MO 63166-6149
(314) 554-2237
(314-554-4014 (fax)
jjcook@ameren.com

CERTIFICATE OF SERVICE

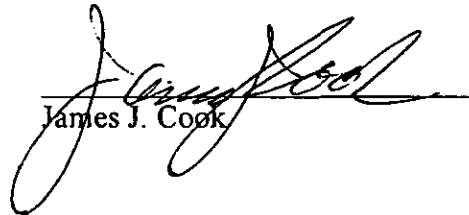
I hereby certify that a copy of the foregoing was served via U.S. first class mail on this 19th day of March, 2001, on the following parties of record:

Office of the Public Counsel
Governor Office Building
200 Madison Street, Suite 650
Jefferson City, MO 65101

Mr. Robert C. Johnson
720 Olive Street, Ste. 2400
St. Louis, MO 63101

General Counsel
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102

Dennis Frey
Assistant General Counsel
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102


James J. Cook

Missouri could be close to passing a bill allowing deregulation

AmerenUE officials
support the legislation;
opponents say change
would drive rates higher

BY REPPS HUDSON
Of the Post-Dispatch

AmerenUE officials are pushing for a bill in the Missouri General Assembly that would put the St. Louis-based electric utility on the road to deregulation, although corporate officials prefer to call the change "restructuring."

Semantics aside, the Legislature could be closer this year than ever to passing a bill that would allow the state's four investor-owned utilities to put their power-producing plants — fossil-fuel, nuclear and hydroelectric — in a company that no longer would be regulated by the Missouri Public Service Commission.

After a final rate review by the commission, regulation of the power plants would be transferred from state over-

Utility

Counsel opposes transfer of regulatory control

Continued from E1

"This bill would take all of our good, cheap energy dedicated to our Missouri customers and put it out on the open market," Hogerty said. She added that the change would give up the cost of electricity for AmerenUE's residential customers, who now pay an average of 7 cents a kilowatt hour.

Hogerty also objects to the transfer of regulatory control to FERC, which she said would dilute Missouri consumers' argument in rate reviews. She said the

Public Service Commission has a long history of overseeing the utilities and understands their costs and needs, while FERC officials and staff in Washington would not have that knowledge or the interests of Missourians at heart.

The measure would allow utilities such as AmerenUE, with 1.2 million residential, commercial and industrial customers in eastern Missouri, to begin a corporate restructuring in the state and partially get out from under the control of the commission, the state's regulatory agency for investor-owned monopoly utilities.

Utility officials here shun the word "deregulation," preferring to label the measure a "hybrid" step toward restructuring Ameren Corp., parent of AmerenUE and AmerenCIPs, the Illinois affiliate that serves central Illinois.

They stressed that setting up a GENCO would not lead to the kind of deregulation fiasco that struck California last year, with rolling blackouts and electric power shortages. In fact, they contend the bill would have the opposite effect because it would attract capital and allow utilities to build more power plants in Missouri.

Opponents such as Hogerty, who under law speaks for the consumers in rate cases and other matters before the commission, say that turning over the utilities' generating systems to federal oversight will ensure that rates for residential customers will rise.

But Gary L. Rainwater, president of Ameren Energy Resources, which is expected to manage the generating company, said Wednesday the bill would al-

E2

ST. LOUIS POST-DISPATCH BUSINESS

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

RECEIVED

APR 5 2001

In the Matter of the Application of Union)
Electric Company, d/b/a AmerenUE for an Order)
Authorizing the Sale, Transfer and Assignment)
of Certain Assets, Real Estate Leased Property,)
Easements and Contractual Agreements to)
Central Illinois Public Service Company d/b/a)
AmerenCIPS, and, in Connection Therewith,)
Certain Other Related Transactions.)

Case No. EM-2001-233

**REQUEST FOR LEAVE TO WITHDRAW
APPLICATION FOR TRANSFER OF ASSETS**

COMES NOW Union Electric Company d/b/a AmerenUE ("the Company") and pursuant to 4 CSR 240-2.116 submits this Request for Leave to Dismiss Application in the above styled case. The Company requests that its Application for Transfer of Assets and Change in Decommissioning Trust Fund be dismissed.¹ In support of its request, the Company states as follows:

1. On October 6, 2000, the Company filed its Application with the Commission. An Amendment to that Application was filed on October 26, 2000.
2. On October 30, 2000, the Staff of the Commission filed its Response to Commission Order Adopting Protective Order and Directing Filings Respecting Union Electric Company's Request for Expedited Treatment. In that pleading, the Staff expressed various concerns about the filing; including, the costs to Missouri ratepayers, and the "unconventional" nature of the filing because of the request for "ratemaking determinations outside the context of a rate proceeding." In addition, the Staff expressed

¹ The Company's Motion for Expedited Treatment was previously withdrawn, orally, during the Prehearing Conference, held on December 20, 2000. Transcript p. 8

its concern that the Company's filing might be in violation of the second experimental alternative regulation plan (EARP) in Case No. EM-96-149. Also, the Staff was concerned about the sufficiency of the information provided with the filing, and the time that would be required to evaluate the additional information that the Staff requested.

3. On the same date, the Office of Public Counsel filed its Response to AmerenUE's Motion for Expedited Treatment. The Public Counsel expressed their concern "that certain requested ratemaking determinations requested in this case could unlawfully prejudice matters that are beyond the statutory authority granted to the Commission..." and that there could be implications to the Joint Dispatch Agreement and the EARP.

4. In response to these filings, the Company requested a prehearing conference, which was held on December 20, 2000. In addition, once it became clear that expedited treatment was not going to be possible, the Company, as stated in its original filing, sought "requests for proposals" ("RFP") to obtain capacity and energy for the summer of 2001. The Staff and the Public Counsel participated with the Company in the development of those RFPs.

5. At that prehearing conference, the Company withdrew its request for expedited treatment, and the parties agreed to submit a procedural schedule by January 16, 2001.

6. On January 16, 2001, a Unanimous Stipulation and Agreement Respecting Procedural Schedule was filed with the Commission. In that filing, the Company agreed that it would file "Supplemental Direct Testimony" by February 8, 2001.² The Staff,

² The Supplemental Direct Testimony was to address the requests for additional information from the Staff.

Public Counsel and other's Rebuttal Testimony was to be filed on June 7, 2001. That proposed schedule was approved by the Commission, by order dated February 1, 2001.

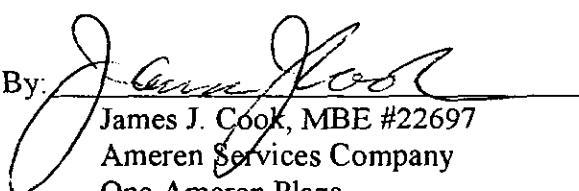
7. Thereafter, the Company filed a Request to Hold Procedural Schedule in Abeyance, on February 6, 2001, noting that work on the additional information requested by the Staff was not complete. The Commission granted that request on February 26, 2001. On February 20, the Company filed a Status Report, indicating that work was continuing; and on March 15, the Company again informed the Commission that it was not yet prepared to file the additional testimony. The Company indicated that it would respond further to the Commission and the parties by April 15, 2001, concerning the matter.

8. Subsequent to that last filing, the Company and AmerenCIPS have decided not to proceed with the proposed transfer. Therefore, the Company asks leave to dismiss this matter. The request for various approvals concerning the Company's decommissioning trust fund are also withdrawn, and the Company asks leave that those requests be dismissed, as well. Requests for approval of the transfer which are currently pending in other jurisdictions will also be withdrawn or dismissed. Alternative plans for meeting AmerenUE's capacity energy needs for the summer of 2001 have already been commenced. Additional plans for later years are being developed and will be shared with the Staff and the Public Counsel in future meetings.

WHEREFORE, Union Electric Company asks leave of the Commission to
dismiss this matter forthwith.

Dated March 29, 2001

Respectfully submitted,
Union Electric Company
d/b/a AmerenUE

By: 

James J. Cook, MBE #22697
Ameren Services Company
One Ameren Plaza
1901 Chouteau Avenue
P. O. Box 66149 (MC1310)
St. Louis, MO 63166-6149
314-554-2237
314-554-4014 (fax)
jjcook@ameren.com

CERTIFICATE OF SERVICE

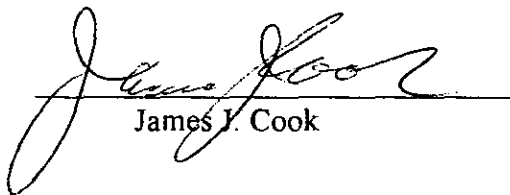
I hereby certify that a copy of the foregoing document was served on the following parties of record via U.S. First-Class Mail on this 29th day of March, 2001:

General Counsel
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102

Office of the Public Counsel
P. O. Box 7800
Jefferson City, MO 65102

Diana M. Vuylsteke
Bryan Cave LLP
One Metropolitan Square
211 North Broadway, Suite 3600
St. Louis, MO 63102-2750

Robert C. Johnson
Attorney at Law
720 Olive Street, Suite 2400
St. Louis, MO 63101



James J. Cook