

AmerenUE

(314) 554-3484
(314) 554-4014 (fax)
wtatro@ameren.com

One Ameren Plaza
1901 Chouteau Avenue
PO Box 66149
St. Louis, MO 63166-6149
314.621.3222

June 11, 2010

Steven Reed
Secretary
Missouri Public Service Commission
P.O. Box 360
Jefferson City, Missouri 65102

Re: Union Electric Company d/b/a AmerenUE (AmerenUE), Case No.
GR-2010-_____

Dear Mr. Reed:

Filed concurrently with this letter is a cover letter from AmerenUE's Sr. Vice President, General Counsel and Secretary Steven R. Sullivan, with which is included certain tariff sheets consisting of gas rate schedules designed to increase AmerenUE's base gross annual gas revenues by approximately \$11.9 million. The above-cited figures are exclusive of applicable gross receipts, sales, franchise or occupational fees or taxes. The tariff sheets bear a date of issue of June 11, 2010, and an effective date of July 11, 2010.

The test year employed by the Company is the 12 months ending December 31, 2009, with certain pro-forma adjustments to include known and measurable items through November 30, 2010, which is the date that coincides with the true-up cutoff date the Company will request in this case, as discussed in the direct testimony of AmerenUE witness Thomas G. Opich.

The rate increase sought by this filing is driven by several factors, including significant infrastructure investment. Since its last rate case, the Company has invested over \$54 million dollars in its natural gas infrastructure, compared to a net plant amount from the last gas rate case of approximately \$209 million, and has installed over 175 miles of new distribution mains. In addition, the three year rate moratorium under which the Company has been operating necessarily means that the Company's current rates are based upon the cost of service from 2006.

Also included herein or in Schedules to this Letter is the information required by 4 CSR 240-3.030(3)(B), as follows:

3(B)1. See Schedule 1



3(B)2. See Schedule 2

3(B)3. See Schedule 3

3(B)4. See Schedule 4

3(B)5. See Schedule 5

3(B)6. See attached Press Release being issued by AmerenUE concurrently with this filing.

3(B)7. The rate increase sought by this filing is needed for the following reasons:

- To recover the cost of investments in the Company's natural gas delivery systems;
- To recover increased operation and maintenance expenses;
- To reflect higher depreciation expense in rates; and
- To reflect increases in the Company's cost of capital.

As required by 4 CSR 240-2.065(1), this filing includes AmerenUE's direct testimony relating to this general rate increase request. Direct Testimony is provided by the following witnesses:

Warner L. Baxter	Overview of Company and Rate Increase Request; Policy; Introduction of Company Witnesses
Michael J. Adams	Lead/Lag Study
Wilbon L. Cooper	Rate Design
Emma N. Cruthis	Rolla Incremental PGA
Robert B. Hevert	Rate of Return
James J. Massmann	Rider B PGA Transition Mechanism and Gas Supply Incentive Program
Michael G. O'Bryan	Capital Structure/Cost of Debt
Thomas G. Opich	Revenue Requirements
James R. Pozzo	Billing Units/Revenues
William M. Warwick	Class Cost of Service/Miscellaneous Charges/Transportation Contract and General Tariff Changes
John F. Wiedmayer, Jr.	Depreciation
Steven M. Wills	Normalization of Weather and Class Demands

I request that you please bring this filing to the attention of the appropriate Commission personnel and see that a copy of all correspondence, notices, orders or other communications in connection with this matter and proceeding are furnished to the undersigned counsel for AmerenUE at the addresses listed in the letterhead above, and also to the following persons:

Steven R. Sullivan
Sr. Vice President, General
Counsel & Secretary
Ameren Services Company
P.O. Box 66149 (MC 1300)
St. Louis, MO 63166-6149
AmerenUEService@ameren.com

Wendy K. Tatro
Associate General Counsel
Ameren Services Company
P.O. Box 66149 (MC 1310)
St. Louis, MO 63166-6149
AmerenUEService@ameren.com

Dean L. Cooper
Brydon, Swearingen & England
P.C.
312 East Capitol Avenue
P.O. Box 456
Jefferson City, MO 65102-0456
dcooper@brydonlaw.com

Thank you for your assistance with this filing. Should you have any questions, please contact me.

Sincerely,

/s/ Wendy K. Tatro

Wendy K. Tatro

cc/enc: Missouri Public Service Commission General Counsel
Office of the Public Counsel

UNION ELECTRIC COMPANY
Missouri Natural Gas Operations
Aggregate Annual Increase

The aggregate annual increase over current revenues produced by current base rates which the tariffs propose is \$11,875,000* for AmerenUE, an overall increase of a customer's total bill (including Purchased Gas Adjustment charges) of 7.3% on a pro forma basis.

COMMUNITIES AFFECTED BY FILING

Advance	Hallsville	Painton
Ashland	Hartsburg	Perkins
Ash Hill	Hawk Point	Pierpont
Auxvasse	Higbee	Prairie Home
Blackwater	High Hill	Prathersville
Bloomfield	High Point	Randles
Boonville	Hinton	Renick
Browns Station	Holts Summit	Rivers Addition
Cairo	Huntsville	Rocheport
California	Idalia	Rolla
Cape Girardeau	Jamestown	Russellville
Center	Jefferson City	St. Martins
Centertown	Jonesburg	Salem
Centralia	Kelso	Scott City
Circle City	Laddonia	Silex
Clark	Lohman	Stover
Clarksville	Louisiana	Sturgeon
Columbia	Marble Hill	Troy
Curryville	Maryknoll	Truesdale
Delta	Martinsburg	Truxton
Dexter	McGirk	Vandalia
Eldon	Mexico	Vandiver
Elsberry	Midway	Vanduser
Elston	Moberly	Versailles
Essex	Moscow Mills	Wardsville
Farber	Nelson	Warrenton
Fisk	New Bloomfield	Wellsville
Flint Hill	New Franklin	Wentzville
Foley	New London	Winfield
Foristell	Old Monroe	Wright City
Franklin	Olean	
Glen Allen	Owensville	
Grayridge		

COUNTIES AFFECTED BY FILING

Audrain County
Bollinger County
Boone County
Butler County
Callaway County
Cape Girardeau County
Cole County
Cooper County
Dent County
Gasconade County
Howard County
Lincoln County
Miller County
Moniteau County
Montgomery County
Morgan County
Phelps County
Pike County
Ralls County
Randolph County
St. Charles County
Saline County
Scott County
Stoddard County
Warren County

UNION ELECTRIC COMPANY
Missouri Gas Operations
Number of Customers Affected by General
Category of Service and Rate Classification*

Twelve Months Ending December 2009, Growth to Forecast November 2010

<u>Service and Rate Classification*</u>	<u>Number of Customers</u>
Residential Service	112,898
General Service	
Small General Service	9,861
Large General Service	3,405
Interruptible Service	17
Transportation Service	
Standard Small Transportation	34
Standard Large Transportation	264
Large Volume Transportation	18
Special Contract	6
TOTAL CUSTOMERS	<u>126,503</u>

* Union Electric Company's general categories of service and rate classifications for natural gas service are substantially the same.

UNION ELECTRIC COMPANY
Missouri Gas Operations
Average Annual Change Requested in Dollars
and Percentage Change from Current Rates*
Twelve Months Ending December 2009, Growth to Forecast November 2010

<u>Service and Rate Classification**</u>	<u>Average Annual Change</u>	<u>Percentage Change</u>
Residential Service	\$ 87	9.8%
General Service		
Small General Service	\$ 72	5.2%
Large General Service	\$ 393	3.9%
Interruptible Service	\$ 8	0.0%
Transportation Service		
Standard Small Transportation	\$ 0	0.0%
Standard Large Transportation	\$ 1	0.0%
Large Volume Transportation	\$ 56	0.0%

* Includes a weighted average PGA factor of 81.00¢/Ccf and 68.00¢/Ccf for Firm (Residential and General Service) and Interruptible Service respectively, and an assumed 72.00¢/Ccf gas for Transportation Service.

** Union Electric Company's general categories of service and rate classifications for natural gas service are substantially the same.

UNION ELECTRIC COMPANY
Missouri Gas Operations
Proposed Annual Aggregate Change and
Percentage Change in Revenues from Current Rates*

<u>Service and Rate Classification**</u>	<u>Annual Aggregate Change</u>	<u>Percentage Change</u>
Residential Service	\$ 9,823,818	9.8%
General Service		
Small General Service	\$ 708,846	5.2%
Large General Service	\$ 1,339,715	3.9%
Interruptible Service	\$ 129	0.0%
Transportation Service		
Standard Small Transportation	\$ (4)	0.0%
Standard Large Transportation	\$ 272	0.0%
Large Volume Transportation	\$ 996	0.0%
 TOTAL	 <u>\$11,873,772</u>	 *** <u>7.3%</u>

* Includes a weighted average PGA factor of 81.00¢/Ccf and 68.00¢/Ccf for Firm (Residential and General Service) and Interruptible Service respectively, and an assumed 72.00¢/Ccf gas for Transportation Service.

** Union Electric Company's general categories of service and rate classifications for natural gas service are substantially the same.

*** Includes revenues from late payments, special contract customers, and Miscellaneous Charges and excludes assumed price of gas for Transportation Service customers.



One Ameren Plaza
1901 Chouteau Ave.
St. Louis, MO 63103

NEWS RELEASE

Contacts:

Media

Mike Cleary
(573) 681-7137

Lisa Manzo
(314) 554-6157

Analysts

Doug Fischer
(314) 554-4859

Investors

Investor Services
(800) 255-2237

For Immediate Release

AmerenUE Files for Increase in Natural Gas Delivery Rates to Cover Infrastructure Investments and Higher Operating Costs

ST. LOUIS, MO, June 11, 2010—Citing infrastructure investments in its natural gas system and higher operating costs since the last natural gas rate case three years ago, AmerenUE, an operating company of Ameren Corporation (NYSE: AEE), today filed a request with the Missouri Public Service Commission (PSC) for an \$11.9 million increase in natural gas delivery rates for its 127,000 Missouri gas customers.

Delivery rates represent the portion of a customer's total gas bill that goes primarily to cover the costs of construction, operations and maintenance of UE's distribution system that delivers gas to customers. For residential customers, those charges historically account for about one-third of their total gas bill. The remainder of their bill is covered by the Purchased Gas Adjustment (PGA), which reflects the wholesale cost of gas from UE's suppliers, plus the cost of transporting it to the UE system. Revenue collected through the PGA goes entirely to UE's suppliers and pipeline companies, and is not affected by today's filing.

For residential customers, UE's request would mean an average net increase of about \$7.25 per month, or approximately 9.8 percent, in their total gas bill, excluding taxes.

UE's rate request will not have any immediate effect, since it must first go through the process of PSC review and hearings. A decision is expected no later than May 2011.

"Since our last rate case in 2007, we have invested \$54 million in gas system improvements, including the addition of more than 175 miles of new gas distribution mains and about 9,800 new service lines to homes and businesses," says Warner

Baxter, AmerenUE president and chief executive officer. “While we recognize that a rate increase may create challenges for some of our customers during this difficult economic period, we believe it is necessary to update our natural gas rates to reflect our additional investments and our increased operating costs since our last gas rate case so that we can continue to invest in our gas infrastructure and provide safe and reliable service to our customers.”

UE’s delivery rates are regulated, and any changes must be approved by the PSC through a rate case like the one filed today. In contrast, supplier costs for natural gas are not regulated, and go up or down based on supply and demand. UE passes those costs on to customers through the PGA without “markup.” The PSC reviews PGA costs for prudence and accuracy, but changes do not require the filing of a formal rate case.

AmerenUE, founded in 1902, provides electric and gas service to approximately 1.2 million customers across central and eastern Missouri, including the greater St. Louis area. UE serves 57 Missouri counties and 500 towns. For more information, visit www.amerenue.com.

FORWARD-LOOKING STATEMENTS

Statements in this release not based on historical facts are considered “forward-looking” and, accordingly, involve risks and uncertainties that could cause actual results to differ materially from those discussed. Although such forward-looking statements have been made in good faith and are based on reasonable assumptions, there is no assurance that the expected results will be achieved. These statements include (without limitation) statements as to future expectations, beliefs, plans, strategies, objectives, events, conditions, and financial performance. In connection with the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995, we are providing this cautionary statement to identify important factors that could cause actual results to differ materially from those anticipated. The following factors, in addition to those discussed under Risk Factors in our 2009 Annual Report on Form 10-K and in our other filings with the SEC, could cause actual results to differ materially from management expectations suggested in such forward-looking statements:

- regulatory or legislative actions, including changes in regulatory policies and ratemaking determinations and future rate proceedings or legislative actions that seek to limit or reverse rate increases;
- changes in laws and other governmental actions, including monetary and fiscal policies;
- the effects of increased competition in the future due to, among other things, deregulation of certain aspects of our business at both the state and federal levels, and the implementation of deregulation;
- the effects on demand for our services resulting from technological advances;
- increasing capital expenditure and operating expense requirements and our ability to recover these costs in a timely fashion in light of regulatory lag;
- the cost and availability of purchased power and natural gas for distribution; and the level and volatility of future market prices for such commodities, including the ability to recover the costs for such commodities;
- the effectiveness of our risk management strategies and the use of financial and derivative instruments;
- business and economic conditions, including their impact on interest rates, bad debt expense, and demand for our products;

- disruptions of the capital markets or other events that make the Ameren companies' access to necessary capital, including short-term credit and liquidity, impossible, more difficult, or more costly;
- our assessment of our liquidity;
- the impact of the adoption of new accounting guidance and the application of appropriate technical accounting rules and guidance;
- actions of credit rating agencies and the effects of such actions;
- the impact of weather conditions and other natural phenomena on us and our customers;
- impairments of long-lived assets or goodwill;
- the effects of strategic initiatives, including mergers, acquisitions and divestitures;
- the impact of current environmental regulations on utilities and the expectation that more stringent requirements, including those related to greenhouse gases and energy efficiency, will be enacted over time, which could limit, or terminate, the operation of certain of our generating units, increase our costs, reduce our customers' demand for natural gas, or otherwise have a negative financial effect;
- labor disputes, work force reductions, future wage and employee benefits costs, including changes in discount rates and returns on benefit plan assets;
- the inability of our counterparties and affiliates to meet their obligations with respect to contracts, credit facilities and financial instruments;
- legal and administrative proceedings; and
- acts of sabotage, war, terrorism, or intentionally disruptive acts.

Given these uncertainties, undue reliance should not be placed on these forward-looking statements. Except to the extent required by the federal securities laws, we undertake no obligation to update or revise publicly any forward-looking statements to reflect new information or future events.

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