

Exhibit No.:	
Issue:	Fuel Adjustment Clause
Witness:	Maurice Brubaker
Type of Exhibit:	Direct Testimony
Sponsoring Party:	MIEC
Case No.:	EO-2010-0255
Date Testimony Prepared:	November 24, 2010

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

In the Matter of the First Prudence Review of)	
Costs Subject to the Commission-Approved)	
Fuel Adjustment Clause of Union Electric)	Case No. EO-2010-0255
Company, d/b/a AmerenUE)	
)	

Direct Testimony and Schedules of

Maurice Brubaker

On behalf of

Missouri Industrial Energy Consumers

REDACTED VERSION

November 24, 2010
Project 9165



BRUBAKER & ASSOCIATES, INC.
CHESTERFIELD, MO 63017

**In the Matter of the First Prudence Review of)
Costs Subject to the Commission-Approved) Case No. EO-2010-0255
Fuel Adjustment Clause of Union Electric)
Company, d/b/a AmerenUE)**

BRUBAKER & ASSOCIATES, INC.

**In the Matter of the First Prudence Review of)
Costs Subject to the Commission-Approved) Case No. EO-2010-0255
Fuel Adjustment Clause of Union Electric)
Company, d/b/a AmerenUE)
)**

1 **Q PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2 A Maurice Brubaker. My business address is 16690 Swingley Ridge Road, Suite 140,

3 Chesterfield, MO 63017.

4 **Q WHAT IS YOUR OCCUPATION?**

5 A I am a consultant in the field of public utility regulation and President of Brubaker &

6 Associates, Inc., energy, economic and regulatory consultants.

7 **Q PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND EXPERIENCE.**

8 A This information is included in Appendix A to my testimony.

9 **Q ON WHOSE BEHALF ARE YOU APPEARING IN THIS PROCEEDING?**

10 A I am appearing on behalf of the Missouri Industrial Energy Consumers (“MIEC”).

11 MIEC member companies are large consumers of electricity and are materially

12 impacted by Ameren Missouri’s (“AMMO”) rates.

BRUBAKER & ASSOCIATES, INC.

1 **Q WHAT IS THE ISSUE IN THIS CASE?**

2 A The basic issue is whether AMMO was correct in retaining the revenues, and
3 consequently the margins, from sales under two bilateral contracts with American
4 Electric Power Company ("AEP") and Wabash Valley Power Association, Inc.
5 ("Wabash"), or whether the margins from these sales should have flowed through to
6 retail customers.

7 **Q WHAT IS YOUR POSITION ON THIS ISSUE?**

8 A My position is that in accordance with the terms of AMMO's Missouri PSC retail Fuel
9 Adjustment Clause ("FAC"), the margins from sales under these two bilateral
10 contracts should have been treated like other off-system sales and flowed through the
11 FAC to the benefit of retail customers.¹

12 **Q WHAT IS AMMO'S BASIS FOR CONTENDING THAT THE BENEFIT OF THE**
13 **MARGINS FROM THESE SALES SHOULD NOT BE FLOWED THROUGH TO**
14 **RATEPAYERS?**

15 A AMMO maintains that they fall into the category of sales which may be excluded from
16 off-system sales revenue ("OSSR") under the FAC. For reference, Sheet No. 98.3 to
17 the FAC tariff effective March 1, 2009 is attached hereto as Schedule MEB-1. As
18 stated in the tariff, all off-system sales flow through the FAC except "long-term full and
19 partial requirements sales."

¹Excluding approximately 1.6% which properly is credited to the municipal wholesale customers who are bearing a proportionate share of AMMO's generation and transmission assets as a consequence of the jurisdictional allocation in Case No. ER-2008-0318 when the FAC tariff at issue was approved.

1 **Q ARE THESE TWO BILATERAL CONTRACTS SHORT-TERM OR LONG-TERM**
2 **REQUIREMENTS CONTRACTS?**

3 A No. The commonly understood concept of “requirements service” is, and for many
4 years has been, the provision of power to municipal customers, and sometimes rural
5 electric cooperatives, on a basis whereby the selling utility incorporates the
6 requirements of these customers (who typically have little or no generation of their
7 own) into its resource planning. In fact, this is the definition provided by the Federal
8 Energy Regulatory Commission (“FERC”) in the instructions to filling the data
9 requested on the “Sales for Resale” pages in the Form 1 report. Attached hereto as
10 Schedule MEB-2, are pages 310-310.4, 311-311.4 and 450.1 (footnotes) from
11 AMMO’s 2009 FERC Form 1 report. Sales for Resale are to be categorized as
12 Requirements Service (“RQ”), Long-Term Firm Service (“LF”), Intermediate Term
13 Firm Service (“IF”), Short-Term Firm Service (“SF”), Long-Term Unit Power Service
14 (“LU”) or Intermediate Term Service from a designated generating unit (“IU”).

15 FERC defines Requirements Service as:

16 Requirements service is service which the supplier plans to provide on
17 an ongoing basis (i.e., the supplier includes projected load for this
18 service in its system resource planning). In addition, the reliability of
19 requirements service must be the same as, or second only to, the
20 supplier’s service to its own ultimate consumers.

21 Note that sales to the cities are designated as requirements service, while all
22 other sales are not. In fact, AMMO categorized the sales to AEP (page 310) and
23 Wabash (page 310.3) as “IF” – Intermediate Firm Service, and not as “RQ” –
24 Requirements Service.

1 **Q ARE YOU AWARE OF ANY OTHER GENERALLY ACCEPTED SOURCES FOR**
2 **THE DEFINITION OF REQUIREMENTS SERVICE?**

3 A Yes. The Edison Electric Institute (“EEI”), a trade association for the investor-owned
4 electric utility industry, publishes a “Glossary of Electric Industry Terms.” I have
5 attached as Schedule MEB-3 a copy of page 134 of that document which defines
6 requirements service as:

7 Requirements Service: Service that the supplier plans to provide on
8 an ongoing basis (i.e., the supplier includes projected load for this
9 service in its system resource planning). In addition, the reliability of
10 requirements service must be the same as, or second only to, the
11 supplier's service to its own ultimate customers.

12 This definition is the same as the definition included in the FERC Form 1, and
13 in his deposition Mr. Haro stated he did not disagree with it.²

14 **Q BASED ON YOUR EXPERIENCE IN THE ELECTRIC UTILITY INDUSTRY, IS THIS**
15 **THE COMMONLY UNDERSTOOD MEANING OF “REQUIREMENTS SERVICE”?**

16 A Yes, it is.

17 **Q WHAT IS THE NATURE OF THE SERVICES PROVIDED TO AEP AND WABASH?**

18 A *****
19 *****
20 *****
21 *****
22 *****

23

²Haro November 19, 2010 Deposition, pages 133-134.

1 *****

2 *****³.

3 **Q HOW DOES THIS SERVICE DIFFER FROM THE SERVICE PROVIDED TO THE**
4 **MUNICIPAL CUSTOMERS?**

5 **A *******
6 *****
7 *****
8 *****
9 *****
10 *****
11 *****
12 *****
13 *****.

14 **Q HOW DO THE CONTRACT DURATIONS COMPARE TO THE DURATION OF**
15 **MUNICIPAL CONTRACTS?**

16 **A *******
17 *****
18 *****
19 *****.

³Haro November 19, 2010 Deposition, pages 137-138.

1 **Q DOES THE FACT THAT THE CONFIRMATION LETTER WITH AEP STATES,**
2 **AMONG OTHER THINGS, THAT THE CAPACITY AND ENERGY PROVIDED WILL**
3 **“...ENABLE AEP TO PARTIALLY MEET LOAD SERVING REQUIREMENTS.”**
4 **AND THAT THE AGREEMENT WITH WABASH STATES, AMONG OTHER**
5 **THINGS, THAT THE PRODUCT SHALL BE USED TO “...PARTIALLY MEET THE**
6 **REQUIREMENTS THE CITIZENS ELECTRIC CORPORATION IN MISSOURI...”**
7 **MAKE THESE AGREEMENTS REQUIREMENTS CONTRACTS?**

8 **A No. These are incidental statements that have no meaning as to the character of the**
9 service supplied. Given that AMMO was seeking contracts that could be
10 characterized as “long-term partial requirements” so as to qualify for exclusion from
11 flowing the margin through the FAC,⁴ it is not surprising that some of these words
12 such as “load,” “partially,” and “requirements” would appear as incidental language in
13 these documents. Calling these transactions requirements service does not make
14 them so anymore than calling a dog a duck makes it quack. They are what they are,
15 and they are not requirements contracts.

16 **Q DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

17 **A Yes, it does.**

⁴Haro November 19, 2010 Deposition, page 139.

Qualifications of Maurice Brubaker

1 **Q PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2 A Maurice Brubaker. My business address is 16690 Swingley Ridge Road, Suite 140,
3 Chesterfield, MO 63017.

4 **Q PLEASE STATE YOUR OCCUPATION.**

5 A I am a consultant in the field of public utility regulation and President of the firm of
6 Brubaker & Associates, Inc. ("BAI"), energy, economic and regulatory consultants.

7 **Q PLEASE SUMMARIZE YOUR EDUCATIONAL BACKGROUND AND**
8 **EXPERIENCE.**

9 A I was graduated from the University of Missouri in 1965, with a Bachelor's Degree in
10 Electrical Engineering. Subsequent to graduation I was employed by the Utilities
11 Section of the Engineering and Technology Division of Esso Research and
12 Engineering Corporation of Morristown, New Jersey, a subsidiary of Standard Oil of
13 New Jersey.

14 In the Fall of 1965, I enrolled in the Graduate School of Business at
15 Washington University in St. Louis, Missouri. I was graduated in June of 1967 with
16 the Degree of Master of Business Administration. My major field was finance.

17 From March of 1966 until March of 1970, I was employed by Emerson Electric
18 Company in St. Louis. During this time I pursued the Degree of Master of Science in
19 Engineering at Washington University, which I received in June, 1970.

20 In March of 1970, I joined the firm of Drazen Associates, Inc., of St. Louis,
21 Missouri. Since that time I have been engaged in the preparation of numerous

1 studies relating to electric, gas, and water utilities. These studies have included
2 analyses of the cost to serve various types of customers, the design of rates for utility
3 services, cost forecasts, cogeneration rates and determinations of rate base and
4 operating income. I have also addressed utility resource planning principles and
5 plans, reviewed capacity additions to determine whether or not they were used and
6 useful, addressed demand-side management issues independently and as part of
7 least cost planning, and have reviewed utility determinations of the need for capacity
8 additions and/or purchased power to determine the consistency of such plans with
9 least cost planning principles. I have also testified about the prudence of the actions
10 undertaken by utilities to meet the needs of their customers in the wholesale power
11 markets and have recommended disallowances of costs where such actions were
12 deemed imprudent.

13 I have testified before the Federal Energy Regulatory Commission ("FERC"),
14 various courts and legislatures, and the state regulatory commissions of Alabama,
15 Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia,
16 Guam, Hawaii, Illinois, Indiana, Iowa, Kentucky, Louisiana, Michigan, Missouri,
17 Nevada, New Jersey, New Mexico, New York, North Carolina, Ohio, Pennsylvania,
18 Rhode Island, South Carolina, South Dakota, Texas, Utah, Virginia, West Virginia,
19 Wisconsin and Wyoming.

20 The firm of Drazen-Brubaker & Associates, Inc. was incorporated in 1972 and
21 assumed the utility rate and economic consulting activities of Drazen Associates, Inc.,
22 founded in 1937. In April, 1995 the firm of Brubaker & Associates, Inc. was formed. It
23 includes most of the former DBA principals and staff. Our staff includes consultants
24 with backgrounds in accounting, engineering, economics, mathematics, computer
25 science and business.

1 Brubaker & Associates, Inc. and its predecessor firm has participated in over
2 700 major utility rate and other cases and statewide generic investigations before
3 utility regulatory commissions in 40 states, involving electric, gas, water, and steam
4 rates and other issues. Cases in which the firm has been involved have included
5 more than 80 of the 100 largest electric utilities and over 30 gas distribution
6 companies and pipelines.

7 An increasing portion of the firm's activities is concentrated in the areas of
8 competitive procurement. While the firm has always assisted its clients in negotiating
9 contracts for utility services in the regulated environment, increasingly there are
10 opportunities for certain customers to acquire power on a competitive basis from a
11 supplier other than its traditional electric utility. The firm assists clients in identifying
12 and evaluating purchased power options, conducts RFPs and negotiates with
13 suppliers for the acquisition and delivery of supplies. We have prepared option
14 studies and/or conducted RFPs for competitive acquisition of power supply for
15 industrial and other end-use customers throughout the United States and in Canada,
16 involving total needs in excess of 3,000 megawatts. The firm is also an associate
17 member of the Electric Reliability Council of Texas and a licensed electricity
18 aggregator in the State of Texas.

19 In addition to our main office in St. Louis, the firm has branch offices in
20 Phoenix, Arizona and Corpus Christi, Texas.

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MO.P.S.C. SCHEDULE NO. 5

Original

SHEET NO. 98.3

CANCELLING MO.P.S.C. SCHEDULE NO. _____

SHEET NO. _____

APPLYING TO

MISSOURI SERVICE AREA

* RIDER PACFUEL AND PURCHASED POWER ADJUSTMENT CLAUSE (CONT'D.)

adjustments included in commodity and transportation costs, broker commissions and fees associated with price hedges, oil costs, ash disposal revenues and expenses, and revenues and expenses resulting from fuel and transportation portfolio optimization activities; and

(ii) the following costs reflected in FERC Account Number 547: natural gas generation costs related to commodity, oil, transportation, storage, capacity reservation charges, fuel losses, hedging costs, and revenues and expenses resulting from fuel and transportation portfolio optimization activities;

b) Costs in FERC Account Number 518 (Nuclear Fuel Expense).

CPP = Costs of purchased power reflected in FERC Account Numbers 555, 565, and 575, excluding MISO administrative fees arising under MISO Schedules 10, 16, 17, and 24, and excluding capacity charges for contracts with terms in excess of one (1) year, incurred to support sales to all Missouri retail customers and Off-System Sales allocated to Missouri retail electric operations. Also included in factor "CPP" are insurance premiums in FERC Account Number 924 for replacement power insurance (other than relating to the Taum Sauk Plant) to the extent those premiums are not reflected in base rates. Changes in replacement power insurance premiums (other than those relating to the Taum Sauk Plant) from the level reflected in base rates shall increase or decrease purchased power costs. Additionally, costs of purchased power will be reduced by expected replacement power insurance recoveries (other than those relating to the Taum Sauk Plant) qualifying as assets under Generally Accepted Accounting Principles. Notwithstanding the foregoing, concurrently with the date the "TS" factor is eliminated as provided for in this tariff, the premiums and recoveries relating to replacement power insurance coverage for the Taum Sauk Plant shall be included in this CPP Factor.

OSSR = Revenues from Off-System Sales allocated to Missouri electric operations.

Off-System Sales shall include all sales transactions (including MISO revenues in FERC Account Number 447), excluding Missouri retail sales and long-term full and partial requirements sales, that are associated with (1) AmerenUE Missouri jurisdictional generating units, (2) power purchases made to serve Missouri retail load, and (3) any related transmission.

* Indicates Addition.

Issued pursuant to the Order of the MOPSC in Case No. ER-2008-0318.

DATE OF ISSUE January 30, 2009DATE EFFECTIVE March 1, 2009ISSUED BY T. R. Voss
NAME OF OFFICERPresident & CEO
TITLESt. Louis, Missouri
ADDRESS

Name of Respondent 20100427-8007 FERC PDF (Unofficial) UNION ELECTRIC COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/19/2010	Year/Period of Report End of 2009/Q4
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SALES FOR RESALE (Account 447)

1. Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits - energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the based Power schedule (Page 326-327).

Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.

3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:
RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or setter can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.

SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.

LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.

IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
	Requirements Service					
	Centralia, MO	RQ	1	7		
3	Hannibal, MO	RQ	1	45		
4	Kahoka, MO	RQ	1	6		
5	Kirkwood, MO	RQ	1	36		
6	Marceline, MO	RQ	1	6		
7	Perry, MO	RQ	1	45		
8						
9	VARIATION IN UNBILLED-	RQ				
10						
11	American Electric Power Cooperative	IF	1			
12	American Electric Power Cooperative	SF	1			
13	Associated Electric	SF	1			
14	Arkansas Electric Cooperative Corp.	SF	1			
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

Schedule MEB-2
Page 2 of 11

Name of Respondent 20100427-8007 FERC PDF (Unofficial) UNION ELECTRIC COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/19/2010	Year/Period of Report End of 2009/Q4
SALES FOR RESALE (Account 447)			

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Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.

3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or setter can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.

SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.

LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.

IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
	Integrity's	SF	1			
	Illinois Power Co. (Affiliate)	SF	1			
3	J. Aron	SF	1			
4	JP Morgan	SF	1			
5	Kansas City Power & Light Co	SF	1			
6	LG&E Energy Marketing Inc.	SF	1			
7	Midwest Independent System Operator	SF	1			
8	Morgan Stanley Capital Group	SF	1			
9	Next Era Energy	SF	1			
10	NRG Power	SF	1			
11	Omaha Public Power District	SF	1			
12	PJM Interconnection	SF	1			
13	City of Perry	SF	1			
14	Rainbow Energy Marketing Corporation	SF	1			
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

Name of Respondent 20100427-8007 FERC PDF (Unofficial) UNION ELECTRIC COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/19/2010	Year/Period of Report End of 2009/Q4
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1. Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).

Line No.	Name of Company or Public Authority (Footnote Affiliations)	Statistical Classification	FERC Rate Schedule or Tariff Number	Average Monthly Billing Demand (MW)	Actual Demand (MW)	
					Average Monthly NCP Demand	Average Monthly CP Demand
	(a)	(b)	(c)	(d)	(e)	(f)
1	Sempra Energy Trading Corporation	SF	1			
2	Southern Company Services	SF	1			
3	Strategic Energy	SF	1			
4	Suez Energy Marketing	SF	1			
5	TransAlta Energy Marketing (US) Inc.	SF	1			
6	Tennessee Valley Authority	SF	1			
7	The Energy Authority	SF	1			
8	Tenaska Power Source	SF	1			
9	Wabash	IF	1			
10	Westar Energy	SF	1			
11	Western Area Power Administration	SF	1			
12	Realized gains and losses on derivative	SF	1			
13	transactions					
14	Unrealized gains and losses on	OS				
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

SALES FOR RESALE (Account 447)

IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.

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SALES FOR RESALE (Account 447) (Continued)

OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.

AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)

5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.

6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP)

demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.

8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.

9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

10. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
					1
3,258	38,214	69,645		107,859	2
25,109	249,242	494,997		744,239	3
22,615	31,452	1,314,202		1,345,654	4
212,328	197,399	15,799,589		15,996,988	5
31,428	35,468	1,879,215		1,914,683	6
9,706		570,838		570,838	7
					8
-27,453		-593,000		-593,000	9
					10
734,400		23,537,520		23,537,520	11
18,747	413,628	593,607		1,007,235	12
47,372		1,480,816		1,480,816	13
24,178		957,609		957,609	14
276,991	551,775	19,535,486	0	20,087,261	
13,687,217	8,892,225	358,494,676	71,188,223	438,575,124	
13,964,208	9,444,000	378,030,162	71,188,223	458,662,385	

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SALES FOR RESALE (Account 447) (Continued)

OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.

for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment.

4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)

5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.

6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP)

demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.

8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.

9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

10. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
9,600	36,400	303,920		340,320	1
			-447,857	-447,857	2
136,880		4,916,781		4,916,781	3
		3,095,000		3,095,000	4
	444,064		31,038	475,102	5
	862,700		71,946	934,646	6
20,750		758,650		758,650	7
585		20,475		20,475	8
17,600	1,125,000	660,000		1,785,000	9
	473,000			473,000	10
45,867	39,000	1,663,925		1,702,925	11
9,824		334,913		334,913	12
5,600		206,800		206,800	13
62,816		2,167,322		2,167,322	14
276,991	551,775	19,535,486	0	20,087,261	
13,687,217	8,892,225	358,494,676	71,188,223	438,575,124	
13,964,208	9,444,000	378,030,162	71,188,223	458,662,385	

Name of Respondent 20100427-8007 FERC PDF (Unofficial) UNION ELECTRIC COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/19/2010	Year/Period of Report End of 2009/Q4
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SALES FOR RESALE (Account 447) (Continued)

OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.

AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)

5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.

6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP)

demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.

8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.

9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

10. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
	1,252,500			1,252,500	1
	1,310,403		97,470	1,407,873	2
44,034		1,414,392		1,414,392	3
46,400		1,685,200		1,685,200	4
335,506		11,589,397		11,589,397	5
35,202		1,017,285		1,017,285	6
10,884,457		261,707,117	9,128,236	270,835,353	7
102,400		3,175,800		3,175,800	8
	76,000			76,000	9
122,063		3,379,429		3,379,429	10
39,798		1,881,100		1,881,100	11
189,269		6,968,533	-27,380	6,941,153	12
		16,028		16,028	13
4,761		199,928		199,928	14
276,991	551,775	19,535,486	0	20,087,261	
13,687,217	8,892,225	358,494,676	71,188,223	438,575,124	
13,964,208	9,444,000	378,030,162	71,188,223	458,662,385	

Name of Respondent 20100427-8007 FERC PDF (Unofficial) UNION ELECTRIC COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/19/2010	Year/Period of Report End of 2009/Q4
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SALES FOR RESALE (Account 447) (Continued)

OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.

- for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting
- s. Provide an explanation in a footnote for each adjustment.
- 4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)
- 5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.
- 6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
- 7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.
- 8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.
- 9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.
- 10. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
	2,449,830			2,449,830	1
63,782		2,136,429		2,136,429	2
	408,950			408,950	3
	750			750	4
		-11,470		-11,470	5
66,574		2,165,572		2,165,572	6
-588		-25,028		-25,028	7
6,183		228,206		228,206	8
505,600		16,482,560		16,482,560	9
106,707		3,754,610		3,754,610	10
850		32,250		32,250	11
			62,334,770	62,334,770	12
					13
					14
276,991	551,775	19,535,486	0	20,087,261	
13,687,217	8,892,225	358,494,676	71,188,223	438,575,124	
13,964,208	9,444,000	378,030,162	71,188,223	458,662,385	

SALES FOR RESALE (Account 447) (Continued)	
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99	100

10. Footnote entries as required and provide explanations following all required data.

Name of Respondent UNION ELECTRIC COMPANY	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/19/2010	Year/Period of Report 2009/Q4
FOOTNOTE DATA			

Schedule Page: 310.1 Line No.: 2 Column: j

Amount represents Broker Fees

Schedule Page: 310.1 Line No.: 5 Column: j

Amount represents ancillary services.

Schedule Page: 310.1 Line No.: 6 Column: j

Amount represents ancillary services.

Schedule Page: 310.2 Line No.: 2 Column: j

Amount represents ancillary services.

Schedule Page: 310.2 Line No.: 7 Column: j

Detail of the Other Charges resulting from sales to the Midwest Independent System Operator are as follows:

Inadvertent Energy	\$	321,274
Revenue Sufficiency Guarantees		3,196,971
Regulation & Frequency Reserve Service		2,790,636
Spinning Reserve Service		2,160,676
Supplemental Reserve Service		658,679
Total	\$	9,128,236

Schedule Page: 310.2 Line No.: 12 Column: j

Amount represents PJM Losses.

Schedule Page: 310.3 Line No.: 12 Column: j

Represents gains and losses on derivative instruments lacking a physical delivery of power and broker fees.

Schedule Page: 310.3 Line No.: 14 Column: j

A total of \$3,012,991 has been excluded from disclosure on this page. This amount represents unrealized gains and losses on derivatives designated as hedges. It is excluded from disclosure as the underlying physical or sale has not yet occurred.

Renewable Resources Any source of energy that is continually available or that can be renewed or replaced. Examples include wind, solar, geothermal, hydro, photovoltaic, wood and waste. Nonrenewable energy sources include coal, oil, and gas, that all exist in finite amounts.

Replacement Cost An estimate of the cost to replace the existing facilities either as currently structured or as redesigned to embrace new technology with facilities that will perform the same functions. This method recognizes the benefits of presently available technology in replacing the system. For example, a number of small generating units may be replaced with a single large unit at lower unit costs and greater efficiency. See also *Reproduction Cost*.

Replacement Power Power that a utility must purchase when one of its own plants (or other long-term suppliers) experiences an outage or is otherwise unavailable.

Replacements The substitution of a unit of Utility Plant for another unit generally of a like or improved character.

Repowering A means of increasing the output and efficiency of conventional thermal generating facilities. For example, adding combustion turbines to supplement or replace steam from fuel combustion used to power steam turbines.

Reprocessing See *Recycling*.

Reproduction Cost The estimated cost to reproduce existing properties in their current form and capability at current cost levels. The mechanics may involve a trending of the original cost dollars to reflect current costing factors, or they may involve a property appraisal accompanied by estimates to reconstruct the facilities. The former is most often utilized as Rate Base.

Repurchase Agreements (Repo) A means of temporarily adding to monetary reserves. The Fed buys government securities under a contract to sell them back at an agreed price and date. Generally repurchase agreements mature within one to seven days (maximum is 15 days). Dealers may usually repurchase before the maturity of the agreement if they wish. Interest rate is determined by auction.

Requirements Service Service that the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate customers.

Rerating A change in the capability of a generator due to a change in conditions such as age, upgrades, auxiliary equipment, cooling, etc.

Reregulation The design and implementation of regulatory practices to be applied to the remaining regulated entities after restructuring of the vertically-integrated electric utility. The remaining regulated entities would be those that continue to exhibit characteristics of a natural monopoly, where imperfections in the market prevent the realization of more competitive results, and where, in light of other policy considerations, competitive results are unsatisfactory in one or more respects. Regulation could employ the same of different regulatory practices as those used before restructuring.

Schedule MEB-4 is
Highly Confidential
and has been removed
in its entirety.

Schedule MEB-5 is
Highly Confidential
and has been removed
in its entirety.