BEFORE THE MISSOURI PUBLIC SERVICE COMMISSION

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In the Matter of an Investigation of Union Electric Company d/b/a AmerenUE's Storm Restoration Efforts in the St. Louis Area.

Case No. EO-2007-0037

<u>CITY OF CREVE COEUR, MISSOURI'S AND CITY OF FERGUSON, MISSOURI'S</u> <u>COMMENTS REGARDING STAFF REPORT</u>

COME NOW the City of Creve Coeur, Missouri, and the City of Ferguson, Missouri (Cities) pursuant to 4 CSR 240-2.080(15) and for their Comments Regarding Staff Report state to the Commission:

1. Staff submitted its Report on November 17, 2006. In large part the Cities rely upon the expertise of Staff including with regard to Vegetation Management.

2. The Staff Report does not devote much attention to the alternative of burying power lines to reduce the risk of weather-related service interruptions. It appears that the discussion is limited to a few paragraphs on page 45 and some related material at page 7 of the attachment to Appendix A.

3. Cities encourage the Commission to explore more deeply the alternative of burying power lines. In addition to reducing weather-related service interruptions, the resulting community aesthetic benefits should be included in the analysis. On the other hand, the temporary problems mentioned by Staff, such as disturbing landscaping, should not be given any weight. Further, while Staff notes that it can be more difficult to locate underground faults, the materials attached to Appendix A of the Report identify measures that address such problems (Option to Improve Service Reliability, p. 7).

4. Currently, through a Transportation Development District (TDD)¹, Creve Coeur is engaged in a project involving the burying of transmission lines along Olive Boulevard, the major east-west thoroughfare of the City. AmerenUE is of course engaged in this project as well. The costs are

¹ See Sections 238.300 et seq RSMo.

significant. The TDD structure creates a new revenue stream that can be dedicated to such improvements, but the project remains a fiscal challenge as costs of copper and other expenses continue to rise.

5. Cities have other opportunities to bury lines in development areas that are under consideration, but again the significant costs are a major hurdle. Oftentimes, the largest cost component involves the vaults that must be created at the ends of the buried lines. Through cooperative ventures, such vaults could be placed further apart to gain longer runs of buried lines, perhaps all the way to substation facilities, in order to get more benefits from the investment in the vaults.

6. The Commission could promote the service-related benefits of burying electric lines by creating opportunities for fiscal collaboration with municipalities that are also seeking the additional aesthetic benefits. The Commission could encourage joint ventures between AmerenUE and municipalities so that the capital resources of both could be combined for the benefit of all. Ratepayer revenues and tax revenues could be applied together to accomplish significant projects. By creating some type of matching program, over the long term a significant portion of AmerenUE's facilities could be buried, to everyone's benefit.

7. Cities appreciate the Commission investigating the response to these storms. As one can tell from the maps in Staff's Report (p. 14), Cities and their citizens and businesses were right in the middle of things. Everyone worked hard to deal with the many problems that attend such lengthy electrical service interruptions. And obviously many work hard in between storms in an effort to prevent such interruptions. However, it seems that more creative approaches are in order. Cities submit that a program designed to increase the amount of underground facilities is worthy of consideration.

WHEREFORE, the City of Creve Coeur, Missouri, and the City of Ferguson, Missouri, respectfully request the Commission to accept these Comments and take action to promote burying of electrical lines in conjunction with the other actions suggested by Staff in its Report.

2

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of this document was emailed to the parties listed below on this 27th day of November, 2006.

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