AmerenUE's Response to the Missouri Public Service Commission Staff's "Report on AmerenUE's Storm Outage Planning and Restoration Effort Following the Storms on July 19 and 21, 2006"

Case No. EO-2007-0037

December 21, 2006

AmerenUE believes the Missouri Public Service Commission Staff did a commendable job in documenting the facts concerning the severe storms that struck the Company's service territory on July 19 and 21, 2006 and AmerenUE's restoration efforts following those storms in its Report. In addition, AmerenUE believes the Report is generally on target with respect to the findings and recommendations the Staff has made.

The Report detailed the severe nature of the two July storms and the extensive damage done to the AmerenUE distribution system. The Report also detailed the substantial efforts AmerenUE expended to restore service to all of its customers. At the time, this constituted the largest restoration effort in our company's over 100 year history. In the Report, the Staff made a number of recommendations based on its observations during its review. AmerenUE is generally receptive to the Staff's recommendations, and believes that they provide AmerenUE, and other electric utilities in the state, with opportunities to enhance their storm outage planning and restoration. The following will outline AmerenUE's specific response to each of the Staff recommendations contained in the Report.

Recommendations Specific to Outage Planning & Restoration:

Staff Recommendation 1
Staff should conduct a roundtable with all the electric utilities in Missouri to discuss best practices in restoration planning and execution.

AmerenUE Response
AmerenUE agrees with this recommendation and will actively participate in such a roundtable when it is scheduled.

Staff Recommendation 2
AmerenUE should continue to enhance its safety programs to identify and make downed lines safe after a major outage event.

AmerenUE Response
AmerenUE has made significant efforts to enhance this program in recent years and we will continue to look for ways to improve this program. We will continue to provide media releases and use other means to communicate to our customers and the public on the dangers of downed power lines.

Staff Recommendation 3
AmerenUE should continue to maintain its mutual assistance agreements, and in each major restoration effort evaluate the necessity of utilizing these agreements so that it will have access to such resources when needed.

AmerenUE Response
Ameren will maintain it's participation in both the Edison Electric Institute and Midwest Mutual Assistance organizations, organizations that facilitate the adoption of mutual assistance agreements by their members.

Staff Recommendation 4
AmerenUE should explore the structure of a mutual assistance agreement with the Association of Missouri Electric Cooperatives (AMEC) for future emergencies where either AmerenUE or one of more of the electric cooperatives needs assistance following major storms like those experienced on July 19th and 21st.

AmerenUE Response
AmerenUE will enter into discussions with the AMEC to determine whether an acceptable mutual assistance agreement can be negotiated.

Staff Recommendation 5
AmerenUE should either maintain or have the ability to produce up-to-date maps of its infrastructure and roads to supply to crews during major outage events.

AmerenUE Response
AmerenUE is currently researching methodologies to produce/maintain the appropriate maps for visiting crews. AmerenUE has also invested in a mobile command center that has the capability of producing maps on site. The mobile command center will be used in heavily damaged areas to augment our current capabilities during storm restoration efforts.

Staff Recommendation 6
AmerenUE should continue to work toward elimination of its trimming backlog per its prior agreement with the Staff in Case No. EW-2004-0583.

AmerenUE Response
AmerenUE is currently on schedule to meet its commitment and will continue to work toward that goal.

Staff Recommendation 7
Adopt and implement a Commission rule to require each electric utility to annually submit a report on its vegetation management program's structure, objectives, status, and funding.

AmerenUE Response

AmerenUE will cooperate with the Staff in developing and implementing such a rule.

Staff Recommendation 8

AmerenUE should implement vegetation management programs that:

a) Target more substantial removal of vegetation along power lines throughout its system, including side clearances and overhangs, along feeders and sub-transmission systems.
b) Target removal of problem trees within the utility's easement and possible replacement with ornamental trees or other low-growing vegetation.
c) Target communications with landowners, who have trees off the right-of-way that represent a significant risk to sub-transmission and feeder lines, to find reasonable means to reduce the outage risk from these trees.
d) Trim trees in areas with particularly high densities of vegetation on a more frequent basis. Currently urban areas are targeted for a four-year cycle; it may be appropriate to go to a three-year cycle in some areas.

AmerenUE Response

AmerenUE agrees with this recommendation and has proposed a program to address these issues in its currently pending rate proceeding. The Company is willing to commit resources to this effort upon Commission approval.

Staff Recommendation 9

AmerenUE should include a clear message within the Voice Response Unit (VRU) script to address non-pay disconnections during the course of major storm outage restorations.

AmerenUE Response

AmerenUE will communicate this message to customers during future storm restoration efforts.

Staff Recommendation 10

AmerenUE should continue discussions with AT&T regarding notification whenever call gapping is to be implemented on switches that affect the provision of critical AmerenUE services.

AmerenUE Response

AmerenUE has continued these discussions and recently AT&T has agreed to provide notification to AmerenUE in any situation that warrants their use of call gapping.

Staff Recommendation 11
AmerenUE should promote customer registration on its website to ensure that the customers can access customer-specific information on service restoration in the event of a storm related outage.

AmerenUE Response
AmerenUE will consider ways to continue to promote the registration of customers on Ameren.com to facilitate their gaining information about their accounts.

Staff Recommendation 12
City and county agencies, in conjunction with AmerenUE, should facilitate the development of neighborhood watch groups, or assess the ability of the current Operation Weather Survival (OWS) network system, to check on special needs customers during an extended outage.

AmerenUE Response
AmerenUE is willing to cooperate with interested city and county agencies to facilitate their development of programs to check on special needs customers during an extended outage.

Staff Recommendation 13
AmerenUE should continue to make efforts to improve participation in the Storm Schools it offers for the media, fire, police, and city and county officials.

AmerenUE Response
AmerenUE is planning to continue this effort and currently exploring venues where storm schools could be held.

Staff Recommendation 14
AmerenUE should further enhance its communications with field crews performing restoration work regarding AmerenUE's authority to cut trees outside of its right-of-way for the purpose of accessing its right-of-way for storm restoration work.

AmerenUE Response
AmerenUE will address this issue with all vegetation management contractors. However, AmerenUE is limited in its legal rights to clear vegetation outside of the easement or right-of-way.

Staff Recommendation 15
While centralization of AmerenUE's storm restoration process has brought about a number of coordination efficiencies, Staff believes that district managers should be available to local officials to deal with emergency situations and be provided with authority to request priority treatment of projects in their areas that require special attention.

AmerenUE Response
AmerenUE has always intended to provide this availability to community leaders. We will continue to work toward this goal and will allow and encourage input from local leaders on projects that are critical to the community. AmerenUE will take those recommendations into account when formulating specific restoration plans and activities.

Staff Recommendation 16
AmerenUE's participation in the SEMA/EOC coordination phone calls during this restoration effort was extremely helpful to all the agencies involved. Staff recommends that SEMA request that each electric utility with damaged infrastructure attend and actively participate in all future storm restoration efforts where the level of damage prompts SEMA/EOC activation.

AmerenUE Response
AmerenUE concurs that the SEMO/EOC conference calls provided a benefit during the July storm restoration. AmerenUE will continue to participate in these conference calls at both the state and local level.

Staff Recommendation 17
AmerenUE provided its storm center direct number to several city, county and state officials. Several officials reported that having this number available was extremely helpful to them. AmerenUE also reported that the calls received on this number did help it prioritize work on several critical projects. Unfortunately, AmerenUE also reported that too many individuals distributed this number to a broader group than it was intended to be provided to and at times issues that were not of a critical nature were being called in on this number, reducing the efficiency of personnel tracking outage repairs and dispatching crews. Staff recommends that AmerenUE continue to provide this number to key officials but caution these officials to be very careful in their distribution of this number, and that it be used only for emergency purposes.

AmerenUE Response
AmerenUE will set up a special number inside the Ameren Emergency Operations Center for use by these agencies and will provide this number to appropriate individuals throughout state and local government.

Recommendations Specific to Reliability & Infrastructure Maintenance:

Staff Recommendation 1
Adopt and implement a Commission rule that requires electric utilities to annually report certain standard reliability metrics, their programs for attaining or improving these metrics, the status of these programs, and program funding levels.

AmerenUE Response
AmerenUE is willing to cooperate in the development and implementation of such a rule.

Staff Recommendation 2
Adopt and implement a Commission rule that requires electric utilities to annually submit a report on the structure, objectives, status, and funding of their transmission and distribution infrastructure inspection and maintenance programs.

AmerenUE Response
Ameren is willing to cooperate in the development and implementation of such a rule.

Staff Recommendation 3
AmerenUE should assess its current non-feeder distribution pole inspection programs and report to Staff within 180 days on which of the following approaches it believes is appropriate regarding maintenance and inspection of these distribution poles:

a) Enhance its existing distribution pole audit programs (overhead circuit inspection program and pole attachment audits) to increase the likelihood that these audits will identify distribution poles that should be rejected or receive additional treatment to extend their useful life;
b) Implement a new program specifically for inspection of distribution poles that is structured to have a high likelihood of identifying poles that should be rejected or receive additional treatment to extend their useful life;
c) Demonstrate that the current rate of replacement of distribution poles is consistent with the anticipated average age of currently installed distribution poles and their expected useful life, and therefore, no distribution pole audit program changes are appropriate at this time; or
d) Propose an alternate approach to those programs noted above.

AmerenUE Response
AmerenUE proposes to adopt the following Electric Subtransmission and Distribution Circuit Inspections Program.

AmerenUE's Proposed Electric Subtransmission and Distribution Circuit Inspection Program

Purpose:
AmerenUE inspects its subtransmission and distribution circuits to protect public and worker safety and to proactively address problems that might impact system reliability. This program is intended to achieve those goals utilizing the most cost effective approach. The program also addresses the follow-up actions required to address deficiencies found during the inspections. The program includes general guidelines for recordkeeping associated with inspections. Facilities covered by this program include all subtransmission and distribution circuits having voltages in the range of 4kV to 69kV, as well as the poles, hardware and equipment on those circuits. Substation equipment is excluded.

General
Several types of inspections will be performed on subtransmission and distribution circuits. The following table lists the types of inspections that will be performed and the cycle for each:

Type of inspection	Facilities Inspected	Cycle Length
Complete overhead circuit inspection and attachment survey	Subtransmission and distribution circuits. All foreign company attachments. Check clearances for NESC compliance.	4 years
Inspections by tree trimmers – FODR reports	Subtransmission and distribution circuits and all associated hardware	4 years
Supplemental inspections	Subtransmission circuits	2 years
Aerial infrared inspections	Subtransmission circuits	As needed
Pole inspection and treatment	Subtransmission circuits and distribution backbone	12 years
Capacitor inspections	Capacitors	1 year
Regulators inspection / reading	Voltage regulators	1 year
Line recloser inspection / reading	Line reclosers	1 year
UG network inspections	Network transformers and protectors	1 year
URD	Transformers, pedestals, switchgear	8 years
Field personnel as-found reports	All facilities	Items reported as found

Program Description
Complete circuit inspection and attachment survey – All overhead subtransmission and distribution circuits will be inspected via ground patrol. Poles, hardware, conductor, and equipment will be inspected for damage, leaks, deterioration or other deficiencies. Tree contacts or conflicts with other foreign materials will be noted. Additionally, all facilities, including foreign attachments will be inspected for NESC compliance.

Inspections by tree trimmers – Tree trimming crews will be trained to report damaged or deteriorated facilities spotted during the course of their tree trimming activities. Complete circuit inspections will be staggered with cycle trims so that the complete inspection occurs two years after the cycle trim.

Supplemental inspections – All Subtransmission circuits will be inspected on a bi-yearly basis. The method of inspection will be that which is appropriate for the situation, either ground or aerial patrol.

Aerial Infrared Inspections – Subtransmission circuits will be surveyed via helicopter utilizing infrared cameras to detect hot spots. These inspections will be performed at the discretion of the local engineering office. Frequency will depend on the historical performance of the circuits, results from past inspections and other operating considerations.

Pole inspection and treatment – Subtransmission poles and distribution poles will be inspected on a cyclical basis. Subtransmission and backbone feeder poles will be subjected to a full groundline inspection for strength assessment. Poles that pass the inspection will be treated at the ground line with a preservative for life extension. Distribution poles tapped off of backbone circuits will be sounded and selectively bored for strength assessment. Poles failing inspection will be either replaced or reinforced with a steel C-truss.

Capacitor inspections – Capacitors will be inspected for leaks or physical damage and checked for operability. Follow-up actions will be based on compliance with appropriate operational procedures.

Regulator inspections – Voltage regulators will be inspected for leaks or physical damage. The voltage indicator will be read. Follow-up actions will be based on compliance with appropriate operational procedures.

Recloser inspections – Line reclosers will be inspected for leaks or physical damage and the counter reading is taken. Follow-up actions will be based on compliance with appropriate operational procedures.

Underground network inspections – UG network transformers will be inspected for leaks or physical damage. Follow-up actions will be based on compliance with appropriate operations procedures.

URD – URD equipment, including padmount transformers, pedestals and switchgear, will be inspected for physical damage or leaks. Follow-up actions will be based on compliance with appropriate equipment type.

Field personnel as-found reports – All Ameren personnel will report deficiencies as they are encountered in the field.

Recordkeeping

All inspection cycles will be scheduled via CDIS (Circuit and Device Inspection System). Depending on the personnel performing the inspections, the inspection orders will be sent either electronically to the appropriate work management system or via paper order.

Upon completion of the inspection, CDIS will be updated with the date of the completed inspection. As deficiencies are identified, they will be recorded in CDIS. Information recorded will include date, location, circuit, deficiency type, problem description, crew ID of the inspector, and classification of the deficiency. CDIS will issue orders for corrective action to the appropriate work management system (unless the order had been previously reported to dispatching as a safety issue). Completed corrective action orders will be recorded in CDIS. Information on completed corrective action orders will include a date, crew ID, cross-reference to the work management system order number, and a code indicating the resolution of the problem.

CDIS records will be kept indefinitely to provide for future analysis of the inspection programs.

Reporting
CDIS will produce various types of periodic reports, for example:

- Adherence to the inspection schedules
- On-time completion of corrective action orders
- MPSC related reporting
- Circuit level maintenance history

The system will also provide ad-hoc reporting capability.