

FILED
July 11, 2012
Data Center
Missouri Public
Service Commission

Exhibit No.:
Issues: Fuel Adjustment Clause
Witness: Steven M. Wills
Sponsoring Party: Union Electric Company
Type of Exhibit: Surrebuttal Testimony
Case No.: EO-2012-0074
Date Testimony Prepared: June 8, 2012

MISSOURI PUBLIC SERVICE COMMISSION

CASE NO. EO-2012-0074

SURREBUTTAL TESTIMONY

OF

STEVEN M. WILLS

ON

BEHALF OF

**UNION ELECTRIC COMPANY
d/b/a Ameren Missouri**

St. Louis, Missouri
June, 2012

Ameren Exhibit No. 7
Date 6-21-12 Reporter XF
File No. EO-2012-0074

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SURREBUTTAL TESTIMONY

OF

STEVEN M. WILLS

CASE NO. EO-2012-0074

I. INTRODUCTION

Q. Please state your name and business address.

A. Steven M. Wills, Ameren Services Company (“Ameren Services”), One Ameren Plaza, 1901 Chouteau Avenue, St. Louis, Missouri 63103.

Q. What is your position with Ameren Services?

A. I am the Managing Supervisor of Quantitative Analytics in the Corporate Planning Department.

Q. What is Ameren Services?

A. Ameren Services provides various corporate, administrative and technical support services for Ameren Corporation ("Ameren") and its affiliates, including Union Electric Company d/b/a Ameren Missouri ("Company" or "Ameren Missouri").

Q. Please describe your educational background and employment experience.

A. I received a Bachelor of Music degree from the University of Missouri-Columbia in 1996. I subsequently earned a Master of Music degree from Rice University in 1998, then a Master of Business Administration ("M.B.A.") degree with an emphasis in Economics from St. Louis University in 2002. While pursuing my M.B.A., I interned at Ameren Energy in the Pricing and Analysis Group. Following completion of my M.B.A. in May 2002, I was hired by Laclede Gas Company as a Senior Analyst in its

1 Financial Services Department. In this role I assisted the manager of Financial Services
2 in coordinating all financial aspects of rate cases, regulatory filings, rating agency
3 studies, and numerous other projects.

4 In June 2004, I joined Ameren Services as a Forecasting Specialist. In this role I
5 developed forecasting models and systems that supported the Ameren operating
6 companies' involvement in the Midwest Independent Transmission System Operator,
7 Inc.'s ("MISO") Day 2 Energy Markets. In November 2005 I moved into the Corporate
8 Analysis Department in Ameren Services, where I was responsible for performing load
9 research activities, electric and gas sales forecasts, and assisting with weather
10 normalization for rate cases. In January 2007, I accepted a role I briefly held with
11 Ameren Energy Marketing Company as an Asset and Trading Optimization Specialist
12 before returning to Ameren Services as a Senior Commercial Transactions Analyst in
13 July 2007. I was subsequently promoted to my present position as the Managing
14 Supervisor of the Quantitative Analytics Group.

15 **Q. What are your responsibilities in your current position?**

16 A. In my current position, I supervise a group of employees with
17 responsibility for gas and electric load forecasting, load research, weather normalization,
18 and various other analytical tasks.

19 **Q. What is the purpose of your surrebuttal testimony in this proceeding?**

20 A. The purpose of my testimony is to present an overview of the treatment of
21 wholesale contracts in Ameren Missouri's Integrated Resource Plan ("IRP") and to
22 address certain claims made by other witnesses in their direct/rebuttal testimony.

II. TREATMENT OF WHOLESALE LOADS IN IRP

Q. Why is it necessary to present an overview of the treatment of wholesale contracts in Ameren Missouri's IRP?

A. The various witnesses supporting the Staff's position that the American Electric Power Operating Companies ("AEP") and Wabash Valley Power Association, Inc. ("Wabash") contract revenues should be flowed through the Fuel Adjustment Clause ("FAC") all rely on a particular interpretation of the phrase "long-term full and partial requirements sales," which appears in the Company's FAC tariff. The definition relied upon by these witnesses includes the concept that in order to be classified as a long-term full or partial requirement sale, the load represented by such agreement must be one that the supplier plans to provide on an ongoing basis and includes in its system resource planning. (See Eaves Direct/Rebuttal, page 15, lines 14-25 and Brubaker Direct, page 5, lines 4-8.)

Because the IRP is one part of system resource planning (and it is a visible part, because of the triennial IRP filings required by the Commission's rules), the treatment of wholesale loads in that process is important to understand. I would note that the IRP is, however, just one part of system resource planning, as explained by Company witness Jaime Haro in his surrebuttal testimony.

Q. Please describe generally the treatment of wholesale load in Ameren Missouri's recently filed IRPs.

A. An IRP is by its nature a snapshot of the Company's planning process at a point in time. For at least the last three major IRP filings, wholesale load has been included in the Company's forecasted load obligation to the extent that it is under contract

1 in the relevant forecast horizon. In both the 2005 and 2008 IRP filings, there were six
2 municipal customers' loads included in the load forecast. In both IRPs, that load
3 obligation was assumed to terminate whenever the terms of the contracts that were in
4 place when the IRP was prepared terminated. In other words, the loads in question were
5 not assumed to be served on an "ongoing basis." To the contrary, the loads were assumed
6 to be served only until the contracts ended.

7 **Q. Why were the AEP and Wabash contracts not included in those**
8 **filings?**

9 A. Very simply because the contracts did not yet exist at the time of those
10 filings. As mentioned before, the IRP filing provides a snapshot of the utility planning
11 process as of a set point in time. Since the AEP and Wabash contracts were executed in
12 the first half of 2009, they were not in existence at the time of the 2005 or 2008 filings.
13 However, it is important to note that, since the loads associated with these contracts
14 simply replaced the load lost from Noranda as a result of the 2009 ice storm, the energy
15 and capacity that was later provided to AEP and Wabash was accounted for in these
16 IRPs. It was simply designated to serve the Noranda aluminum smelter at the time.
17 When the Noranda outage occurred, the volumes that had been planned for it in the IRP
18 were redirected under these new agreements to AEP and Wabash.

19 **Q. What wholesale loads were included in the Company's most recent**
20 **complete IRP filing (which was filed in February 2011)?**

21 A. That filing considered load obligations associated with five municipal
22 customers as well as the AEP and Wabash loads for the portion of the forecast horizon

1 for which those loads were already under contract; that is, until the term of each contract
2 ended.¹

3 **Q. Mr. Eaves claimed in his testimony that,**

4 **Unlike its contracts with Public Authorities, the AEP and**
5 **Wabash contracts have not been included in Ameren**
6 **Missouri's Integrated Resource Plan process. (Eaves**
7 **Direct/Rebuttal, page 19, lines 9-9.)**
8

9 **Is his statement accurate?**

10 A. No, it is not. As mentioned above, the AEP and Wabash loads *were*
11 accounted for in the 2011 IRP. The fact that they were not accounted for explicitly in
12 previous IRPs is merely a function of timing (again the load volume was accounted for
13 by Noranda).

14 **Q. Based on this understanding of the treatment of wholesale loads, does**
15 **treatment in the IRP provide a means to distinguish the AEP and Wabash contracts**
16 **from the other municipal contracts that Ameren Missouri is a party to when**
17 **considering the definition of "requirements sales" proffered by Mr. Eaves and**
18 **Mr. Brubaker?**

19 A. No, it does not. I would first point out that, as detailed in the surrebuttal
20 testimony of Company witness Jaime Haro, this definition is not the correct definition to
21 apply to contracts for classification under Ameren Missouri's FAC tariff. But even under
22 the definition that these witnesses propose, the distinction that they are trying to draw
23 between the various wholesale contracts does not exist. I would also point out that even
24 Mr. Brubaker agrees that whether or not a particular contract was included in an IRP

¹ The IRP filing was based on actual loads through the end of 2009, and the 20-year forecast period examined in the IRP started in 2010, at which point there were still several months remaining on the AEP and Wabash contracts.

1 filing is not determinative of whether it reflects a requirements sale. Case No. EO-2010-
2 0255, Tr. p. 502, l. 12 – 18; 23 – to p. 503, l. 6.

3 **Q. Please elaborate on this point.**

4 A. Given the standard that the Staff and MIEC propose for defining
5 requirements sales, there would not be a single wholesale contract which was effective
6 during the FAC accumulation periods under review in this docket that would reflect a full
7 or partial requirements sale, including the contracts with municipal utilities. However, I
8 would note that no party has proposed to include the revenues from wholesale contracts
9 with municipal utilities in the adjustment that Staff and the interveners argue should be
10 made to the FAC recovery calculations. If the Staff and MIEC were right, then the sales
11 to these municipal utilities would not be requirements sales.

12 **Q. Why would the contracts with the municipals not have reflected**
13 **requirements sales?**

14 A. As mentioned above, in its 2008 IRP filing Ameren Missouri included in
15 its load forecast the six existing wholesale customers that were under contract, but only
16 for the time remaining on those contracts. As it happens, all of the contracts were set to
17 expire at the end of 2008. When the accumulation periods currently under review
18 commenced, the wholesale customers that were excluded from the FAC were taking
19 service under new contracts that were not known or considered at the time of the 2008
20 IRP. In fact, the Company was very clear at the time of the 2008 IRP that it had no plans
21 to serve these municipals on an ongoing basis.

22 **Q. What is the basis of your contention that there was no intent to serve**
23 **these customers on an ongoing basis?**

1 A. When it filed its report on Ameren Missouri's IRP, Staff identified
2 Ameren Missouri's plan regarding serving wholesale customers as an item of concern as
3 noted in the following excerpt from that report:

4 From the report and from on-going meetings with Ameren UE, it is
5 unclear what plans AmerenUE has regarding serving Wholesale
6 Customers. AmerenUE should clarify its intentions of serving
7 Wholesale Customers beyond 2008, and those intentions should be
8 reflected in resource planning.

9
10 Ameren Missouri made a supplemental filing with additional data and discussion
11 intended to address the concerns and alleged deficiencies Staff identified in its report. As
12 a part of that filing, Ameren Missouri, as requested by Staff, clarified its intention with
13 regard to serving wholesale customers. The supplemental filing indicated,

14 AmerenUE intends to offer relatively short-term contracts based on
15 market pricing to Missouri customers seeking wholesale power,
16 subject to projected availability of sufficient excess capacity after
17 serving its retail native load obligations and subject to transmission
18 availability. Wholesale customers have not been included in the
19 base load forecast beyond the expiration of any existing contracts
20 because their status at that point is subject to the competitive
21 landscape and decisions of those customers. **AmerenUE has not**
22 **planned its resources in order to serve any wholesale**
23 **customers beyond existing contracts.** (emphasis added)
24

25 The response to Staff made it abundantly clear that there was no plan or intention to serve
26 the existing municipal contracts on an ongoing basis. Therefore, the suggestion that the
27 Company planned its resources in its 2008 IRP for the municipals but not for AEP and
28 Wabash is simply not accurate.

29 **Q. Mr. Eaves makes note of the fact that Ameren Missouri had ongoing**
30 **"relationships" with the municipals, presumably in order to demonstrate that there**
31 **was an ongoing intention to serve them. (Eaves Direct/Rebuttal, page 18, lines 11-**
32 **16). Is this relevant?**

1 A. No. The FERC Form 1 instructions' definition to which Mr. Eaves assigns
2 so much weight in crafting his definition of requirements sales says nothing about the
3 duration of "relationship" a utility has had with a customer in the past. It clearly states
4 that "Requirements service is service which the supplier plans to provide on an ongoing
5 basis." The duration of any previous relationship notwithstanding, Ameren Missouri
6 made it clear in the 2008 IRP, well over a year before the AEP and Wabash issue ever
7 came into existence, that it had no intention to serve these municipal loads on an ongoing
8 basis.

9 **Q. Mr. Eaves also claims to distinguish the AEP and Wabash contracts**
10 **from the municipals by saying,**

11 **However the characteristics of AEP and Wabash contracts and**
12 **the Public Authority contracts are significantly different.**
13 **First, the term of the AEP and Wabash contracts are**
14 **significantly shorter than those of the Public Authorities'**
15 **contracts. (Eaves Direct/Rebuttal, page 19, lines 5-8.)**

16
17 **Is this a valid way to distinguish these contracts for purposes of the FAC?**

18 A. No. As Mr. Haro testifies, one year is the demarcation in the market place
19 between short and long term. It is worth noting though, that one of the municipal
20 contracts that was carved out of the FAC in this accumulation period was 29 months in
21 duration, and the Wabash contract was 18 months in duration. In reviewing the record
22 from Case No. EO-2010-0255 as well as the testimony filed in this docket, I have not
23 been able to find anyone who defined the cut off for long-term to be somewhere between
24 18 and 29 months. The "significant" difference in contract term Mr. Eaves suggests is
25 completely unsupported. The long-term issue is really a red herring, as there is no way to
26 apply any standard that has been proposed by any party consistently to the municipal

1 loads and the AEP/Wabash loads and differentiate them in terms of treatment in the FAC.
2 Additionally, any other difference in characteristics of the AEP and Wabash contracts
3 and the municipals identified by Mr. Eaves is a function of the difference between full
4 and partial requirements, which also does not distinguish these contracts in any way
5 relevant to the FAC.

6 **III. REBUTTAL OF OTHER CLAIMS**

7 **Q. Ms. Mantle claims that the Staff was not aware of the AEP and**
8 **Wabash contracts until a data request response Staff received in October 2010**
9 **during Case No. ER-2010-0036. (Mantle Direct/Rebuttal, page 8, lines 4-19). Is this**
10 **accurate?**

11 A. I don't know if Ms. Mantle or the Staff was "aware" of the contracts, but
12 that is not because of a failure on the Company's part to communicate the information to
13 the Staff. Company witness Lynn M. Barnes addresses this issue in her surrebuttal
14 testimony. In addition to the FAC reports provided to the Staff, as referenced by
15 Ms. Barnes, in terms of my communication with the Staff I would note that my direct
16 testimony in Case No. ER-2010-0036, filed July 24, 2009, included the following
17 exchange:

18 Q. Are there any other changes to the mix of wholesale
19 customers that impact the test year?

20
21 A. Yes. The Company entered two long-term partial
22 requirements contracts with new customers in the spring of
23 2009. These contracts are effective well in advance of the
24 true-up date in the case and an annualized level of expected
25 sales under these contracts should be included in the test
26 year to appropriately reflect the mix of customers the
27 Company will be serving as of the true-up date in the case.
28 (Case No. ER-2010-0036, Wills Direct, page 18, lines 3-9)
29

1 Although I did not give the names of the customers in my testimony, I clearly indicated
2 that there were new contracts to be considered. Among the workpapers I submitted
3 electronically with the case (within a few days after the case was filed) was an Excel
4 spreadsheet called "Wholesale Annualization – 051209.xls" that included the customer
5 names in addition to contract terms, prices, and volumes, as well as the annualized
6 volumes that I proposed for inclusion in the test year in the case. So not only had the
7 Staff been informed about these contracts through the FAC reports, but they were
8 informed again during the Summer of 2009.

9 **Q. Did this topic come up in the hearing in Case No. EO-2010-0255?**

10 A. Yes. Ms. Mantle was asked whether she looked at my workpapers from
11 the rate case in order to verify my claim in Case No. EO-2010-0255 that I included this
12 information in my direct testimony from Case No. ER-2010-0036. She indicated that "I
13 have no reason to doubt Mr. Wills. No, I did not." She then went on to make the
14 statement that "It would have been buried in a stack of workpapers." Case No. EO-2010-
15 0255, Tr., p. 371, l. 16-22

16 **Q. What is your response to this?**

17 A. I'm not sure why Ms. Mantle is, in this case, again repeating the
18 suggestion that the Company did not give Staff this information. While I understand that
19 a lot of data is submitted in a rate case, it is provided because it contains information that
20 is relevant to the other parties in the case. In fact, Ms. Mantle has on a number of
21 occasions stressed the importance of the Company timely (as in at the time of or shortly
22 after a rate case is filed) providing workpapers. If the Staff isn't going to use the
23 information in the workpapers until months later, or not at all (she claims the Staff didn't

1 know about the contracts until it asked a data request in September and received an
2 answer in October), then it's not clear to me why she has stressed the importance of
3 receiving the workpapers so quickly. The bottom line is that when the Company
4 indicates in its testimony that there are new wholesale customers and specifically
5 identifies them in its workpapers, it should not be a stretch to assume that that someone
6 from Staff would review that testimony and either look over the workpapers or submit
7 data requests seeking more information. Either way, the implication that the Company
8 did not advise the Staff of these contracts is simply not true, as elaborated on in more
9 detail by Ms. Barnes.

10 Q. Ms. Mantle also claims that Ameren Missouri failed to include the
11 AEP and Wabash contracts in the net system input that it provided to Staff in Case
12 No. ER-2010-0036. (Mantle Direct/Rebuttal, page 9, lines 17-19.) Is this accurate?

13 A. No. Again, Ms. Mantle's testimony in Case No. EO-2010-0255 is
14 revealing. It is clear from the exchange in the transcript from the evidentiary hearings
15 (Tr. pp. 364-368) that Ms. Mantle is claiming that the AEP and Wabash loads were not
16 reported to Staff pursuant to Commission rule 4 CSR 240-3.190. However, again, the
17 data provided with the rate case in the form of my testimony and workpapers included the
18 appropriate adjustments and all supporting data needed by Staff to understand them,
19 which Ms. Mantle did finally acknowledge.

20 He did supply those loads to us, and eventually we ran the fuel
21 models with and without those loads. (Case No. EO-2010-0255,
22 Tr. p. 366, l. 14-16).
23

24 The data in the 4 CSR 240-3.190 report is not the same as the data provided specifically
25 for a rate case. Any issues Staff had with that report have subsequently been addressed

1 so that the Company now believes that that report is clear and transparent to Staff. But
2 regardless, the statement in Ms. Mantle's testimony is not an accurate characterization of
3 the facts from Case No. ER-2010-0036. The Company made appropriate adjustments to
4 net system input for the AEP and Wabash loads, and also provided all relevant data to
5 Staff in its testimony and workpapers. And there was no "confusion" on the Company's
6 part (as Ms. Mantle claims) regarding the proper treatment of the AEP and Wabash
7 contracts. The revenues from those contracts, like the revenues from the municipal
8 contracts, were not included in off-system sales in the Company's rate case filing and in
9 all of the workpapers that supported that filing, and the AEP and Wabash loads were
10 included appropriately in jurisdictional allocation factors. Ms. Mantle doesn't claim
11 otherwise and, as noted, eventually begrudgingly admitted that fact.

12 **Q. You said the data in the 4 CSR 240-3.190 reports is not the same as**
13 **that used in rate cases. Can you please elaborate?**

14 A. Yes. As made clear by Ms. Mantle's testimony under cross-examination
15 in Case No. ER-2011-0028 (on May 4, 2011), the Staff completely misunderstood the
16 data that was being given to them in the 4 CSR 240-3.190 reports, and made assumptions
17 about it that were wrong. Most notably, the Staff mistakenly assumed the 4 CSR 240-
18 3.190 data was not at the generation level (i.e., did not contain transmission losses), but
19 the Staff had not verified if its assumption was correct. (Case No. ER-2011-0128, Tr. p.
20 1641, l. 20-25; p. 1648, l. 3-12.) This occurred despite the fact that the Company had
21 specifically told the Staff that the data *was* at the generation level. *Id.* P. 1643, l. 3-5.
22 The Staff thought that the Company had changed its 4 CSR 240-3.190 reporting so that
23 the data was not at the generation level, but Ms. Mantle admitted that in fact the data had

1 not been changed and was in fact reported at the generation level. *Id.*, p. 1661, l. 2 – 17;
2 p. 1664, l. 13-17. This same confusion is what led to the wrong kilowatt-hours being
3 used in the Staff's fuel modeling for net base fuel costs in Case No. ER-2008-0318, which
4 led to the mistake that was resolved by the Commission in the Company's favor in Case
5 No. ER-2010-0074 (involving true-up of the Company's FAC).

6 **Q. So why is this relevant to the testimony Ms. Mantle gave in this case?**

7 A. It's relevant for two reasons. First, it shows again that some of the
8 information Ms. Mantle is testifying to is not accurate, or at a minimum paints a
9 misleading picture of the information that the Company has provided to Staff. She again
10 implies that the Company did not tell the Staff about the AEP and Wabash contracts until
11 October of 2010; however Ms. Barnes and I have both demonstrated that the Company
12 provided the Staff comprehensive information about these contracts in the summer of
13 2009. She claims that the Company did not include the AEP and Wabash loads in its net
14 system input in the rate case; but I've shown those loads were included. The problem was
15 that the Staff completely ignored the rate case information I provided with regard to this
16 issue, and misunderstood the data that the Company had provided under 4 CSR 240-
17 3.190.

18 Second, this is relevant to the question of whether the AEP and Wabash contracts
19 reflect long-term requirements sales. They were treated by the Company just like the
20 municipal contracts, which is exactly what one would expect, because they are long-term
21 (more than 1 year in length) and they are requirements sales (provide firm energy and
22 capacity to a buyer with a load serving obligation). Copies of the relevant transcript

Surrebuttal Testimony of
Steven M. Wills

1 pages from both Case Nos. EO-2010-0255 and ER-2011-0028 are attached to my
2 testimony as Schedule SMW-S1.

3 **Q. Does this conclude your surrebuttal testimony?**

4 A. Yes, it does.

In the Matter of the Second Prudence)
Review of Costs Subject to the)
Commission-Approved Fuel) Case No. EO-2012-0074
Adjustment Clause of Union Electric)
Company d/b/a Ameren Missouri.)

STATE OF MISSOURI)
) ss
CITY OF ST. LOUIS)

1. My name is Steven M. Wills. I work in the City of St. Louis, Missouri, and I am employed by Ameren Services Company as a Managing Supervisor of the Quantitative Analytics group.

3. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded are true and correct.

Subscribed and sworn to before me this 8th day of June, 2012.

Julie Donohue - Notary Public
Notary Seal, State of
Missouri - St. Louis City
Commission #09753418
My Commission Expires 2/17/2013

BEFORE THE PUBLIC SERVICE COMMISSION

STATE OF MISSOURI

TRANSCRIPT OF PROCEEDINGS

Hearing

January 11, 2011

Jefferson city, Missouri

Volume 4

In The Matter of The First Prudence Review)	
Of Costs Subject To The Commission)	File No.
Approved Fuel Adjustment Clause Of Union)	EO-2010-0255
Electric Company d/b/a AmerenUE)	

MORRIS L. WOODRUFF, Presiding
CHIEF REGULATORY LAW JUDGE

ROBERT M. CLAYTON, III, Chairman
JEFF DAVIS
TERRY JARRETT
KEVIN GUNN
ROBERT S. KENNEY,
COMMISSIONERS

REPORTED BY:
Jennifer Leibach, CCR No. 1780
TIGER COURT REPORTING, LLC

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Schedule SMW-S1-1

1 Q. And it looks to me like about the first two
2 and a half pages are your qualifications and a summary of the
3 following testimony; is that fair to say?

4 A. Yes.

5 Q. So you've got about five and a half pages of
6 testimony on the substance of this case; is that true?

7 A. Yes.

8 Q. Let me ask you another question. Have you
9 ever bought or sold power, Ms. Mantle?

10 A. No, I have not.

11 Q. Okay. Can you take a look at page 6 of your
12 direct/rebuttal testimony? And -- I'm sorry, I'm on page 8.
13 At the top of the page, it says -- the question says, "Did
14 Ameren Missouri include the AEP and WPA contracts in its net
15 system input provided to Staff for that case?"

16 And your answer begins, "No, it did not." Do
17 you see that?

18 A. Yes.

19 Q. And did you read Steve Wills' surrebuttal
20 testimony?

21 A. Yes.

22 Q. Do you happen to have a copy of Mr. Wills'
23 surrebuttal testimony?

24 A. Not up here.

25 Q. Okay. I think I have a copy. There's a copy

1 of Mr. Wills' surrebuttal testimony.

2 And Mr. Wills disagrees with you on that
3 point, and let me show you where I'm looking. I think it's
4 on page 10, line 3. Starting on line 3, he says, "Ms. Mantle
5 also claims that Ameren Missouri included AEP and Wabash in
6 the jurisdictional allocation factors in Case No.
7 ER-2010-0036 but not in the net system input." Cites your
8 testimony. "Is this statement accurate?" And he says, "No."
9 And he says it actually was included, and he attaches a copy
10 of his testimony.

11 Is Mr. Wills right about that?

12 A. I believe we are probably talking about two
13 different things. He -- those loads were supplied to Staff
14 and did end up in the net system input. When we asked for
15 net system input, we were -- well, UE keeps changing the
16 definition of that on us, too. So what we were supplied did
17 not have that -- what comes in monthly on the 3.190 data,
18 which is called net system input, it did not have those loads
19 in there.

20 Q. Okay. But what Mr. Wills says is in his
21 direct testimony in Case No. ER-2010-0036, that he did
22 include it as -- I mean, I guess, Ameren refers to it as net
23 system output, you refer to it as net system input, but
24 that's the same thing; is that correct?

25 A. I'm not for sure. Those definitions are

BEFORE THE PUBLIC SERVICE COMMISSION
STATE OF MISSOURI

TRANSCRIPT OF PROCEEDINGS
Evidentiary Hearing
May 4, 2011
Jefferson City, Missouri
Volume 24

In The Matter Of Union)
Electric Company d/b/a)
AmerenUE's Tariff To Increase) File No. ER-2011-0028
Its Annual Revenue For)
Electric Service)

MORRIS WOODRUFF, Presiding
CHIEF REGULATORY LAW JUDGE
JEFF DAVIS,
TERRY JARRETT,
ROBERT S. KENNEY
COMMISSIONERS.

REPORTED BY:

Tracy Taylor, CCR No. 939
TIGER COURT REPORTING, LLC

1 that was.

2 Q. Well, I -- I read -- I read lines 13
3 through 23 on page 41. You agreed I read that
4 correctly. Correct?

5 A. Yes.

6 Q. Let me start over at line 24.

7 "Question: Okay. I'm sorry to interrupt
8 you.

9 "Answer: Walt Cecil is the person in the
10 current case."

11 Now I'm over on page 42, line 2.

12 "Question: Okay.

13 "Answer: Shawn likely was the
14 normalization and net system input person for the 2007
15 case also."

16 Did I read that correctly?

17 A. Yes.

18 Q. Now, Ms. Maloney -- Erin Maloney was
19 the -- was responsible for the loss factors in the
20 0002 case. Right?

21 A. She filed direct testimony with loss
22 factors in it, yes. She was the Staff's expert on
23 loss factors in that case.

24 Q. And Alan Bax was responsible for the loss
25 factors in the 0318 case. Right?

1 A. That is correct.

2 Q. Now, you've testified that until
3 January of 2011, this year, the Staff thought that
4 maybe the kilowatt hour sales used to calculate the
5 net base fuel cost arising from the 0318 case were at
6 the generation level. Right?

7 A. Yes.

8 Q. And you blame the fact that the Staff did
9 not understand that until two years later that --
10 didn't understand that fact until two years after it
11 happened essentially, you blame that on, quote,
12 communication issues, which at least until a few days
13 ago you attributed or blamed entirely on the Company;
14 isn't that fair?

15 A. Yes.

16 Q. And when you say Staff, what you mean by,
17 quote, Staff when you're talking about what the Staff
18 didn't understand, you're referring to six people;
19 you, Mr. Lange, Ms. Maloney, Mr. Bax, Mr. Beck and
20 Mr. Roos. Right?

21 A. And I've since realized that Mr. Nathan
22 Williams also would have been involved in those
23 discussions and I believe he has an understanding now
24 also.

25 Q. But he's a lawyer, he doesn't really

1 matter. Okay. And, in fact, you say that none of
2 those six individuals knew back at the time of the
3 0002 case or the 0318 case that the kilowatt hour
4 sales that were being used in the fuel modeling and
5 that were being used in the 0318 case to calculate in
6 NBFC rates were not at the generation level. Right?

7 A. That's correct.

8 Q. And your testimony is that the 3.190 data
9 at some point used to be at the generation level back
10 in the early 2000's, but sometime between then and the
11 time of the 0002 case, the Company changed it so that
12 it started to be at the transmission level. Right?
13 That was your testimony?

14 A. That was my testimony, yes.

15 Q. And your testimony was that the Staff
16 uses that data, the 3.190 data, to determine what you
17 call net system input in the Staff's production cost
18 modeling. Right?

19 A. Yes.

20 Q. But, in fact, you had not actually
21 verified whether the 3.190 data that the Company was
22 giving the Staff at the time of the 0002 case or the
23 0318 case was or was not at the generation level, had
24 you?

25 A. No.

1 Q. What you really claim is that the data
2 had changed -- and I'm -- I'm not conceding it
3 changed, but I'm just talking about what you're
4 claiming. What you're really claiming is that the
5 data was formerly at the generation level and sometime
6 between the early 2000's and this case, the one that
7 we're in now, the data changed. Right?

8 A. That's correct.

9 Q. So you were mistaken when you suggested
10 it had changed as of the 0002 and the 0318 case,
11 weren't you?

12 A. I have no idea when it's -- in -- when it
13 changed.

14 Q. Okay.

15 A. The Company did not tell us when it
16 changed.

17 Q. So to the extent you testified it changed
18 between -- at the time of the 0002 case, you testified
19 about something you had no -- you actually had no idea
20 about; isn't that true?

21 A. That's correct. Well, I -- I wouldn't
22 say that I had no idea about. I have worked with that
23 data and I have worked with Ms. Maloney and Alan Bax.
24 I -- the -- none of us had any awareness of -- of what
25 level that -- we thought it was at generation and you

1 showed us a data request supplement that showed that
2 Tim Finnell also told us that in that case.

3 Q. Tim Finnell told you that the 3.190 data
4 was at generation. Right?

5 A. That's correct.

6 Q. So when you said in your surrebuttal
7 testimony that it had changed to where it wasn't at
8 generation, you were wrong, weren't you?

9 A. That's correct. I was -- I was incorrect
10 that it had changed --

11 Q. And you --

12 A. -- when it had changed.

13 Q. And you -- and -- and the claim you made
14 about the changed 3.190 data, you're making that claim
15 in relation to your discussion of the mismatch, the
16 mistake, whatever you want to call it in the 0274
17 case. Right?

18 A. Ask that question again.

19 Q. That may have been a bad question. When
20 you talk in your surrebuttal testimony about the
21 Company changing the 3.190 data, you're -- that
22 discussion in your surrebuttal testimony is in
23 relation to your discussion of the mistake that
24 occurred in the 0274 case that you've told the
25 Commission it ought to consider in relation to your

1 sharing percentage proposal. Right?

2 A. It's in relation to that and the 3.190
3 data that we've been getting for 15, 20 years.

4 Q. And you claim that the Company repeatedly
5 misrepresented data -- and when you claim the Company,
6 quote, repeatedly misrepresented data, you were
7 talking about the 3.190 data, aren't you?

8 A. Yes.

9 MR. LOWERY: Your Honor, I need to mark
10 an exhibit, please.

11 JUDGE WOODRUFF: All right. We're at
12 number 167.

13 (Ameren Exhibit No. 167 was marked for
14 identification.)

15 BY MR. LOWERY:

16 Q. Ms. Mantle, I've handed you what's been
17 marked for identification as Exhibit 167. You
18 recognize that as a copy of Exhibit 3 from your
19 April 25th deposition, do you not?

20 A. Yes.

21 Q. And Exhibit 167 is Miss Maloney's direct
22 testimony from the 0002 case. Correct?

23 A. Yes.

24 MR. LOWERY: And, Judge, since I have
25 copies of it, I'll just move for its admission unless

1 you'd just rather take administrative notice of this
2 testimony.

3 JUDGE WOODRUFF: Since it's been offered,
4 anybody object to its receipt?

5 Hearing none, 167 will be received.

6 (Ameren Exhibit No. 167 was received into
7 evidence.)

8 BY MR. LOWERY:

9 Q. Now, if you turn to page 3, line 19 of
10 Exhibit 167 and if you also look at Ms. Maloney's
11 Schedule ELM-2, she indicates that she got the net
12 system input that she used from the Company's response
13 to DR 137. Correct?

14 A. Yes.

15 Q. And when she's talking about net system
16 input, she's referring to -- I think you corrected me,
17 I think you said it's probably megawatt hour sales
18 that are at the generation level. Right?

19 A. Yes.

20 Q. So if she says she got the net system
21 input from DR 137, then she thinks that the DR 137
22 data was at the generation level, doesn't she?

23 A. Yes. I would assume that. She's not
24 known to -- to lie.

25 Q. Well, she -- she defined net system input

1 in that testimony as very specifically defined as
2 being at the generation level. Right?

3 A. Yes.

4 Q. So if she says, I'm using net system
5 input and I -- and she identifies that data as coming
6 from DR 137, then she must think DR 137 data is at --
7 is at generation. Right?

8 A. Yes. She did think that.

9 MR. LOWERY: I need to mark another
10 exhibit, your Honor.

11 JUDGE WOODRUFF: 168.

12 (Ameren Exhibit No. 168 was marked for
13 identification.)

14 BY MR. LOWERY:

15 Q. I've handed you what's been marked for
16 identification as Exhibit 168. You recognize that as
17 Exhibit 5 from your April 5 -- April 25th deposition,
18 do you not?

19 A. Yes.

20 Q. And you recognize that this is a response
21 in a supplemental response to Mr. Lange's DR 137 in
22 the 0002 case. Correct?

23 A. Correct.

24 Q. And we know that Ms. Maloney saw this
25 because on the second page it reflects a telephone

1 conversation that she had with Company witness Tim
2 Finnell. Right?

3 A. That is what it reflects, yes.

4 Q. And we'll get to this in a minute, but
5 based upon a data request response that the Staff
6 recently provided the Company, we know Mr. Lange saw
7 it at that time as well, don't we?

8 A. Yes.

9 Q. Both pages of -- of Exhibit 168.
10 Correct?

11 A. Correct.

12 Q. Now, if we look at the second page of
13 Exhibit 168, is it fair to say that what happened here
14 is that Ms. [sic] Lange called Mr. Finnell, sent him a
15 file that had been produced in response to DR 137 and
16 asked him why are the loads in -- in the DR 137 data,
17 why are they different than the 3.190 data. Is that a
18 fair characterization of what led to the second page
19 of D-- DR 17 -- excuse me, Exhibit 168?

20 A. That's a fair question, because they both
21 are supposed to be net system input. But, yes, that's
22 a correct representation.

23 Q. Can you just answer my questions? And
24 Ms. Ott can ask -- ask you questions if you want to --
25 if you want to talk about other questions later. How

1 about that? And we'll get through this a little more
2 quickly.

3 And is it a fair characterization of
4 Mr. Finnell's answer on the second page of Exhibit 168
5 that he indicates to Ms. Maloney that the 3.190 data
6 does -- it -- it is, in fact, at generation because it
7 includes physical transmission line losses. That's
8 what it says at the very end; isn't that right?

9 A. Along with non-AmerenUE customers, yes,
10 that's what it says.

11 Q. But the data is at generation, isn't it?

12 A. Yes, it is.

13 Q. And he also explains to her that the
14 DR -- that the DR 137 data is not at generation
15 because it does not include transmission losses; isn't
16 that right?

17 A. The data re-- that was supplied in
18 response to request for net system input did not
19 include transmission losses in that case.

20 Q. That wasn't my question. My question was
21 whether or not he clearly explained to Ms. Maloney
22 that the data supplied in response to DR 137 was not
23 at generation because it did not include transmission
24 losses. Yes or no?

25 A. I will agree that it says that. I don't

1 know that it clearly says that because it starts with,
2 MDMA MISO day two loads do not have any transmission
3 losses. And I couldn't find anybody on Staff that
4 knew exactly what that meant so --

5 Q. Well, maybe Staff didn't understand the
6 MISO.

7 A. At that time, that's right. I'm --

8 Q. The -- the next-to-last full paragraph
9 says, Note: That MDMA MISO day two loads do not have
10 any transmission losses. Correct?

11 A. That's what it says, yes.

12 Q. And did he or did he not say that the
13 data provided in response to DR 137 came from MISO day
14 two MDMA?

15 A. Yes.

16 MR. LOWERY: Your Honor, I'd move for the
17 admission of Exhibit 168.

18 JUDGE WOODRUFF: 168 has been offered.
19 Any objections to its receipt?

20 Hearing none, it will be received.

21 (Ameren Exhibit No. 168 was received into
22 evidence.)

23 BY MR. LOWERY:

24 Q. Now, we talked about before that net
25 system input for you means at the generation level;

1 net system output means at the transmission level.

2 Right? Just so we have the --

3 A. For the Staff, yes.

4 Q. -- terminology straight. For the Staff.

5 Now, the change that you claim was made
6 between the early 2000's and the 0002 case, which you
7 now agree wasn't made during that timeframe to the
8 3.190 data. Right?

9 A. According to this DR that we just saw,
10 yes. I did not go back and check the data to see, but
11 I've never known Tim Finnell to lie to me.

12 Q. Well, in fact, you -- you've seen an
13 affidavit that's been submitted in this case that
14 Mr. Finnell submitted that indicated that the 3.190
15 data was at generation all the way up until the spring
16 of 2010, haven't you?

17 A. No, I haven't.

18 Q. You haven't. All right. So the change
19 that you claim was made was that the Company used --
20 used to supply data at generation, what you call NSI,
21 but then started supplying the data at transmission,
22 NSO, in its 3.190 data. Right?

23 A. Right.

24 Q. But we now know that Ms. Maloney used the
25 data from DR 137, which is not NSI, not at generation

1 as you and she both defined it. Right?

2 A. It was not at t-- it was not at
3 generation. It was at transmission.

4 Q. And we know that she used that data
5 because her testimony says, My net system input --
6 what she called net system input -- came from DR 137
7 and DR 1-- but that data was not at generation.
8 Right?

9 A. That's correct.

10 Q. And she was told it wasn't at generation?

11 A. That's what the DR response says, yes.

12 Q. And Mr. Lange was told it was not at
13 generation, because he read the DR response?

14 A. Yes.

15 JUDGE WOODRUFF: Mr. Lowery, if I can
16 interrupt. We have been going for about two hours so
17 we're -- for the benefit of the court reporter, we're
18 about due for a break unless you're close to
19 finishing.

20 MR. LOWERY: I'm probably three-fourths
21 of the way done, but I -- it's up to you, your Honor.

22 JUDGE WOODRUFF: Let's take a break and
23 come back at 4:30.

24 MS. OTT: Before we go off the record, I
25 wanted to note Ms. Mantle's not available after

1 6:00 p.m. so hopefully we're able to finish with her
2 before, but --

3 JUDGE WOODRUFF: If we can't finish her,
4 we'll take her tomorrow. Is that --

5 MS. OTT: Okay.

6 MR. LOWERY: That would be acceptable to
7 the Company, but I -- I don't think it's going to take
8 too much longer.

9 JUDGE WOODRUFF: All right. We'll come
10 back at 4:30.

11 (A recess was taken.)

12 JUDGE WOODRUFF: We're back on the record
13 and we'll continue with the cross-examination of
14 Ms. Mantle.

15 MR. MILLS: Judge, what -- can I ask
16 before we get started, what is the intention for this
17 evening? Are we just going to keep going until we
18 finish this issue?

19 JUDGE WOODRUFF: Yeah, that's my
20 intention. And I'm hoping it won't take too terribly
21 long.

22 MR. MILLS: Okay.

23 BY MR. LOWERY:

24 Q. Okay. I think we established -- pardon
25 me. I think we established before that we now know

1 and you now know that the 3.190 data had not been
2 changed at the time of the 0002 case. Right?

3 A. Yes.

4 Q. You don't know how Ms. Maloney could have
5 believed that the DR 137 data was net system input as
6 you and she defined it after she had been told that it
7 did not include transmission losses, do you?

8 A. That would be for Ms. Maloney to answer,
9 not me.

10 Q. She made a mistake. Fair to say?

11 A. Yes.

12 Q. And because the Staff knows how to take
13 that 3.190 data that was provided at that time at the
14 generation level and to pull out municipal and other
15 loads that were in the data, Staff could have used
16 that data to get net system input, couldn't it?

17 A. Yes.

18 Q. But it didn't do that?

19 A. It did use the 3.190 to get -- data to
20 get the load shapes that went into the fuel run. It
21 used other estimates of NSI in calculation of the
22 losses. And that's where it was really critical was
23 calculation of the losses.

24 Q. But that caused -- that caused the loss
25 calculations to be understated, didn't it?

1 A. The other -- yeah, her other sources of
2 NSI, I -- I don't know -- I will actually say I don't
3 know. In the 2007 case we had a test year with part
4 MISO in it and part not MISO. I would be surprised if
5 anybody really understood what all those hourly loads
6 meant and when different things recorded different
7 ways and what it might have meant.

8 Q. The losses -- I'm sorry. I didn't mean
9 to -- were you finished? I didn't mean to cut you
10 off.

11 A. That's fine.

12 Q. The loss factors that she calculated,
13 they were lower than they would have been had she been
14 using data generation; isn't that fair? Ms. Maloney
15 being "she" in this question.

16 A. I'm not --

17 Q. If you don't know, you don't know.

18 A. I don't know.

19 Q. Fair enough.

20 MR. LOWERY: I need to get another
21 exhibit marked, your Honor, please.

22 JUDGE WOODRUFF: This would be 169.

23 (Ameren Exhibit No. 169 was marked for
24 identification.)

25 BY MR. LOWERY:

1 Q. Ms. Mantle, do you recognize what's been
2 marked for identification as Exhibit 169?

3 A. It is a response to a DR that you
4 requested of Staff.

5 Q. Now, I know Mr. Lange isn't here, but I
6 think you can -- probably have the knowledge to
7 correct this. On the second page in question three
8 where Mr. Lange responds that he reviewed the initial
9 response on 10/3/11, you're confident he means
10 10/3/06, are you not?

11 A. Actually, I don't have a number three.
12 Mine goes one, two, five.

13 MR. LOWERY: May I approach, your Honor?

14 JUDGE WOODRUFF: You may.

15 MR. LOWERY: Something may have been
16 wrong with the copy machine. Yeah, it looks like
17 the -- looks like the copies are wrong. We'll replace
18 those, your Honor. I'll just -- Ms. Mantle and I will
19 have to share this.

20 BY MR. LOWERY:

21 Q. I'm going to hand you what I think is now
22 a complete document and ask you -- and it's been
23 marked as Exhibit 169 for identification, ask you if
24 you recognize it as the Staff's response to Company DR
25 No. 22?

1 A. Yes.

2 Q. And does this look like it's the complete
3 response?

4 A. Yes.

5 Q. Okay. And on second page do you see
6 where it says Shawn Lange reviewed the initial
7 response on 10/3/11?

8 A. Yes.

9 Q. And that's talking about the response to
10 DR 137 from the 0002 case. Right?

11 A. Right.

12 Q. That's a typo. Right? That should be
13 10/3/06?

14 A. Yes.

15 Q. Excuse me. I'm -- this DR response, it
16 asks some questions about the DR 137 and the -- that
17 we have been talking about, it asks some questions
18 about 3.190 reporting and it asks some questions about
19 the calculation of the NBFC rates in the 0318 case.
20 Is that -- is that a fair summary of what its subjects
21 are?

22 A. I've got my copy so I've got both sides.

23 Q. Okay. Great. Thank you. Thank you.

24 A. Now, you ask -- ask the question again.
25 I'm sorry.

1 Q. The subject of this do-- of this data
2 request, it's about how the calculations of NBFC rates
3 in the 0318 case came about. That's one subject.
4 Would you agree?

5 A. Yes.

6 Q. For example, the first question?

7 A. Yes.

8 Q. And -- and it asks questions about sort
9 of who knew what when -- who knew what and when about
10 DR Number -- the response to DR 137 in the 0002 case,
11 which is Exhibit 168 in evidence in this case. Right?

12 A. Yes.

13 Q. And it asks some questions about current
14 3.190 data. Correct?

15 A. Yes.

16 Q. That the Company's been supplying?

17 A. Yes.

18 MR. LOWERY: Your Honor, I'd move for the
19 admission of Exhibit 169, which is Staff's response to
20 Company's DR No. 22.

21 JUDGE WOODRUFF: Mr. Lowery, I note that
22 there was also some e-mail exchanges and a -- net base
23 fuel cost chart. Is that supposed to be part of this
24 exhibit also?

25 MR. LOWERY: It is, your Honor. Those

1 are attachments to the DR response. There's actually
2 a data file that was also attached which has thousands
3 of lines so I don't have that all printed out, but the
4 rest of it is all there.

5 JUDGE WOODRUFF: Thank you for that. 169
6 has been offered. Any objections to its receipt?

7 MR. MILLS: Judge, I'd like to reserve
8 have to make an objection until I actually see the
9 whole document. I'm missing at least one page.

10 MR. LOWERY: That seems to be fair to me.

11 JUDGE WOODRUFF: That's what we will do.

12 BY MR. LOWERY:

13 Q. As you sit here today, all that you
14 really know about the 3.190 data is that in about
15 April or May 2010 the Company did make some changes,
16 but you really don't know what changes were made or if
17 changes were made prior to that time; isn't that fair?

18 A. With respect to the transmission losses?

19 Q. With respect to the 3.190 data.

20 A. I know that changes have been made all
21 through -- I know as early as the complaint case --

22 Q. Okay. All right. Let me -- let me --

23 A. -- there's been changes to what was in
24 the -- the 3.190 data.

25 Q. Let me ask you this: You -- you -- I

1 think -- I think the clarification you asked me for is
2 what I should have asked you. As we sit here today,
3 all that you really know is that as of April or May
4 2010, the Company started to report -- at least added
5 reporting at the transmission level in the 3.190 data,
6 but you don't know whether the Company stopped
7 reporting that data at generation before that time, do
8 you?

9 A. I haven't even seen the document that you
10 talked about that had been supplied to us that said
11 when that had changed, so I haven't even seen that
12 so --

13 Q. Okay.

14 MR. LOWERY: I need to mark another
15 exhibit, your Honor. Hopefully this one's copied
16 correctly.

17 JUDGE WOODRUFF: This will be 170.

18 MR. LOWERY: I think it is.

19 (Ameren Exhibit No. 170 was marked for
20 identification.)

21 BY MR. LOWERY:

22 Q. Hand you what's been marked as -- for
23 identification as Exhibit 170. I believe you
24 indicated that you had not seen this before; is that
25 true?

1 A. That's true.

2 Q. I'm going to give you a minute to take a
3 look at it.

4 A. Okay.

5 Q. First question I'm going to ask you is,
6 do you -- do you think that Tim Finnell generally
7 knows what he's doing?

8 A. Yes.

9 Q. I think I asked you if he was a good
10 analyst before and you said you didn't think he --
11 didn't do a lot of analysis anymore but in terms of
12 the job that he does, you've worked with Tim Finnell
13 for a number of years. True?

14 A. Yes.

15 Q. And you find him to be a credible person?

16 A. Yes.

17 Q. If Tim Finnell tells you something, would
18 you tend to believe him?

19 A. Yes.

20 Q. He indicates that he has personal
21 knowledge with respect to the load data that's been
22 reported to the Commission under the 3.9-- 190 rule
23 since the early 1990's. Do you believe that to be
24 true?

25 A. I have no reason not to believe it's

1 true, so yes.

2 Q. He indicates that at least from the early
3 1990's until approximately May 2010 that the hourly
4 load data reported to the Commission was at the
5 generation level, meaning it included both
6 distribution and transmission line losses. You don't
7 have any reason to dispute that, do you?

8 A. No.

9 Q. He indicates in paragraph 5 that
10 consequently all 3.190 hourly load data in the
11 Commission's/Staff's possession for both 0002 and the
12 0318 was reported at the generation level. You don't
13 have any reason to dispute that, do you?

14 A. No.

15 Q. If he says it, then you believe that to
16 be true, do you not?

17 A. Yes.

18 Q. He indicates that starting in about May
19 2010 the Company added additional data so that the
20 data was both at generation, but also had an
21 additional column that added transmission losses, does
22 he not?

23 A. That's what it says.

24 Q. And you -- you believe that to be true,
25 don't you?

1 A. That -- I've seen the files. I don't --
2 from what I've seen, I could not tell that that's what
3 those loads were.

4 Q. Okay. You can't tell. Given that the
5 hourly load data at the time of the 0002 and 031 [sic]
6 cases was at generation, had the Staff used it --
7 pulled the municipal and other loads out and used it,
8 then the fuel modeling the Staff did in those cases
9 would have been at generation as opposed to at
10 transmission; isn't that right?

11 A. No, that's not right.

12 Q. The Staff does know how to pull those
13 municipal and other loads out of that data to get back
14 to AmerenUE data, doesn't it?

15 A. Yes.

16 Q. And Mr. Finnell indicated, and you agreed
17 that if he indicated it was true, that the data was
18 being reported at the generation level. Right?

19 A. Yes. Would you like me to explain my
20 answer or --

21 Q. Sure. Go ahead and explain your answer.

22 A. Okay. We use other various sources for
23 what NSI is in the calculation of losses. We don't
24 just use the 3.190 data. And in both the -- the 0002
25 case and the 0318 case there was multiple sources

1 used. And Erin designated in her testimony she used
2 whatever it is, but that -- they do look at multiple
3 sources.

4 So if the NSI that they looked at apart
5 from the 3.190 data was at transmission and it really
6 wasn't NSI, then that was the reason that we didn't
7 get losses at generation -- or we didn't get loads to
8 generation. Because the loss is calculated and added
9 to the sales from which revenue is generated and
10 that's the load that's put under the -- I'm sorry,
11 there's a squealing in the mic. I don't know if
12 anybody other than me can hear it.

13 MR. MILLS: Oh, yeah.

14 THE WITNESS: So if I jump, that's why.
15 That's why we would have had a loss factor at
16 transmission because we used the other sources of NSI
17 that was provided by the Company.

18 BY MR. LOWERY:

19 Q. In your surrebuttal testimony at page 3
20 you said, Because net system input should report at
21 the generation level, Staff should be able to use the
22 hourly net system input loads Ameren Missouri
23 submitted to Staff monthly as required by 4 CSR
24 240-3.190(1)(C). However, without notifying Staff,
25 Ameren Missouri much earlier changed its 3.190

1 submissions to provide the hourly load requirement at
2 the transmission level.

3 And we've already established here that
4 at the time of the 0318 and the 0002 case, the Company
5 had not changed its 3.190 data to --

6 A. That's --

7 Q. -- give the transmission level. Right?

8 A. That's correct.

9 Q. So -- so that testimony's wrong, isn't
10 it?

11 A. It -- it wasn't much earlier, that's
12 correct.

13 Q. And -- well, the testimony's wrong. At
14 the time of the 0002 and the 0318 case, the Company
15 hadn't changed its data and you were getting 3.190
16 data that was at the generation level. Correct?

17 A. That's what we know now, yes.

18 Q. That's what you know now. And you don't
19 mention anywhere in here that there's this other data
20 that you also use. You point only to the 3.190 data.
21 And the gist of your testimony here is that the
22 Company repeatedly misrepresented data and changed the
23 3.190 data and that caused the mistake in the 0274
24 case. That's the -- that's what you're essentially
25 telling the Commission; isn't that true?

1 A. And I will stand by that they repeatedly
2 changed the 3.190 data and not have told us what the
3 changes were. It may have been at generation, but
4 there has been changes in that since back when I used
5 it, it was a -- it was always we'd use it and four
6 months into a rate case AmerenUE would -- would call
7 us up and say, Hey, did you know you had the wrong
8 loads. So it is my -- still my testimony that that
9 data has been misrepresented to us repeatedly, which
10 has --

11 Q. Oh, so they called up and said you had
12 the wrong loads, but they're misrepresenting data. Is
13 that your testimony?

14 A. That the 3-- that's right.

15 Q. Okay. Fair enough. You -- you can stick
16 with your testimony.

17 A. When -- when they provide it to us and
18 somebody signs -- when we get 3.190 data, there is a
19 piece of paper on top that someone signs that says
20 this is correct to the best of their knowledge. And
21 actually I believe it's a administrative assistant
22 that signs it. I don't know the person. That's what
23 Erin told me. And so to me, when they say this is
24 NSI, if it isn't, it's been misrepresented to us.

25 Q. Well, you -- you -- you swore that your

1 testimony that was filed in this case was true and
2 correct to the best of your knowledge as well, but we
3 now know that some of it wasn't correct, don't we?

4 A. That -- to my know-- you're right.

5 Q. So I guess were you misrepresenting that
6 testimony to the Commission when you filed it? Is
7 that what you're telling us?

8 A. Not when I -- not when I filed it, I was
9 not. I believed that at that time.

10 Q. And -- and how -- and do you think
11 that -- and you have no way of knowing that the Com--
12 that the Company didn't believe that what they were
13 giving you was also what the rule required, do you?

14 A. That's right. I don't.

15 Q. So you've accused somebody of
16 misrepresentation when you don't know whether that
17 accusation actually is true, haven't you?

18 A. I do know that they misrepresented it
19 because they supplied data in a page that said this is
20 the net system input and it was not the net system
21 input.

22 Q. In your -- in your opinion?

23 A. And that -- I know because they told me
24 later in cases that it wasn't. And -- and when
25 somebody says this is net system input and it's not, I

1 believe that's misrepresentation. Whether it's
2 willful or they realize it or not, that's
3 misrepresenting to the Staff what that data is. And
4 it's not just the net system input. It's market price
5 and other things that are in 3.190 data.

6 Q. The 3.190 rule does not define net system
7 input, does it?

8 A. No, it does not.

9 Q. In fact, Ms. Mantle, in the MISO market
10 world one could define net system input as generation
11 plus purchases, minus sales; where sales in the MISO
12 world include revenues from the transmission losses
13 that are settled financially; isn't that right?

14 A. I don't know how you can calculate net
15 system using financial numbers.

16 Q. Can you turn to page 78 of your second
17 deposition starting on line 17?

18 A. I said that you could define it that way,
19 yes. And yes, you could define it that way.

20 Q. So you've changed your answer to your --
21 to my prior question; is that right? In the MISO --

22 A. You could define it, yes.

23 Q. In the MISO world, you could define net
24 system input to be generation plus purchases, minus
25 sales and include in those sales the transmission

1 losses that are settled financially in the MISO.

2 Correct?

3 A. Oh you're talking about the megawatt
4 hours, not the financial transactions?

5 Q. Yes.

6 A. Okay. In that case, yes.

7 Q. Okay. And, in fact, Ms. Mantle, you now
8 agree that in the MISO world, what you ought to be
9 using is what we've talked about earlier is -- is --
10 generally could be referred to as net system output,
11 kilowatt hour sales at the transmission level. Right?

12 A. I believe that's appropriate to use to
13 get fuel in a rate case, yes.

14 Q. For a utility that's in the MISO. Right?

15 A. Yes.

16 Q. And Ameren Missouri is in the MISO.

17 Right?

18 A. Yes.

19 Q. And they were in the MISO at the time of
20 the 0002 case. Right?

21 A. Not all the test year, but part of it.

22 Q. Are you sure about that?

23 A. No, but I think that's right.

24 Q. MISO started on April 1, 2005. Right?

25 A. And what was the test year in that case?

1 MR. LOWERY: Well, I'll ask the
2 Commission to take administrative notice of the fact
3 that the test year was July 1, 2005 through June 30,
4 2006.

5 THE WITNESS: Okay. Then yes, it was. I
6 thought it -- it crossed over that April 1st date.

7 BY MR. LOWERY:

8 Q. So they were in the MISO the entire test
9 year in that case?

10 A. Yes.

11 Q. And they were in the MISO in the 0318
12 case the entire time?

13 A. Yes.

14 Q. The fact is, Ms. Mantle, part of the
15 communication problems that you attributed to the
16 Company in your surrebuttal testimony, part of that
17 lies with the Staff, does it not?

18 A. Yes.

19 Q. When you wrote your surrebuttal
20 testimony, you were pointing your finger squarely at
21 the Company alone in terms of communication issues,
22 weren't you?

23 A. Yes.

24 Q. Would you agree that Webster's dictionary
25 is a well-known, authoritative dictionary?

1 A. Yes.

2 Q. Now, you just testified a minute ago that
3 you're going to stick to your guns and claim that the
4 Company has misrepresented data; is that right?

5 A. Yes.

6 Q. I want to read you something and ask you
7 if you agree with it. According to Webster's,
8 misrepresent means to give a false or misleading
9 representation with an intent to deceive or be unfair.

10 Is that how you meant to use the word
11 "misrepresentation" --

12 A. No.

13 Q. -- in your testimony?

14 A. No, it was not.

15 Q. Were you sloppy in your choice of words?
16 So you didn't intend to accuse Mr. Finnell or
17 Mr. Wills or anybody else at the Company of intending
18 to deceive; is that true?

19 A. That's true.

20 Q. I've got a few questions about your
21 several references to the Company's calculation of the
22 net base fuel cost rates in the 0318 case. Part of
23 your theory is that if the sharing percentage were
24 increased, the Company might have been more careful in
25 what you characterize as its calculation. Right?

1 A. Yes.

2 Q. Now you aren't saying the Company would
3 have been more careful?

4 A. I have no idea whether they would have or
5 not.

6 Q. You don't know. It's just a theory.
7 Right?

8 A. Yes.

9 Q. You didn't perform those calculations,
10 did you?

11 A. No, I did not.

12 Q. You don't have any personal knowledge of
13 who did or how they were done, do you?

14 A. No, I do not.

15 Q. The kilowatt hour sales that were used in
16 those calculations came from the Staff's fuel run,
17 didn't it?

18 A. Yes.

19 MR. LOWERY: I need to get another
20 exhibit marked, your Honor, please.

21 JUDGE WOODRUFF: This is 171.

22 (Ameren Exhibit No. 171 was marked for
23 identification.)

24 BY MR. LOWERY:

25 Q. Ms. Mantle, I've handed you what's been