

June 16, 2000

**VIA HAND DELIVERY**

Mr. Dale Hardy Roberts  
Secretary/Chief Regulatory Law Judge  
Missouri Public Service Commission  
P. O. Box 360  
Jefferson City, MO 65102

**FILED<sup>2</sup>**

JUN 16 2000

Missouri Public  
Service Commission


Re: MPSC Case No. EC-2000-795

Dear Mr. Roberts:

Enclosed for filing on behalf of Union Electric Company, d/b/a AmerenUE, in the above matter, please find an original and eight (8) copies of its **Answer** to Complaint filed by Missouri Public Service Commission Staff.

Kindly acknowledge receipt of this filing by stamping a copy of the enclosed letter and returning it to me in the enclosed self-addressed envelope.

Very truly yours,

  
James J. Cook  
Managing Associate General Counsel

JJC/db  
Enclosures

cc: Ms. Shelly Register  
Parties on Attached Service List

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

FILED<sup>2</sup>  
JUN 16 2000

Missouri Public  
Service Commission

The Staff of the Missouri Public )  
Service Commission, )  
 )  
Complainant, )  
 )  
v. )  
 )  
Union Electric Company, d/b/a )  
AmerenUE, )  
 )  
Respondent. )

Case No. EC-2000-795

**ANSWER**

Comes now Union Electric Company, d/b/a Ameren UE ("Respondent" or "UE")  
to answer the Complaint as follows:

**FIRST DEFENSE**

The Missouri Public Service Commission (the "Commission") lacks jurisdiction  
over the subject matter of the Complaint under the terms of the Experimental Alternative  
Regulation Plan ("EARP") or the laws of Missouri.

**SECOND DEFENSE**

The Complaint fails to state a claim upon which relief can be granted.

**THIRD DEFENSE**

The Complaint fails to state the nature of the claim in a clear and concise manner  
as required by 4 CSR 240-2.070(5)(C).

**FOURTH DEFENSE**

The adjustments to the calculation of a sharing credit for the first sharing period  
of the second EARP apparently sought by the Staff in the Complaint would, if adopted by

4

the Commission, constitute a material breach of the EARP, thereby relieving UE of an obligation to pay any credit for that sharing period.

**FIFTH DEFENSE**

The adjustments to the calculation of a sharing credit for the first sharing period of the second EARP apparently sought by the Staff in the Complaint would, if adopted by the Commission, impair the obligation of contract in violation of the United States and Missouri Constitutions.

**SIXTH DEFENSE**

The adjustments to the calculation of a sharing credit for the first sharing period of the second EARP apparently sought by the Staff in the Complaint would, if adopted by the Commission, constitute an uncompensated taking in violation of the United States and Missouri Constitutions.

**SEVENTH DEFENSE**

The adjustments to the calculation of a sharing credit for the first sharing period of the second EARP apparently sought by the Staff in the Complaint are not supported by substantial evidence.

**EIGHTH DEFENSE**

The adjustments to the calculation of a sharing credit for the first sharing period of the second EARP apparently sought by the Staff in the Complaint would, if adopted by the Commission, be arbitrary, capricious, and an abuse of discretion.

**NINTH DEFENSE**

The adjustments to the calculation of a sharing credit for the first sharing period of the second EARP apparently sought by the Staff in the Complaint, which would

require UE to keep certain of its accounts on a cash, as opposed to an accrual, basis, is pre-empted by federal law.

#### **TENTH DEFENSE**

The adjustments to the calculation of a sharing credit for the first sharing period of the second EARP apparently sought by the Staff in the Complaint would require UE to change from keeping certain accounts on an accrual basis to a cash basis, without any allegation that UE made any errors in its accounting on the accrual basis. As a result, these adjustments, if adopted by the Commission, would manipulate UE's operating results solely to increase the amounts to be shared with customers under the EARP and so would undermine the integrity of UE's accounts in violation of federal and Missouri law, of the generally accepted principles of accounting, and of the EARP.

#### **ELEVENTH DEFENSE**

The Respondent answers the numbered paragraphs of the Complaint as follows:

1. Admit.
2. Admit.
3. Admit.
4. This paragraph contains conclusions of law and not averments of fact to which an answer is required, but insofar as an answer may be deemed to be required, Respondent admits, except that Respondent denies that the Commission has jurisdiction over the subject matter of this Complaint.
5. The first subparagraph of this paragraph (through the second blocked and indented quotation) contains conclusions of law and not averments of fact to which an answer is required, but insofar as an answer may be deemed to be required, Respondent admits. The remainder of this paragraph appears to contain mixed averments of fact and

conclusions of law. To the extent that an answer may be deemed to be required, Respondent denies the remainder of this paragraph, except that it admits that the Staff has filed direct testimony and schedules setting out the areas of disagreement listed in this paragraph.

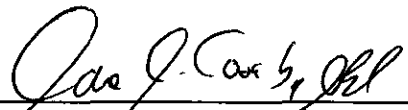
6. This paragraph contains conclusions of law regarding the procedure to govern these proceedings and not averments of fact to which an answer is required, but insofar as an answer may be deemed to be required, Respondent denies.

There follows an unnumbered paragraph that contains conclusions of law and not averments of fact to which an answer is required, but insofar as an answer may be deemed to be required, Respondent denies.

WHEREFORE, having fully answered, Respondent requests the Commission to dismiss this Complaint with prejudice and reject the adjustments to the calculation of a sharing credit for the first sharing period of the second EARP apparently sought by the Staff.

Respectfully submitted,

UNION ELECTRIC COMPANY  
d/b/a AmerenUE

By:   
James J. Cook, MBE #22697  
Managing Associate General Counsel  
Ameren Services Company  
One Ameren Plaza  
1901 Chouteau Avenue  
P.O. Box 66149 (MC 1310)  
St. Louis, MO 63166-6149  
314-554-2237  
314-554-4014 (fax)  
jjcook@ameren.com

OF COUNSEL:

Robert J. Cynkar

Douglas Tucker

Cooper, Carvin & Rosenthal

1500 K Street, N.W.

Suite 200

Washington, D.C. 20005

202-220-9600

202-220-6901 (fax)

Dated: June 16, 2000

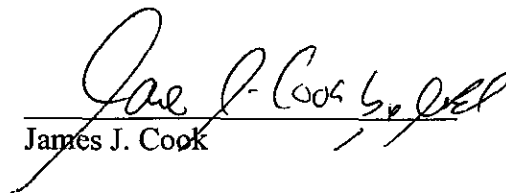
CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served via Federal Express on this 16<sup>th</sup> day of June, 2000, on the following parties of record:

Office of the Public Counsel  
Truman Building  
301 West High Street, Room 250  
Jefferson City, MO 65101

General Counsel  
Missouri Public Service Commission  
Truman Building  
301 West High Street, 7-N  
Jefferson City, MO 65101

Steven Dottheim  
Deputy General Counsel  
Missouri Public Service Commission  
P. O. Box 360  
Jefferson City, MO 65102

  
James J. Cook