

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

In the matter of Union Electric Company)	Case No. ET-2007-0459
d/b/a AmerenUE's Tariff Establishing an)	Tariff No. YE-2008-0262
Industrial Demand Response Program)	

STAFF'S SECOND RECOMMENDATION

COMES NOW the Staff ("Staff") of the Missouri Public Service Commission ("Commission") and recommends Commission approval of the Industrial Demand Response Pilot Program tariff filed October 23, 2007 by Union Electric Company d/b/a AmerenUE ("AmerenUE"). In support thereof, the Staff respectfully states as follows:

1. The Commission opened this case, pursuant to its Report And Order in AmerenUE's recent general rate increase case (Case No. ER-2007-0002), for the purpose of considering AmerenUE's proposed Industrial Demand Response Pilot Program ("IDR"). On July 2, 2007, AmerenUE filed proposed tariff sheets designed to implement the IDR. The Commission declined to adopt an August 31, 2007 Staff recommendation of approval¹ of this initial proposal, in favor of further negotiations among the parties. A subsequent proposal, filed on October 23, 2007 and bearing an effective date of November 22, 2007, is the product of those negotiations.

2. In the aforementioned Report And Order, the Commission stated: "If AmerenUE does not file a tariff that is acceptable to all other parties, the Commission may impose the

¹ Although the Staff believed that an agreement among the parties was possible with additional time, its August 31, 2007 recommendation was prompted by its desire to have a tariff (which could be subsequently modified) in place for the 2008 summer season.

revisions urged by MEG.”² As noted in the attached Memorandum (Appendix A), while in particular the Office of the Public Counsel has not been able to agree on all elements of the currently proposed tariff, the tariff is acceptable to the Missouri Energy Group (“MEG”) and the Staff. In its Memorandum, the Staff sets out a comparison of the MEG proposals in the aforementioned AmerenUE rate case with those currently proposed in AmerenUE’s October 23, 2007 tariff filing.

3. Having completed its review, the Staff recommends Commission approval of the following tariff sheets:

P.S.C. MO. Schedule No. 5

Original Sheet No. 219

Original Sheet No. 220

Original Sheet No. 221

Original Sheet No. 222

Original Sheet No. 223

Original Sheet No. 224

WHEREFORE, for the reasons set forth in the attached Memorandum, the Staff recommends that the Commission issue an Order approving the tariff sheets identified herein, to become effective on November 22, 2007, as requested by AmerenUE.

² The lawfulness of the Commission’s Report And Order with respect to the IDR tariff is currently under review in Cole County Circuit Court.

Respectfully submitted,

/s/ **Dennis L. Frey**

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to all counsel of record this 15th day of November 2007.

/s/ **Dennis L. Frey**