BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Union Electric Company d/b/a) AmerenUE for Authority to File Tariffs Increasing) Rates for Electric Service Provided to Customers) in the Company's Missouri Service Area.) Case No. ER-2007-0002

<u>PUBLIC COUNSEL'S RESPONSE TO ORDER ESTABLISHING TIME TO RESPOND</u> <u>TO COMPLIANCE TARIFFS, MOTION FOR CLARIFICATION OF REPORT AND</u> <u>ORDER, AND REQUEST FOR LEAVE TO LATE FILE RESPONSE</u>

COMES NOW The Office of the Public Counsel and for its Response to Order Establishing Time to Respond to Compliance Tariffs states as follows:

1. On May 29, 2007, the Commission issued an order that set a deadline of May 30 at 1:00 P.M. for responses to AmerenUE's compliance tariffs. Given the very short time the Commission has allowed for responses, this pleading will briefly address three points with respect to those tariffs.

2. The Commission's rush to approve the compliance tariffs creates procedural problems. Applications for rehearing of the Report and Order are not due until tomorrow, so the Commission is asking the parties whether the compliance tariffs comply with a Report and Order that those parties may in just a day advise the Commission is unclear, unlawful or unreasonable. Public Counsel believes that the Commission's Report and Order is unclear with respect to whether an off-systems sales revenue tracker was ordered. In its Order Requesting Revised Scenario, issued at the time or after the Report and Order was finalized, the Commission ordered a scenario response based on the following assumption: "Base for sales set at \$230 million with a regulatory asset/liability tracker for consideration in the company's next rate case." In its first scenario request, the Commission included the same assumption (although the dollar figure was

somewhat higher). But the Report and Order does not require such a tracker, and so is unclear as to whether a tracker should be implemented. The compliance tariffs do not implement a tracker. Public Counsel requests that the Commission clarify¹ its Report and Order on this point before it makes a determination as to whether the compliance tariffs actually do comply.

3. Public Counsel has identified two other concerns with the compliance tariffs in the cursory review that it has been able to perform in the short time allowed by the Commission. The first is on Sheet No. 216, Voluntary Green Program. This sheet states that a Renewable Energy Credit (REC) "is the equivalent of 1,000 kWh from a qualified renewable energy source...." A REC is not equivalent to 1,000 kWh or any other amount of actual energy, but rather it is equivalent to the renewable energy attributes of that amount of energy.

4. The final concerns that Public Counsel has identified with the compliance tariffs have to do with the Weatherization Program described on Sheet No. 218. That sheet does not explicitly show that half of the funding for the program is to come from shareholders. The Report and Order, at page 113, makes clear that "funding [will be] provided \$600,000 by ratepayers and \$600,000 by AmerenUE's shareholders." That sheet also states (in paragraph b.) that the program will be administered pursuant to the terms of a stipulation and agreement in Case No. EC-2002-1; it should state that the program will be administered pursuant to that agreement and the Report and Order in ER-2007-0002.

5. Assuming the Commission approves the compliance tariffs, the Commission should note in its order doing so that the tariffs should be interpreted consistently with the points raised in this pleading.

¹ In its application for rehearing, Public Counsel will suggest that the Report and Order is unlawful and unreasonable in not ordering a tracker.

6. Public Counsel files this pleading less than an hour after the Commission's 1:00 P.M. deadline. The tardiness of the filing is due to the short time the allowed by the Commission in its Order Establishing Time to Respond to Compliance Tariffs, and no party nor the Commission will be harmed by Public Counsel's slight delay.

WHEREFORE, Public Counsel respectfully requests that the Commission clarify its Report and Order, state its interpretation of the compliance tariffs consistent with this pleading, and grant leave to late file.

Respectfully submitted,

OFFICE OF THE PUBLIC COUNSEL

/s/ Lewis R. Mills, Jr.

By:_____

Lewis R. Mills, Jr. (#35275) Public Counsel P O Box 2230 Jefferson City, MO 65102 (573) 751-1304 (573) 751-5562 FAX <u>lewis.mills@ded.mo.gov</u>

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been emailed to all parties this 30th day of May 2007.

Office General Counsel GenCounsel@psc.mo.gov

John B Coffman john@johncoffman.net

William J Powell powell@smithlewis.com

Steven R Sullivan srsullivan@ameren.com

Wendy Tatro wtatro@ameren.com

Russell L Mitten rmitten@brydonlaw.com

Rick E Zucker rzucker@lacledegas.com

Todd H Iveson. todd.iveson@ago.mo.gov

Lisa C Langeneckert llangeneckert@stolarlaw.com

Sam Overfelt moretailers@aol.com

Stuart Conrad stucon@fcplaw.com

Koriambanya S Carew carew@bscr-law.com

Matthew B Uhrig muhrig_lakelaw@earthlink.net

Steve Dottheim Steve.Dottheim@psc.mo.gov

James M Fischer jfischerpc@aol.com

James B Lowery lowery@smithlewis.com

Thomas M Byrne tbyrne@ameren.com

Paul A Boudreau PaulB@brydonlaw.com

Michael C Pendergast mpendergast@lacledegas.com

Gaylin Carver Rich gaylin@hendrenandrae.com

Joseph P Bindbeutel joe.bindbeutel@ago.mo.gov

Diana M Vuylsteke dmvuylsteke@bryancave.com

Lyell H Champagne lyell@champagneLaw.com

Robert E Carlson bob.carlson@ago.mo.gov

Rick D Chamberlain rdc_law@swbell.net

/s/ Lewis R. Mills, Jr.

By:_