

Ameren Services

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November 2, 2004

Mr. Warren Wood
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 63109



Dear Mr. Wood:

Pursuant to discussions between AmerenUE and the Missouri Public Service Commission Staff, this letter will memorialize the steps that AmerenUE has taken and the commitments it has made to address each of the five Staff recommendations contained in Staff's Report on Restoration Efforts of AmerenUE Following Severe Thunderstorm on July 5th, 2004 (issued on August 31, 2004).

1. Staff Recommendation

Staff strongly recommends that AmerenUE immediately implement programs to begin addressing the existing backlog in the tree trimming cycles of its distribution systems in rural and suburban areas. AmerenUE's efforts to address this current backlog in distribution system trimming should not be implemented through any types of reductions in current efforts to adequately control vegetation along their transmission system corridors or in reductions in efforts in other areas that could impact system reliability or safety. Staff notes that AmerenUE has policies currently in place regarding vegetation management, working with impacted landowners and public relations. AmerenUE should not diminish or stop applying any of these customer relation policies or practices in its efforts to address this current backlog in tree trimming work.

AmerenUE Response

AmerenUE's goal is to have tree trimming cycles for its Missouri distribution systems of four years growth for urban areas and six years growth for rural areas. However, as the Staff report recognized, the Company has experienced extended tree trimming cycles. Moreover, the limited availability of properly trained tree trimming crews to contractors makes it virtually impossible

to immediately eliminate the backlog. AmerenUE has discussed this issue at length with the Staff and has agreed to take the following steps to address the backlog. First, AmerenUE will increase its tree trimming budget for from \$23.5 million in 2004 to \$30 million in 2005—a 27% increase. This step will allow the Company to immediately direct its vegetation management contractors to begin the hiring and training of new tree trimming personnel. Second, AmerenUE commits that its backlog of extended tree trimming cycles will be eliminated on or before December 31, 2008. AmerenUE anticipates that meeting this commitment will require expenditures at or near the \$30 million level for each of the next several years. Third, the Company will provide reports to the Staff of tree trimming schedules, staffing and funding levels. For 2005, the Company will provide these reports on January 15 and July 30, and thereafter the Company will provide the report on January 15. The Company will also make its vegetation management personnel available to review these reports with the Staff, at the Staff's request. Fourth, the Company is willing to participate in joint field reviews of the program with the specifics of the field review to be developed in cooperation with the Staff.

AmerenUE's efforts to address its distribution system tree trimming, as outlined in the previous paragraph, will not be implemented through any type of reduction in the Company's current efforts to adequately control vegetation along its transmission system corridors or in reductions in efforts in other areas that could impact system reliability or safety. In addition AmerenUE will not diminish or stop applying any of its current customer relation policies or practices relating to vegetation management in its efforts to address system tree trimming.

2. Staff Recommendation

Staff recommends that AmerenUE review the current utility mutual assistance agreement they participate in and confirm that reasons other than actual crew availability are not resulting in a reduction in availability of outside crews when they may actually be available under different terms and/or conditions.

AmerenUE Response

AmerenUE has reviewed the current utility mutual assistance agreement and has confirmed that reasons other than actual crew availability are not resulting in a reduction in availability of outside crews. However, the determination of actual crew availability is made by the parties from whom AmerenUE seeks assistance.

3. Staff Recommendation

Staff recommends that AmerenUE examine the limitations of the algorithm being used to estimate restoration times for customers. The Staff has been supportive of the Company providing the customer with an estimate of the expected restoration time associated with their outage. However, it appears that the algorithm used to calculate these times becomes inaccurate when applied to a large outage. The Company should review the methods used to develop these times to determine what circumstances make these calculations inaccurate. If these limitations can be identified and corrected for, an alternative method should be developed that can be used under these conditions in order to continue to provide customers with some estimates of their restoration time.

AmerenUE Response

AmerenUE has examined the limitations of the algorithm being used to estimate the restoration times for customers and agrees with the Staff's conclusion that the algorithm becomes inaccurate when applied to a large outage. To address this issue, the Company proposes to program the system to automatically turn off the system when orders in the metro area reach 1,000 or when orders in a region outside the metro area reach 250. AmerenUE will also determine the feasibility of implementing a manual override process to turn off the system. These changes will be implemented prior to the spring storm season in 2005. AmerenUE will also analyze the existing algorithm to determine whether the algorithm can be improved. However, the timing of any improvements to the algorithm depends on how extensive the analysis becomes.

4. Staff Recommendation

Staff recommends that AmerenUE evaluate the effectiveness of the messages they leave the customer with the callbacks conducted to verify the restoration of service. AmerenUE should develop some alternative wording that clarifies what these messages are intended to convey and more clearly directs the customer on what to do if their power has not been restored. While the callback system can be an effective way to communicate with the customer, some customers misunderstood the present system messages.

AmerenUE Response

AmerenUE has revised the language it uses in the callbacks conducted to verify the restoration of service as set forth in Attachment A. The Company believes that this revised wording clarifies what these messages are intended to

convey and more clearly directs the customer on what to do if their power has not been restored.

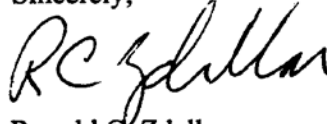
5. Staff Recommendation

Staff recommends that AmerenUE add language to their medical equipment registry enrollment letters that clearly states that medical equipment registry customers may experience lengthy outages as a result of major disruptions to AmerenUE's system, including severe weather, and that medical equipment registry customers are not ensured priority treatment during restoration efforts to repair AmerenUE's distribution system following these events.

AmerenUE Response

AmerenUE has revised its medical equipment registry enrollment letters in accordance with the Staff's recommendation. The revised letters, with the changes shown in red-lining, are attached hereto as Attachment B.

Sincerely,



Ronald C. Zdellar
Vice President

RCZ/cjw
Enclosures

cc: Chairman Steve Gaw
Commissioner Connie Murray
Commissioner Robert Clayton II
Commissioner Jeff Davis
Commissioner Linward Appling

Attachment A

Revised Automated Restoration Response

- A. If the telephone call is answered by a customer:

Original

"Hello, this is Ameren. We are calling to notify you that power has been restored in your area. If power has been restored at your location, press 1. If power has not been restored, press 2."

If 1 is pressed, customer hears a thank you message.

If 2 is pressed, customer hears that a repair order has been generated.

Revised

"Hello, this is Ameren. We're calling to confirm that power is back on at your location. If your power is on, press 1. If not, press 2."

If 1 is pressed, customer hears a thank you message.

If 2 is pressed, customer hears that a repair order has been generated.

- B. If the telephone call is answered by an answering machine:

Original

"Hello, this is Ameren. We are calling you to notify you that power has been restored in your area. We're sorry that we missed you."

Revised

"Hello, this is Ameren. We're calling to confirm that power is back on at your location. We're sorry we missed you. If your power is not on, please call Ameren as soon as possible."

DRAFT



Date: July 22, 2004

**JOHN DOE
1234 STATE ST
SAINT LOUIS MO 63020**

**Service Address 1234 STATE ST
SAINT LOUIS MO 63020**

Account Number 12345-67890

MEDICAL EQUIPMENT REGISTRY ENROLLMENT

We understand that you require the use of electrically-operated medical equipment in your home. We wish to offer you the opportunity to register your equipment with us.

We realize the importance of electric service to you. **However, since we cannot guarantee uninterrupted electric service, you may want to refer to the supplier of your equipment or your physician for a back-up system. You should also be aware that after major storms or other unforeseen circumstances beyond our control it may not be possible to restore service for lengthy periods of time and a back up plan should be considered. While we will work as quickly as possible to restore service, priority treatment is not ensured.**

Enclosed is a form to be completed by you and your physician. Please fill in the section at the top of the form authorizing your physician to release medical information about you. The form should be sent to your physician for completion and then returned to Ameren in the enclosed envelope. When we receive the completed form, we will notify you of the appropriate telephone number to call should you experience a power outage at your residence.

If you have question, please call our Customer Contact Center at 1-800-552-7583 or for customers using a TTY, call 1-800-992-6030. Our regular business hours are 7 a.m. to 7 p.m., Monday through Friday.


**PO BOX 66529
SAINT LOUIS MO 63166-6529
1-800-552-7583**

DRAFT



Date: July 22, 2004

JOHN DOE
1234 STATE ST
SAINT LOUIS MO 63020

Service Address 1234 STATE ST
SAINT LOUIS MO 63020

Account Number 12345-67890

MEDICAL EQUIPMENT REGISTRY CONFIRMATION

We received information from your physician indicating your need to have electrically-operated medical equipment in your home. **This letter is to inform you that your account is now identified as being part of our Medical Equipment Registry.**

We realize the importance of electric service to you. **However, since we cannot guarantee uninterrupted electric service, you may want to refer to the supplier of your equipment or your physician for a back-up system. You should also be aware that after major storms or other unforeseen circumstances beyond our control it may not be possible to restore service for lengthy periods of time and a back up plan should be considered. While we will work as quickly as possible to restore service, priority treatment is not ensured.**

In the event you experience a power outage, you may report your outage by calling 314-554-3123, 1-800-554-3123, or 1-800-992-6030 if you are using a TTY phone. Our Customer Contact Center is available at any time to answer your outage call.

If your physician indicated your equipment is of a very serious nature, we have enclosed a label with more specific instructions to affix on or near your home phone. If we can provide additional information or assistance, please call our Customer Contact Center.


PO BOX 66529
SAINT LOUIS MO 63166-6529
1-800-552-7583