

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

FILED²
MAY 19 2005

In the Matter of Proposed Amendment to)
Commission Rule 4 CSR 240-3.130 Filing)
and Reporting Requirements.)

Missouri Public
Service Commission
Case No. EX-2003-0371

**Comments of Union Electric Company d/b/a AmerenUE to
the Proposed Rule Changes to 4 CSR 240-3.130**

COMES NOW Union Electric Company d/b/a AmerenUE, (hereinafter AmerenUE) by and through its attorneys, Ameren Services Company. and for its comments to the proposed rule changes to 4 CSR 240-3.130 states as follows:

1. Dan Danahy of Ameren Services Company participated in an industry meeting on April 18, 2005 on behalf of AmerenUE, wherein staff and industry participants made several suggested changes to the proposed language for clarification purposes. AmerenUE supports the proposed modifications.

2. There are two proposed additions, 4 CSR 240-3.130(1)(E) and 4 CSR 240-3.130(1)(G), which AmerenUE believes are inappropriate provisions because it requires information to be submitted with a territorial agreement application that is irrelevant to the determination of whether or not a territorial agreement is not detrimental to the public interest.

3. 4 CSR 240-3.130(1)(E) provides that: "A comparison of electric rates if the territorial agreement or the proposed electric service area designation(s) includes an exchange of customers;" Applications for the approval of a proposed territorial agreement need not include a proposed customer exchange. If no customer exchange is requested at the time an application is

filed seeking approval of proposed territorial agreement, then this provision is meaningless. If and when applicants seek approval of a proposed territorial agreement together with a proposed customer exchange, then that application seeks two separate and distinct orders from the Commission. A request for a customer exchange is made pursuant to either §§91.025, 393.106, or 394.315. The standard for approving a customer exchange is for reasons other than a rate differential. The Commission now seeks information regarding rates when the applicants seek to combine the approval of its proposed territorial agreement and proposed customer exchange. The Commission should reject the proposed section 4 CSR-240-3.130(1)(E), as the information sought by this provision will not provide the Commission with any information regarding whether a proposed territorial agreement is not detrimental to the public interest. The information sought by 4 CSR 240-3.130(1)(E) can only influence the Commission when applicants seek a customer exchange, by seeking information which §§ 91.025, 393.106, and 394.315 specifically provides is not to be considered in determining whether or not to approve a proposed customer exchange.

4. 4 CSR 240-3.130(1)(G) provides that: "A statement of the impact, if any, that the territorial agreement or proposed electric service area designation(s) will have on the tax revenues of the political subdivisions in which any structures, facilities or equipment of the utilities involved are located." Again, applications for the approval of a proposed territorial agreement need not include a request from an IOU like AmerenUE to sell and or transfer facilities and equipment. If no request is made to transfer facilities and equipment at the time an application is filed seeking approval of proposed territorial agreement, then this provision is meaningless. If an IOU seeks to sell or transfer facilities and equipment to another utility, there

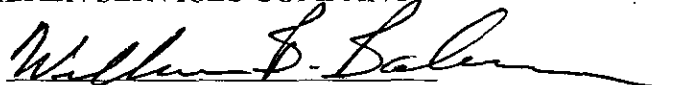
are existing Commission rules which requires the IOU to state what the tax impact will have because of the transfer.

5. For the foregoing reasons, AmerenUE believes that the Commission should reject the proposed sections 4 CSR 240-3.130(1)(E) and 4 CSR 240-3.130(1)(G), as the information sought does not relate to the review and approval of proposed territorial agreements, but seeks information which is related to other applications for relief. As such, the Commission should reject the proposed changes.

Respectfully submitted,

AMEREN SERVICES COMPANY

By:


William B. Bobnar

MBEN 38966

1901 Chouteau Avenue

P.O. Box 66149 (MC 1310)

St. Louis, MO 63166-6149

(314) 554-3148

(314) 554-4014

wbobnar@ameren.com

ATTORNEY FOR UNION

ELECTRIC COMPANY

d/b/a AmerenUE