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December 31, 2001

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Executive Director
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Director, Utility Operations
ROBERT SCHALLENBERG
Director, Utility Services
DONNA M. PRENGER
Director, Administration
DALE HARDY ROBERTS
Secretary/Chief Regulatory Law Judge
DANA K. JOYCE
General Counsel

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

FILED²

DEC 31 2001

Missouri Public
Service Commission

RE: Case No. ES-2001-359

Dear Mr. Roberts:

Enclosed for filing in the above-captioned case are an original and eight (8) conformed copies of a **STAFF RECOMMENDATION**.

This filing has been mailed or hand-delivered this date to all counsel of record.

Thank you for your attention to this matter.

Sincerely yours,

Eric W. Anderson
Assistant General Counsel
(573) 751-7485
(573) 751-9285 (Fax)

EWA/lb
Enclosure
cc: Counsel of Record

FILED²

DEC 3 1 2001

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

Missouri Public
Service Commission

In the Matter of Union Electric Company)
d/b/a AmerenUE regarding an incident at)
the Venice Power Plant in Venice, Illinois)
on August 10, 2000.)

Case No. ES-2001-359

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission ("Staff") and for its
Response states:

1. The Missouri Public Service Commission ("Commission") established a case, pursuant to the provisions of Section 393.140 RSMo 2000, for the purpose of receiving information from Union Electric Company, doing business as AmerenUE ("AmerenUE") on the fire and electrical faults, which occurred at AmerenUE's Venice Power Plant in Venice, Illinois on Tuesday, August 10, 2000, at approximately 5:55 p.m.

2. As a result of the fire and electrical faults, extensive damage to the Unit # 1, a 40 MW gas or oil fired unit, was sustained. In addition, failure of station transformers and transformers in the adjoining substation, plus damage to other facilities in the plant, resulted in significant damage at the Venice, Illinois Power Plant. There were no fatalities or major injuries reported as a result of this incident.

3. On December 8, 2000, Staff filed a Motion to Open Case.

4. On December 26, 2000, the Commission opened the Case.

5. On April 25, 2001, the Staff filed its incident report along with a motion for protective order.

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6. On May 7, 2001, AmerenUE filed its initial response to Staff's incident report and motion for protective order.

7. On May 15, 2001, AmerenUE filed its notice for request for protective order.

8. On June 1, 2001, the Commission granted the protective order and directed filing.

9. On June 11, 2001, AmerenUE filed its response to Staff's incident report and gave a response concerning the protective order.

10. Based on the Staff's investigation and review of the incident, Staff recommended and the Commission adopted, in its July 24, 2001 order, the following recommendations:

1. AmerenUE review maintenance records and inspect hydraulic lines to identify repair welds on the hydraulic systems of Units' #3, #4, #5, and #6 at Venice.
2. AmerenUE perform a defect repair of previous welds completed to repair hydraulic leaks or replace portions of pipe on the units at Venice.
3. Report to Staff completion of:
 - a. Review of maintenance records and inspection of hydraulic lines;
 - b. Weld repairs or pipe replaced
 - c. Substation upgrades including transformer replacement/repair, breaker upgrades/replacement and replacement of 13.8 kV bus between generators and substation;
 - d. D.C. system upgrades for backup and reliability, including addition of battery chargers and re-routing of cables;
 - e. Fire control upgrades.

11. AmerenUE filed Progress Reports on August 20, 2001, September 21, 2001, and October 22, 2001. On November 1, 2001 AmerenUE filed a Final Progress Report responding to the Staff recommendations.

12. In the memorandum, attached hereto as Exhibit A, the Staff states that it has reviewed each of the reports on the progress of the projects and made on site inspections on August 30, 2001 and November 13, 2001. It is the Staff opinion that AmerenUE has responded to the recommendations contained in the Incident Report and has successfully completed these projects. Staff recommends that this docket be closed.

WHEREFORE, the Staff respectfully requests that the Commission issue an order closing this case.

Respectfully submitted,

DANA K. JOYCE
General Counsel



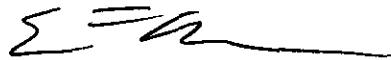
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Certificate of Service

I hereby certify that copies of the foregoing have been mailed or hand-delivered to all counsel of record as shown on the attached service list this 31st day of December 2001.



MEMORANDUM

TO: Missouri Public Service Commission Official Case File
Case No. ES-2001-359, Union Electric Company Venice Plant Fire

FROM: Jim Ketter, Energy Department *KMK*

Wanda J. Ward 12-27-01
Energy Department/Date

Steven Roth 12/28/01
General Counsel's Office/Date

SUBJECT: Staff Report and Recommendation

DATE: December 27, 2001

INCIDENT REPORT

On April 25, 2001, Staff filed an Electric Incident Report as a result of the events on August 10, 2000, at the Venice Power Plant involving a fire on Unit #1. Union Electric Company d/b/a AmerenUE (AmerenUE) filed a response to the recommendations contained in the Report on June 11, 2001, and subsequent Progress Reports upon completion of various projects.

INCIDENT REPORT RECOMMENDATIONS

Based on the Staff's investigation and review of the incident, Staff recommended and the Commission adopted the following recommendations:

1. AmerenUE review maintenance records and inspect hydraulic lines to identify repair welds on the hydraulic systems of Units' #3, #4, #5, and #6 at Venice.
2. AmerenUE perform a defect repair of previous welds completed to repair hydraulic leaks or replace portions of pipe on the units at Venice.
3. Report to Staff completion of:
 - a. Review of maintenance records and inspection of hydraulic lines;
 - b. Weld repairs or pipes replaced;
 - c. Substation upgrades including transformer replacement/repair, breaker upgrades/replacement and replacement of 13.8 kV bus between generators and substation;
 - d. D.C. system upgrades for backup and reliability, including addition of battery chargers and re-routing of cables;
 - e. Fire control upgrades.

JK
12-27-01P04:19 RCVD

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On June 11, 2001, AmerenUE filed a Report on the projects completed in response to the Staff's recommendations and work in progress, followed by Progress Reports on August 20, 2001, September 21, 2001, and October 22, 2001. On November 1, 2001 AmerenUE filed a Final Progress Report responding to the Staff's recommendations.

The Staff has reviewed each of the Reports filed on the progress of the projects and conducted on-site inspections on August 30, 2001 and November 13, 2001. It is the Staff's opinion AmerenUE has responded to the recommendations contained in the Incident Report and has successfully completed these projects. Staff recommends this docket be closed.

Copies: Director - Utility Operations Division
Director - Utility Services Division
General Counsel
Manager - Energy Department
Jim Cook - UE
Office of the Public Counsel

Service List for

Case No. ES-2001-359

Verified: December 31, 2001 (lb)

Office of the Public Counsel

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