

# Exhibit No. 118

Ameren Missouri – Exhibit 118  
March 8, 1999 Answer of Respondent  
Union Electric Company, EC-99-327  
File No. EC-2023-0037

March 8, 1999

FILED

VIA HAND DELIVERY

MAR - 8 1999

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

Missouri Public  
Service Commission



Re: MPSC Case No. EC-99-327  
In the Matter of the Complaint of the Missouri Coalition for Fair  
Competition

Dear Mr. Roberts:

Enclosed for filing on behalf of Union Electric Company, d/b/a AmerenUE, in the above matter please find an original and fourteen (14) copies of its Answer.

Kindly acknowledge receipt of this filing by stamping a copy of the enclosed letter and returning it to me in the enclosed self-addressed envelope.

Very truly yours,

*James J. Cook / sh*

James J. Cook  
Managing Associate General Counsel

JJC/bb

Enclosure(s)

cc: Office of Public Counsel  
Terry C. Allen, Attorney for Complainant

BEFORE THE PUBLIC SERVICE COMMISSION  
STATE OF MISSOURI

**FILED**

MAR - 8 1999

Missouri Public  
Service Commission

In the Matter of the Complaint of the Missouri )  
Coalition for Fair Competition )

Case No. EC-99-327

**ANSWER OF RESPONDENT UNION ELECTRIC COMPANY**

Comes now Union Electric Company d/b/a AmerenUE ("Company", "UE" or "AmerenUE") and for its response to the formal Complaint in the above matter hereby states as follows:

1. On February 4, 1999, the Commission issued its Notice of Complaint in this matter. The Complaint, filed by the Missouri Coalition for Fair Competition, alleges that AmerenUE violated Sections 386.754 through 386.764 RSMo Cum. Supp. 1998, as a result of a message about the "On-Call Appliance Plan", which appeared on customers bills. The body of the Complaint refers only to the message on the customer bill, which was attached in Exhibit 1 of the Complaint. The Exhibit, however, also included a copy of a survey card, which was included in a packet of information produced by AmerenUE, entitled "Hello, Neighbor." That card also included a reference to the "On-Call Appliance Warranty" plan.

2. The Company acknowledges that it inadvertently allowed these two references to the "On-Call Appliance Plan" to be published without the disclaimer required by the statute.

3. Subsequent to the enactment of the above referenced statute, the Company made significant efforts to assure that all "On-Call Appliance Plan" solicitation material (or any other material that might be covered by the statute) complied with the requirements of the new law. All employees who produce these materials were

instructed about those requirements, and disclaimers were drafted with the assistance of the Legal Department, in an attempt to assure compliance.

4. The two instances cited in the Complaint were items which appeared as short messages on other material, as opposed to advertising media directly targeted to advertise the On-Call Appliance Plan.

Bill Message: Prior to the enactment of the new statute, a brief message occasionally appeared in the Customer Bulletin section of the monthly bill which referenced the On-Call Appliance Plan. That message was one of fifteen to twenty different messages that could be used on bills at different times or for different groups of customers. These messages cover a variety of subjects, such as information about late-pay charges, natural gas safety, and budget billing. After the enactment of the statute, the On-Call Appliance Plan message was removed from the group of messages then appearing on bills. In late 1998, the person responsible for this matter directed that the same group of bill messages that had appeared in January 1998 be re-run in January 1999. She did not realize that this group included the message about the On-Call Appliance Plan.

Hello Neighbor Survey Card: This survey card was first produced by the Company in early 1998. In November, 1998, a second printing was ordered and an employee who was not familiar with the new disclaimer requirement added the item about the On-Call Appliance Plan to the check list on the card.

5. Immediately upon receipt of the Complaint, and verification of the facts claimed therein, the following actions were taken:

Bill: The Company was able to immediately remove the message from any additional outgoing bills. In addition, the message has been deleted from the program that stores all such potential bill messages.

Survey Card: The outside vendor which mails the pamphlets was immediately instructed to cease sending pamphlets that included the new survey card. The vendor was also ordered to destroy the inventory of cards that included the On-Call Appliance Plan message. New survey cards, without the On-Call Appliance Plan message have been ordered.

6. The Company regrets that its efforts to address the requirements of the new statute fell short in this manner. We have renewed and redoubled those efforts, now that we are aware that minor references to the On-Call Appliance Plan may have been placed in materials other than specific On-Call Appliance Plan materials. The Company has been making a good faith effort to find all such instances. In addition, all employees with responsibility over any form of communication with the public have been instructed again about the requirements of the law.

7. The Company submits that a penalty is not warranted in this matter. The inclusion of the messages at issues here, without the disclaimer, was inadvertent. There was certainly no intent to violate the provisions of the new statute. The references to the On-Call Appliance Plan were relatively minor, and in both cases merely referred the reader to other sources – specific On-Call Appliance Plan materials, which would include the disclaimer. The Company acted immediately to prevent further mailings with these messages, and has taken additional steps to prevent additional recurrences.

WHEREFORE, for the reasons stated above, the Company respectfully requests that the Commission dismiss this Complaint.

Respectfully submitted,

UNION ELECTRIC COMPANY  
d/b/a AmerenUE

*James J. Cook / sh*

By

James J. Cook, MBE #22697  
Managing Associate General Counsel

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DATED: March 8, 1999

**CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing was served via first-class, U.S. mail, postage prepaid, on this 8<sup>th</sup> day of March, 1999, to all parties on the service list.

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