

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the matter of the Application of)	
Aquila, Inc. for an Accounting)	
Authority Order Concerning Fuel)	EU-2005-0041
Purchases)	

**AMERENUE’S RESPONSE TO
OPPOSITION TO ITS APPLICATION TO INTERVENE**

COMES NOW Union Electric Company d/b/a AmerenUE (“AmerenUE”) and for its response to pleadings opposing its Application to Intervene in this proceeding submitted by the Office of the Public Counsel (“Public Counsel”) and the Sedalia Industrial Energy Users’ Association (“SIEUA”) states as follows:

1. On August 4, 2004, Aquila, Inc. (“Aquila”) initiated this proceeding by filing an application for an Accounting Authority Order (“AAO”) to help insulate Aquila from the impact of extraordinary fluctuations in fuel costs that it has experienced.

2. On September 2, 2004 AmerenUE filed its application to intervene in this proceeding. In its application to intervene, AmerenUE stated that its interest in this proceeding is different than that of the general public because, as an electric utility, AmerenUE will consider adopting any new treatment of fuel costs that the Commission may permit in this proceeding for its own operations.

2. Public Counsel and SIEUA have both filed pleadings in opposition to AmerenUE’s proposed intervention. SIEUA declares that AmerenUE is an “interloper” in this litigation because it was not a party to a previous Aquila rate case. In addition, SIEUA states that AmerenUE’s asserted interest in this proceeding is “pure spin” because it would not be bound by the outcome of this case. Similarly, Public Counsel argues that since AmerenUE does

not currently have a fuel cost mechanism like Aquila's it has no legitimate interest in this proceeding.

3. AmerenUE respectfully disagrees with the characterizations of its interest in this proceeding provided by Public Counsel and SIEUA. The Commission rule governing interventions provides as follows:

(4) The commission may on application permit any person to intervene on a showing that—

(A) The proposed intervenor has an interest which is different from that of the general public and which may be adversely affected by a final order arising from the case; or

(B) Granting the proposed intervention would serve the public interest.

4 CSR 240-2.075

AmerenUE's participation in this case clearly meets both of these standards. As an electric utility operating in Missouri, AmerenUE's interest in fuel cost recovery mechanisms that may be permitted by the Missouri Public Service Commission is obviously different from that of the general public. Moreover, AmerenUE's interests certainly could be adversely affected by a final order in this proceeding. If, for example, the Commission determined that fuel cost recovery through an Accounting Authority Order should not be permitted, AmerenUE would effectively be precluded from adopting a similar mechanism in the future. Although the Commission might not technically be bound by its decision in this case, as a practical matter, AmerenUE would have little opportunity to adopt such a mechanism. Under any reasonable interpretation of the term, AmerenUE would be "adversely affected."

4. Granting AmerenUE's interest also serves the Commission's interest and the public interest. Both the Commission and the public benefit when decisions on important policy

issues are made with the opportunity for input from all interested parties. Within practical limitations, open proceedings lead to better decisions than closed proceedings where the views of only a few parties are considered.

5. Finally, AmerenUE would note that when the Commission considered the option of utilizing generic proceedings at a recent agenda meeting in which it reviewed the report of its Surveillance/Generic Policy Cases Work Group, one argument advanced by the Staff against utilizing more generic proceedings was that utilities and other interested parties have the option of intervening in any proceeding where important policy issues are being considered by the Commission. AmerenUE's believes that its application to intervene in this proceeding is consistent with Staff's view of this issue.

WHEREFORE, AmerenUE respectfully requests that the Commission grant its application to intervene in this proceeding.

Respectfully submitted,

UNION ELECTRIC COMPANY
d/b/a AmerenUE

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Dated: September 14, 2004

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this 14th day of September, 2004, served the foregoing Application of Union Electric Company, d/b/a AmerenUE, to Intervene either by electronic means, or by U. S. mail, postage prepaid addressed to all parties by their attorneys of record as provided by the Secretary of the Commission as shown below.

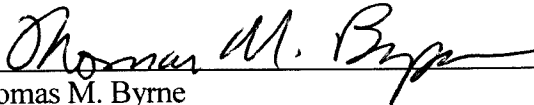
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