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August 31, 2006

Ms. Colleen Dale Secretary and Chief Regulatory Law Judge Missouri Public Service Commission P.O. Box 360 Jefferson City, Missouri 65102



Missouri Pyelie Service Commission

Re: Union Electric Company d/b/a AmerenUE Case Nos: ER-2007-0002

Dear Ms. Dale:

Accompanying this letter for filing in the above referenced matters are the original and eight (8) copies of the State of Missouri's Response in Opposition to Union Electric's Motion to Adopt Procedures For Implementing UE's Requested Fuel Adjustment Clause and the State's Motion to Strike Portions of the Direct Testimony of Union Electric witness Warner Baxter.

Thank you for your assistance with this filing. If you have any questions please do not hesitate to contact me.

Sincerely,

JEREMIAH W. (JAY) NIXON Attorney General

Douglas E. Micheel Assistant Attorney General

cc: Parties of Record

JAY NIXON ATTORNEY GENERAL

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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In the Matter of Union Electric Company d/b/a AmerenUE for Authority to File Tariffs Increasing Rates for Electric Service Provided to Customers In the Company's Missouri Service Area. Missouri Public Service Commission

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Case No. ER-2007-0002

<u>State of Missouri's Motion to Strike Portions of the Direct Testimony of Union</u> <u>Electric Witness Warner Baxter</u>

Comes now the State of Missouri by and through Attorney General Jeremiah W.("Jay") Nixon and files its Motion to Strike the following portions of the Direct Testimony of Warner Baxter page 21 lines 21 through line 23 ending with the word "mechanism" and page 22 beginning on line 2 with the word "if" and continuing through line 8. In support of its request the State of Missouri would show the Commission as follows:

1. On July 7, 2006 Union Electric ("UE") filed its tariff sheets consisting of electric rate schedules which are designed to increase UE's gross annual electric revenues by approximately \$360,709,000, exclusive of applicable gross receipts, sales, franchise or occupational fees or taxes.

2. Since UE's July 7, 2006 filing was a general rate increase request, pursuant to 4 CSR 240-2.065(1) UE was required to "simultaneously submit its direct testimony with the tariff." In compliance with 4 CSR 240-2.065, UE filed its direct testimony. 4 CSR 240-2.130(7)(A) requires that direct testimony "shall include all testimony and exhibits asserting and explaining that party's entire case-in-case."

3. UE witness' Baxter's prepared direct testimony at pages 21 and 22 contains mention of a fuel adjustment clause ("FAC"). This testimony is well beyond the scope of the tariffs filed by UE that were suspended by this Commission on July 11, 2006. UE failed to file any tariffs or exhibits explaining the requested FAC.

4. Commission rules require UE to file testimony explaining its case-in-chief as contained in its proposed tariffs. In this matter, UE failed to propose **any** FAC tariffs and therefore, the testimony of UE witness Baxter should be struck. It simply is not relevant to any of the proposed tariffs filed by UE.

WHEREFORE, the State of Missouri requests that the Public Service Commission strike the following portions of the prefiled Direct Testimony of Warner Baxter, page 21 lines 21 through line 23 ending with the word "mechanism" and page 22 beginning on line 2 with the word "if" and continuing through line 8 and for any other relief the Commission deems appropriate.

Respectfully Submitted,

JEREMIAH W. (JAY) NIXON Attorney General

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The undersigned hereby certifies that on the $\frac{1}{3}$ day of August, 2006, a copy of the original of the foregoing was hand delivered or sent via 1st class, postage paid, U.S. Mail to:

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