

Surrebuttal Testimony of  
Ronald C Zdellar

1                   Backing up just a bit, AmerenUE is requesting three types of treatment for its  
2 vegetation management and infrastructure costs We are requesting the ability to amortize  
3 over three years the compliance costs which are above the amount included in the  
4 Company's current rates and incurred between January 1, 2008 and September 30, 2008  
5 That cost is \$10.9 million, which breaks down into an additional \$2.9 million for vegetation  
6 management and an additional \$8.0 million for infrastructure inspection and repairs We  
7 would propose to begin collecting that amortization in rates set in this rate case

8                   AmerenUE is also requesting an accounting authorization for the additional  
9 costs of compliance with the new Commission rules incurred between October 1, 2008 and  
10 February 28, 2009 Those costs would be considered in AmerenUE's next rate case.

11                   Finally, AmerenUE requests a two-way tracker for vegetation management  
12 and infrastructure inspection rule related costs incurred after the order in this rate case  
13 AmerenUE believes the base of this tracker should be set at \$78 million, of which \$54  
14 million is vegetation management costs and \$23.9 million is infrastructure inspection and  
15 repair costs The costs incurred during the trued-up test year were \$62.23 million, of which  
16 \$51.53 million was spent on vegetation management and \$10.7 million was spent on  
17 infrastructure inspections and repair For the base amount of the tracker, AmerenUE believes  
18 the Commission should add \$15.77 million -- \$2.57 million to the trued-up test year number  
19 for expected vegetation management costs and \$13.2 million to the trued-up test year number  
20 for expected infrastructure inspection and repair costs<sup>4</sup> The detail of these costs is attached  
21 as Schedule RCZ-SE3

<sup>4</sup> Again, these numbers are slightly different than those in my rebuttal testimony because of not including the cost of internal labor, annual education and pre-notification expenses

AmerenUE Exhibit No. 76  
Case No(s) EP 2008-0318  
Date 12-12-08 Rptr RF

AmerenUE  
Surrebuttal Testimony Support  
(\$ in millions)

	<u>2009 Forecast</u>	<u>2010 Forecast</u>	<u>'09-'10 2 year average</u>	<u>12 months Ended 9/30/08</u>	<u>Difference</u>
<b>Vegetation Management</b>					
<b>Vegetation mgmt Subtotal</b>	\$53.2	\$54.9	\$54.1	\$51.53	\$2.57
<b>Infrastructure.</b>					
Inspections Subtotal	8.5	8.8	8.7	5.6	
URD Inspections Subtotal	1.6	1.6	1.6	0.0	
Streetlight Inspections Subtotal	<u>0.4</u>	<u>0.4</u>	<u>0.4</u>	<u>0.0</u>	
<b>Inspections subtotal</b>	10.5	10.8	10.7	5.6	5.1
Reliability Repairs Subtotal	8.0	8.2	8.1	5.1	
URD Repairs Subtotal	4.0	5.5	4.8	0.0	
Streetlight Repairs Subtotal	<u>0.3</u>	<u>0.3</u>	<u>0.3</u>	<u>0.0</u>	
<b>Repairs subtotal</b>	12.3	14.0	13.2	5.1	8.1
<b>Proposed Tracker Total</b>			<u><u>\$78.0</u></u>		<u><u>\$15.77</u></u>