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

Filed May 19, 2011 Data Center Missouri Public Service Commission

In the Matter of the Tariff Filings of Union Electric Company, d/b/a Ameren Missouri, to Increase Its Revenues for Retail Electric Service.

File No. ER-2011-0028

### AFFIDAVIT OF WARNER L. BAXTER

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**Exhibit No.** 158 Date 5/16/11 Reporter 5M File No.  $ER \cdot 26/1-6028$ 

I, Warner L. Baxter, being first duly sworn upon my oath, state as follows:

1. I am employed as President and Chief Executive Offer for Union Electric Company d/b/a Ameren Missouri ("Company").

2. The Company is a party to a Consent Judgment approved by the Circuit Court of Reynolds County, Missouri arising from claims by the State of Missouri including without limitation the Missouri Department of Natural Resources and the Missouri Department of Conservation. The Attorney General, the Missouri Department of Natural Resources, and the Missouri Conservation Commission are defined as the "State Parties" in the Consent Judgment. The Consent Judgment was admitted into evidence as Exhibit 157 in this case on May 2, 2011.

3. The Consent Judgment required the Company to notify the State Parties at least seven business days prior to filing any case in which the Company sought rate recovery of "allowed costs" under the Consent Judgment.

4. During the evidentiary hearings, Commissioner Kenney requested that a copy of the notice required by the Consent Judgment and any handouts that were provided to the State Parties be made a part of the record, and the Commission reserved Exhibit 158 for that purpose.

5. Attached to this Affidavit is a true and correct copy of the notice, in the form of a letter provided to each of the State Parties on or about August 16, 2010. I attended separate meetings with senior leadership of each of the State Parties and provided the attendees with the

1

notice and the handouts included in Exhibit 158. I also explained the basis for the Company's request to recover certain "allowed costs" under the Consent Judgment.

Further affiant sayeth not.

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Warner L. Baxter Subscribed and sworn to before me this 9<sup>th</sup> day of May, 2011. Notary Public Mary Hoyt - Notary Public Notary Seal, State of Missouri - Jefferson County Commission #10397820 My Commission Expires 4/11/2014

2

AmerenUE

Warner L. Baxter President & Chief Executive Officer

Hand Delivered

August 16, 2010

Missouri Department of Natural Resources Office of the Director – Mark N. Templeton, Director P.O. Box 176 Jefferson City, MO 65102-0176

Missouri Department of Conservation Office of the Director – Bob Ziehmer, Director 2901 W. Truman Blvd. P.O. Box 180 Jefferson City, MO 65201-0180

Attorney General of the State of Missouri Attorney General Chris Koster Supreme Court Building P.O. Box 899 Jefferson City, MO 65201

Re: Notice - ¶ 3, Consent Judgment, Reynolds County Circuit Court Case No. 07RE-CC00005

Dear Messrs. Templeton, Ziehmer and Koster:

Pursuant to ¶ 3 of the above-referenced Consent Judgment, please consider this letter as notice that Union Electric Company d/b/a AmerenUE intends to seek recovery of "allowed costs" (as defined by the Consent Judgment) in a general rate increase case to be filed by AmerenUE with the Missouri Public Service Commission in 2010. The new upper reservoir at the Taum Sauk plant is a greatly enhanced, state-of-theart facility, and complies with current, much more stringent dam safety requirements. The enhancements reflected in the new reservoir include numerous safety features, its larger energy storage capacity and its much longer life, which will enable the Plant to provide service to our customers and the citizens of Missouri for many decades into the future.

Sincerely,

Warner Baxter

cc Wess Henderson Lewis Mills One Ameren Plaza 1901 Chouteau Avenue PO Box 66149, MC 200 St. Louis, MO 63166-6149 314.554.3066 fax wbaxter@ameren.com





## **Re-Build Objectives & Features**

### Design & Construction Objectives

- Meet All Current Dam Safety Regulations
- Comply with Good, Modern Design & Construction Practices
- Rigorous Seismic Design
- Safe, Robust, State-of-the Practice with Redundancies
- Use Existing Rock Fill Material for a New Concrete (SRCC) Dam

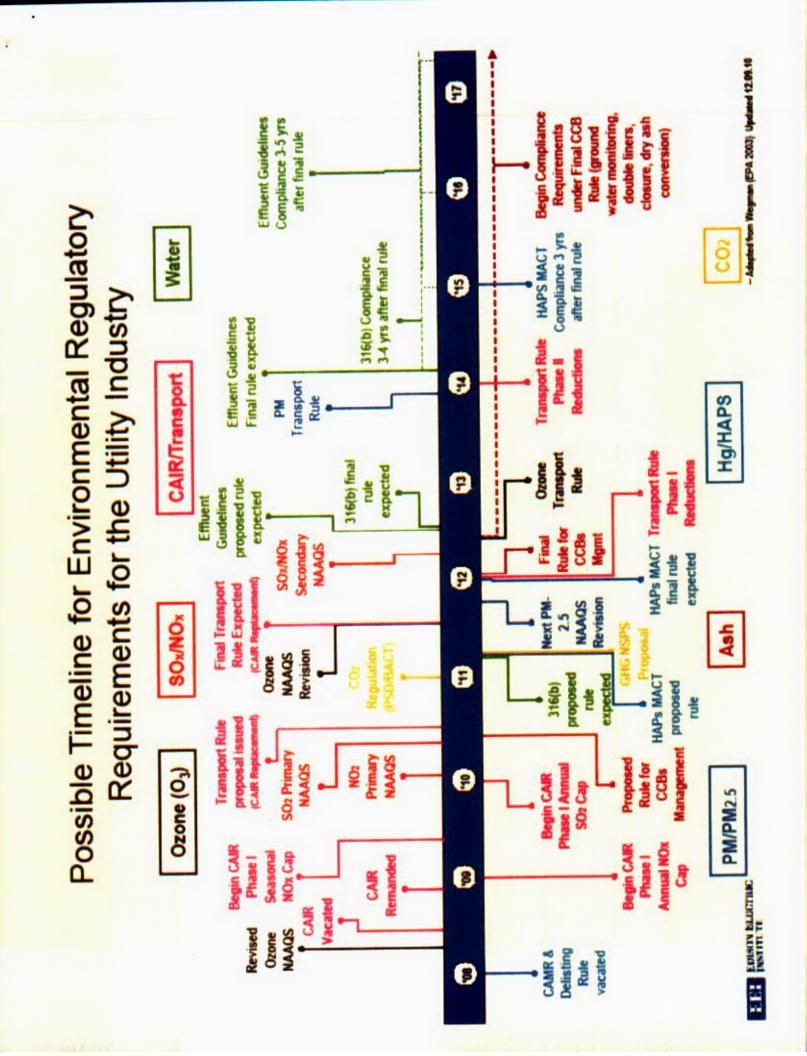
Old Reservoir

- Re-Build Features
- Roller Compacted Concrete (RCC)
- 80 100+ Year Life Expectancy
- Comprehensive Foundation Preparation
- Complete Grout Curtain
- Foundation Drainage System with Gallery
- Overflow Release Structure



New Reservoir





# Potential technical solutions to comply with environmental regulations

Regulatory Driver	Potential Technical Solutions
Coal Combustion Residual (CCR) Rule	Close existing ash ponds; convert to dry bottom ash and fly ash handling; Dry disposal to approved landfill instead of pond
Clean Air Transport Rule (Clean Air Interstate Rule Replacement)	Switch to lower sulfur fuels; installation of SO2 and NOx control technology, i.e. FGD and SCR
Revisions to Ambient Air Quality Standard (National Ambient Air Quality Standards - NAAQS) Fine Particulate (PM2.5); NO2; Ozone; SO2	Installation of SO2 and NOx control technology, i.e. FGD and SCR; Installation of baghouses or upgrades of existing ESP
Clean Water Act Section 316(b) Protection of Aquatic Life	Installation of fine mesh screens on cooling water intake structures
Clean Water Act Section 316(a) Thermal Standards	Installation of closed cycle cooling towers
MACT for Hazardous Air Pollutants (Maximum Achievable Control Technology)	Installation of SO2 and NOx control technology, i.e. FGD and SCR; Installation of ACI for mercury control
MPS for Mercury, NOx and SO2 (Multi-Pollutant Standard)	Installation of SO2 and NOx control technology, i.e. FGD and SCR; Installation of ACI for mercury control
Clean Air Act Regulation of Greenhouse Gases	Installation of CCS; Purchase of allowances and offsets if regulation allows
Revision to Steam Electric Effluent Guidelines Limitations	Installation of wastewater treatment plants