BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

The Staff of the Missouri Public Service Commission,)
Complainant,)
v.)
Union Electric Company, d/b/a AmerenUE,)))
Respondent.)

Case No. GC-2006-0350

AMERENUE'S ANSWER TO STAFF'S COMPLAINT

COMES NOW Union Electric Company d/b/a AmerenUE ("AmerenUE" or "Company") and for its Answer to the Missouri Public Service Commission's Staff's ("Staff") Complaint, states as follows:

On October 10, 2005, a natural gas incident occurred in Boonville,
Missouri while AmerenUE was converting a low-pressure gas distribution system to a higher operating pressure.

 On March 10, 2006, Staff filed a complaint related to this incident, alleging a violation of Missouri Public Service Commission ("Commission") Rule 4 CSR
240-40.030(12)(O)1.A. and B.

 AmerenUE does not dispute the facts alleged in the Staff Complaint.
Further, AmerenUE does not deny that operator error was the probable cause of the overpressurization incident on the Boonville low-pressure system.

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4. AmerenUE has taken steps to ensure this type of incident does not occur again. The Company has already taken steps to comply with the recommendations contained within the Staff Gas Incident Report filed in Case No. GS-2006-0199 in regard to this event. This includes drafting revisions to AmerenUE's procedures when converting low-pressure systems.

5. AmerenUE respectfully submits that it is appropriate for the Commission to consider this incident in the context of AmerenUE's outstanding pipeline safety record with regard to its natural gas utility operations. AmerenUE has a history of operating its natural gas utility system safely and reliably. In recent years, AmerenUE has upgraded its system to replace substantial portions of its cast iron and unprotected steel mains greatly enhancing the safety of its system. AmerenUE anticipates that the replacement of cast iron and unprotected steel mains will be complete in 2007. This incident is an isolated incident and not an indication of any broader trend of safety violations for which civil penalties might be more appropriate.

6. Finally, AmerenUE requests the Commission set this matter for a prehearing conference so that the parties may discuss the remaining issues in this case and work toward a resolution acceptable to all.

WHEREFORE, AmerenUE respectfully requests that the Commission issue its order setting this matter for a prehearing conference.

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Respectfully submitted,

UNION ELECTRIC COMPANY d/b/a AmerenUE

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Dated: April 13, 2006

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing Entry of Appearance was served via electronic filing and electronic mail (e-mail) or via regular mail on this 13th day of April, 2006, to:

General Counsel Office Missouri Public Service Commission 200 Madison Street, Suite 800 P.O. Box 360 Jefferson City, MO 65102 <u>GenCounsel@psc.mo.gov</u>

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nouns MB Thomas M. Byrne