

## **CITY OF FLORISSANT**

EXHIBIT

Filed August 17, 2012

Data Center Missouri Public

Service Commission

Honorable Thomas P. Schneider, Mayor

July 26, 2012

Missouri Public Service Commission Post Office Box 360 Jefferson City, Missouri 65102

Re: Ameren Missouri's Electric Rate Increase Request Filed February 3, 2012 Case Number 2012-0166 Date 7. ac. PReporter smar File No. C.R. 2012-0166

Dear Commission Members:

There are a variety of reasons that I can not support this rate increase and I urge the Commission to take a very hard look at the specific details of their request.

First, I must applaud Ameren for the extensive tree trimming they have performed in the City of Florissant over the last few years. I am sure all their efforts have contributed to the increased reliability of electric service to our residents and businesses. As Warner Baxter (Chairman, President and CEO of Ameren Missouri) stated; "... reliability is their highest priority..." and I can attest they have made significant progress in this area.

However, it seems that Ameren is requesting rate increases every year, as if it's just an annual normal routine event like having a birthday. And unfortunately it appears that the Commission is beginning to treat these yearly events the same way ... granting increases like birthday gifts. If this increase is approved it will be Ameren's fifth increase in the last six years.

But this request, more than any other, comes at a particularly trying time when everyone is truly struggling due to the decline in our nations economy, the decline in our housing market, increased unemployment, record number of foreclosures, not to mention the current heat wave and drought conditions. Folks on fixed incomes and those with no incomes are being beaten down to desperation and despair as they watch their last dime being sucked through the air conditioner every minute of every day.

Ameren contends they have higher fuel cost and maintenance costs and they haven't been able to keep up with inflation. All I can say is welcome to the real world. We all feel their pain but it's a little selfish for them to ask us to relieve their pain when no one is stepping up to relieve our pain. We all have aging infrastructures and homes, higher fuel costs, higher material costs, higher food costs and higher employee/personal benefits costs and higher medical & insurance costs. Shouldn't we like Ameren be entitled to a 10.75% return on equity ???

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Ameren proposes \$81 million for energy efficiency programs. Sorry but it's hard to believe their commitment, in-fact some firmly believe they have little intent on becoming more energy efficient. For several years many cities in St. Louis County have tried to work with Ameren to develop a more justifiable, a more reasonable and fair rate structure for street lighting cost ... but with absolutely no success. Further, suggestions to convert from the current 'high pressure sodium' fixtures to the much more efficient LED fixtures have been met with a flat-out "No!". In 2010 Ameren was approved a 10.2% rate increase EXCEPT FOR STREET LIGHTING ... which saved the City about \$45,800 per year. However, with a more justifiable, reasonable and fair rate structure we believe we could realize about \$133,700 savings per year. So you see we believe Ameren still has a long way to go in their commitment to energy conservation.

Again, for the reasons stated above, I can not support this rate increase and I implore the Commission to be very detailed and conservative in their review of this request.

Thank you for this opportunity to offer my comments. If you have any questions or comments please contact me at your convenience at 314-839-7600.

Sincerely,

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Thomas P. Schneider Mayor City of Florissant