

1 STATE OF MISSOURI  
2 PUBLIC SERVICE COMMISSION  
3  
4 TRANSCRIPT OF PROCEEDINGS  
5 Local Public Hearing  
6 January 19, 2010  
7 St. Louis Community College - Meramec  
8 Volume 8  
9 In the Matter of Union )  
Electric Company d/b/a )  
10 AmerenUE's Tariffs to ) File ER-2010-0036  
Increase its Annual )  
11 Revenues for Electric Service )  
12  
13 Morris Woodruff, Presiding  
Deputy Chief Regulatory Law Judge  
14 Robert Kenney  
Kevin Gunn,  
15 Commissioners  
16 Terry Jarrett via webcast  
17 Jaime Ott, Staff Attorney  
18 Tom Burn, counsel for AmerenUE  
19  
20  
21  
22 Reported by:  
23 Jeanne M. Pedrotty, CCR/CSR  
Midwest Litigation Services  
24  
25

1 JUDGE WOODRUFF: Let's go ahead and get  
2 started then. My name is Morris Woodruff. I'm the  
3 regulatory law judge for the commission assigned to  
4 this case. And I'd like to welcome you to the local  
5 public hearing this evening concerning AmerenUE's  
6 request for rate increase. To my right is  
7 Commissioner Kevin Gunn and I'll turn it over to him.

8 COMMISSIONER GUNN: First of all, I want to  
9 thank everybody for being here real quickly, and I  
10 have give them a chance in a second to speak  
11 themselves, but in Jefferson city we added him Terry  
12 Jarrett, and to my left is Commissioner Robert Kenney.  
13 Some of the reasons why the other commissioners aren't  
14 here is because of the expected volume of these cases  
15 we actually have two public hearings going on at the  
16 same time. So at the Viking Conference Center at  
17 Lindbergh and Watson we have another group of people  
18 and some other commissioners are listening in and  
19 attending that. All your remarks will go into a  
20 transcript. And as you can tell the court reporter is  
21 transcribing them. Just a couple points of  
22 clarification. One I want to make sure it gets on the  
23 record that Commissioner Jarrett, we had a hearing  
24 this morning commission, Terry Jarrett was listening  
25 in through the Internet, but due to technical

1 difficulties was not able to ask any questions. So we  
2 certainly want to make it clear that he was a  
3 participant and paid attention to the comments that  
4 were happening this morning. Secondly, we are the  
5 ultimate decision making body, so although it might be  
6 frustrating to you we are not allowed to answer  
7 questions, we do have staff in the room as well as  
8 members of the company. And we may at some point  
9 during the public hearing direct you to ask or direct  
10 you comments to them. They can answer questions and  
11 can be very helpful in doing so. Typically at these  
12 local public hearings, you also have a lawyer from the  
13 Office of Public Counsel. The Office of Public  
14 Counsel represents the public in the proceedings. The  
15 public counsel is Lewis Mills. It is a very small  
16 group of lawyers and they, again, are -- Lewis is at  
17 the other hearing, but the remarks will be transcribed  
18 and they will be able to have a transcript of your  
19 remarks. Sometimes there is a confusion. We are not  
20 Ameren. We are not proposing anything. We're making  
21 the decision.

22                   And then on a final note, I want to wish  
23 your Commissioner Robert Kenney congratulations. He  
24 has been serving on the commission in an interim  
25 capacity since August and was this afternoon confirmed

1 by the Missouri state senate to a full term. So  
2 whatever problems you have with the PSC in the past,  
3 you can go easy on him because he wasn't a part of it.  
4 With that, I'll see if any of the other commissioners  
5 have any opening remarks.

6 COMMISSIONER JARRETT: I echo what you  
7 said, Commissioner Gunn. Certainly the public  
8 hearings are a very important part of the process in  
9 these rate cases. And we welcome folks to come out  
10 and give this testimony. It's very helpful and we  
11 appreciate it.

12 COMMISSIONER KENNEY: Thank you all for  
13 coming tonight. Your voice and participation is a  
14 very integral part of the process, and we take it very  
15 very serious, and we appreciate you coming out and  
16 make your voice heard. We thank you and look forward  
17 to hearing your comments.

18 JUDGE WOODRUFF: Thank you, Commissioners.  
19 There is a sign-up list of people signed up to  
20 testify. I'm going to call the names that are on the  
21 list so you come up here to the podium. I'll ask you  
22 to raise your right hand and swear you in to tell the  
23 truth, and then I'll ask you to state your name and  
24 spell it for us and get a chance to say what you want  
25 to say. After you're done speaking, all the

1 commissioners and any attorneys here can ask question  
2 if they want to follow up, so stay at the podium.  
3 Before I call the first witness, I want to get it on  
4 the record which attorneys are here. Is there an  
5 attorney here for Ameren?

6 MR. BURN: Yes. Tom Burn, attorney for  
7 AmerenUE. My address is 1901 Chouteau Avenue, St.  
8 Louis, Missouri, 63103.

9 MS. OTT: Let the record reflect, Jaime  
10 Ott, P. O. Box 360, Jeff City, Missouri, 65101.

11 JUDGE WOODRUFF: And Commissioner Lewis  
12 Mills, public counsel, is attending another hearing  
13 going on right now other at the Viking Conference  
14 Center. Let's go with the first witness which is  
15 Robert Wiegert. If you would please raise your right  
16 hand. Do you solemnly swear or affirm that the  
17 testimony you're about to give shall be the truth, the  
18 whole truth, and nothing but the truth?

19 MR. WIEGERT: I do.

20 JUDGE WOODRUFF: Thank you. And can you  
21 tell us your name?

22 MR. WIEGERT: Robert Wiegert;  
23 W-i-e-g-e-r-t.

24 JUDGE WOODRUFF: What would you like to  
25 tell us?

1                   MR. WIEGERT: I appreciate the opportunity  
2 to speak to you this evening. I'm associate general  
3 counsel and director of government relations for  
4 Schnuck's markets. And I'll agree with speakers who  
5 probably will follow me, to oppose the request for the  
6 18 percent rate increase; that it should not be  
7 approved. But my comments here tonight concern how  
8 any rate increase which might be approved is  
9 apportioned among the various classes. There is a  
10 number of classes each with a different rate structure  
11 from residential to small large general service, small  
12 and large primary service, and finally large  
13 transmission services. The general service customers  
14 have consistently paid more toward the cost of service  
15 than other classes. Past settlement of rate cases  
16 have for every other customer classes by using across  
17 the board increases for major portion of revenue  
18 increases. Ameren's own class cost of service  
19 testimony shows that the general service class is  
20 still paying more than its fair share of costs.  
21 Energy is a substantial cost for small businesses.  
22 Small business drives the economy and particularly  
23 employment and new jobs as we try to recover from this  
24 recession we're in. Now, our company, Schnuck  
25 Markets, we operate 106 grocery stores and nearly half

1 of them are served by Ameren, but each of these is  
2 really a small business itself. Each store operates  
3 on its own individual P & L. The store serves an  
4 important role in its local community as a food and  
5 drug retailer as well as employer of over 150 people  
6 on average per store. Food retailing is extremely  
7 competitive. Even in a good economy, grocery stores  
8 operate on a razor thin profit margin, one to two  
9 percent. That's much lower than Ameren's profit  
10 margin. Profit margins of individual food retailers  
11 continue to come under increased pressure from big box  
12 retailers like Wal-Mart, Target, Costco. Energy is a  
13 substantial cost for small businesses like grocery  
14 stores and especially for grocery stores where it's  
15 about one to two percent of sales. That's because  
16 grocery stores require a lot of electricity to keep  
17 the food continuously refrigerated and frozen. As a  
18 result they use a lot more electricity per square foot  
19 than residences, office building, or dry good retail  
20 stores. In fact, a grocery store requires about twice  
21 as much energy as a big box store like Lowe's, Home  
22 Depot, Kohl's, et cetera. They only require energy  
23 for lighting, HVAC, but there is no refrigeration. In  
24 fact, some of our stores in the summer a monthly bill  
25 can exceed \$30,000. Since utility costs for grocery

1 stores are approximately one to two percent of sales,  
2 equal to the profit margin, if electricity rates were  
3 raised 18 percent, profit and in a particular store  
4 could call 18 percent, and in some communities, some  
5 individual stores that could be the difference between  
6 keeping the store open or closing it. So, we  
7 respectfully ask at this time the Missouri Public  
8 Service Commission treat general service customers  
9 fairly when apportioning any rate increases among the  
10 various service classes. It's extremely important to  
11 all small business operators. I appreciate your time.

12 JUDGE WOODRUFF: Thank you, sir. Any  
13 questions for Mr. Wiegert?

14 MR. WIEGERT: Thank you.

15 JUDGE WOODRUFF: Next name on the list is  
16 Bill Bauer. Good evening, Mr. Bauer.

17 MR. BAUER: Good evening.

18 JUDGE WOODRUFF: Please raise your right  
19 hand. Do you solemnly swear or affirm that the  
20 testimony you're about to give shall be the truth, the  
21 whole truth, and nothing but the truth?

22 MR. BAUER: I so swear.

23 JUDGE WOODRUFF: Thank you very much. Can  
24 you tell us your name please?

25 MR. BAUER: Yes. My name is William Bauer.



1 I live in Affton. I am a stockholder in the company  
2 and I have really suffered quite a bit by the  
3 reduction in the dividend paid on the common stock  
4 that I own. I was wondering what, if anything, has  
5 been applied to mitigating some increase. This 18  
6 percent that's being saved by much less dividend  
7 that's being paid to the shareholder? That's my  
8 question.

9 JUDGE WOODRUFF: We can't answer questions  
10 for you.

11 MR. BAUER: It's a rhetorical question. It  
12 should be applied, again, the rate increase, and it  
13 should be determined. That's all I have to say.

14 JUDGE WOODRUFF: Any questions for Mr.  
15 Bauer.

16 COMMISSIONER GUNN: No questions, but I  
17 would encourage you to take advantage of the Ameren  
18 people take are here as well as our staff to get any  
19 more information.

20 MR. BAUER: Thank you.

21 JUDGE WOODRUFF: Next name on the list is  
22 David Schilling. Good evening. Please raise your  
23 right hand. Do you solemnly swear or affirm that the  
24 testimony you're about to give shall be the truth, the  
25 whole truth, and nothing but the truth?

1 MR. SCHILLING: I do.

2 JUDGE WOODRUFF: Thank you. State your  
3 name and spell your last name.

4 MR. SCHILLING: David Schilling;  
5 S-c-h-i-l-l-i-n-g, Ameren customer, resident in  
6 Kirkwood.

7 JUDGE WOODRUFF: Okay. What would you like  
8 to tell us?

9 MR. SCHILLING: I guess the main thing is  
10 to just stick, sort of, to facts. It is recognized as  
11 was stated in the introductions that you are going to  
12 attempt to decide what is the proper level, fair level  
13 that the increase should be. I have an idea. Many of  
14 us think 18 percent is far out of the picture, but as  
15 we've seen in past, first you ask for pie in the sky  
16 and compromise begins. As a fact everyone knows and  
17 it's recognized it's a recession. We've been here for  
18 a while. It's not going anywhere. So I would sure  
19 hope that no large corporations get a break in the  
20 recession.

21 As far as other facts, it was mentioned  
22 cost cutting methods and what's going on within  
23 Ameren. It hit the newspaper in September that I what  
24 I consider a large company, grocery stores, the  
25 Missouri Botanical Garden, all of their staff received

1 three to five percent salary cuts. I don't know what  
2 Ameren is doing, you all get to know that. The  
3 gentleman speaking for Ameren commented that the power  
4 company, Ameren wishes to enjoy a rate of return on  
5 equities in line with others in our industry. We've  
6 heard it mentioned about grocery chains, mom and pop  
7 operations, small businesses, I don't comprehend  
8 what's enjoying a rate of return with others in that  
9 industries, how that fits into facts. Last night, the  
10 main news story was that gasoline at the pump again  
11 went up, and they were quoting -- AAA pointed out that  
12 barrels of crude are not rising. They point out that  
13 most of us are not driving as much. The facts are the  
14 demand is down, supply is up, but we all keep hearing  
15 every quarter the oil companies make record profits.  
16 Again, what is this concept of enjoying a rate of  
17 profit that is in line with others in your industry.

18 One last fact, last October in our Post  
19 Dispatch, a company by the name of Wal-Mart took out  
20 at whole page ad with a bunch of bananas at a price  
21 saying 39 cents a pound -- and how do they phrase it,  
22 always lower at Wal-Mart. Within two days the other  
23 three major grocery chains in this city that were at  
24 59 and 69 cents a pound went down to 39 cents a pound  
25 also. And it stayed there for quite a few months.

1 That as we know is competition in a free market. And  
2 that brings us to why you're here. Public Service  
3 Commission and monopolies. It's your job to make up  
4 for the competition that doesn't exist. I don't have  
5 a Wal-Mart to go to to get my electric. So again, we  
6 don't know -- I don't know what kind of cost saving  
7 measures Ameren is using. I don't know what their  
8 fleet of vehicles or airplanes looks like, or how they  
9 are cutting back other than vehicles for line repairs,  
10 what kind of vehicles they drove to this meeting. I  
11 do not know about their budget for advertising, public  
12 relations. I do know if you're a monopoly, you must  
13 like listening to yourself if you have much of an  
14 advertising budget. So I'm just asking for honesty  
15 and I think most of us are, and how you determine the  
16 rates. And since it's the show me state, if you can't  
17 come up for a reason why big corporations get to enjoy  
18 large profit margins, then I wish you would show them  
19 something.

20 JUDGE WOODRUFF: Any questions for Mr.  
21 Schilling.

22 COMMISSIONER GUNN: I don't have any  
23 questions. Thank you.

24 COMMISSIONER KENNEY: No questions. Thank  
25 you.

1 JUDGE WOODRUFF: The next name on the list  
2 is Kathryn Mueller. If you would please raise your  
3 right hand. Do you solemnly swear or affirm that the  
4 testimony you're about to give shall be the truth, the  
5 whole truth, and nothing but the truth?

6 MS. MUELLER: I do.

7 JUDGE WOODRUFF: Thank you. Can you tell  
8 us your name?

9 MS. MUELLER: My name is Kathryn Mueller.  
10 I live in unincorporated south county.

11 JUDGE WOODRUFF: Can you spell --

12 MS. MUELLER: M-u-e-l-l-e-r. I do  
13 appreciate this chance to ask you all a question  
14 that's very dear to my heart, I'm a gigantic plant  
15 enthusiast, and I'm thrilled to live in St. Louis in  
16 our older neighborhoods and beautiful landscaping and  
17 trees we have. My question has to do -- or my comment  
18 to you all as public service has to do with the tree  
19 trimming program. I personally have had a very bad  
20 experience with that. We had a gentleman from UE come  
21 to the door and ask for access to our driveway to trim  
22 a tree between our neighbors' house and ours. And we  
23 include on this access request they are not  
24 responsible for what happens to our driveway. Well, I  
25 had an electric truck -- excuse me, telephone truck up

1   there and my asphalt got cracked and I can't afford to  
2   fix it. So I said no, I didn't want it done. Our  
3   neighbor and I agreed we would take care of the tree  
4   if there needed to be anything done we would do it  
5   that. Excuse me. We also asked that before any of  
6   the men would come to do the tree work that they make  
7   sure that one of us were there, and they agreed to do  
8   that. Several weeks later the trucks came down the  
9   have, I stopped on my way to work and said are you  
10   going to be in our area by then. And we were on the  
11   list to make sure that one of us would be there. They  
12   came down our street. They did a decent job, not a  
13   job I liked, but a decent job. And I understand what  
14   you're trying to do with the trimming. I took my son  
15   to school several days later. I came home and a crew  
16   was in my backyard, and it was a couple of people with  
17   Right Tree Service, which I guess is one of your  
18   contractors. And they not only trimmed the tree, but  
19   they sawed a whole tree down in my yard where I'm  
20   trying to get a little natural area established. I  
21   went back there and talked to the men. They gave me  
22   directly to the supervisor. The supervisor sent  
23   another supervisor from Right Tree Service, and he  
24   told me several things that were real interesting.  
25   One he is an arborist and he said he doesn't trim

1 trees the way he wants to anymore, he trims them how  
2 you all determined how they are. He claims now I'm  
3 the enemy because he knows he is doing a lousy job  
4 with the trees physically. He also told me that they  
5 had written permission to get on my yard to do the  
6 tree work. And I said absolutely you did not. It  
7 turned out he had permission from the people that  
8 lived behind us. And the tree was not on their yard,  
9 it was on my yard. They not only trimmed the tree,  
10 they sawed the whole darned thing down. And it was  
11 like 20 feet from the line. They could have done  
12 their lousy tree trimming job, but they didn't do  
13 that; they sawed the whole thing down. I was given a  
14 name of a UE supervisor to call and I did and he  
15 assured me they would get back to me before anybody  
16 came. And, of course, that didn't happen here. We've  
17 had tree trimmers through again. I feel like that's a  
18 really lousy amount of accountability, and I'm paying  
19 -- and everyone here in this room is paying for this  
20 work. And I don't like the way it looks and I don't  
21 like the way I was handled as a customer. Because I  
22 am paying for this and according to the right tree  
23 supervisor, Public Service Commission is making these  
24 decisions. So my point tonight is I know -- I have at  
25 least read it's a billion dollars has been allocated

1 in this power on. And in some ways I feel like it's a  
2 make work project. The men are doing a decent job.  
3 They are making an honest wage, but I don't think the  
4 way it's being done is very efficient, and I don't  
5 think you all should ask for more money when the money  
6 you have already allocated towards that program, I  
7 don't think is being used very wisely, and certainly  
8 not in an accountable way. My only one sentence point  
9 is if you're going to spend all this money sawing  
10 trees down, why not allocate some of that money to  
11 replanting trees, replant ones that you consider  
12 appropriate for near the power lines. All I have  
13 asked for in my request is that they replant the tree  
14 and nothing, of course, has happened. So I would just  
15 like that addressed too. Thank you very much.

16 JUDGE WOODRUFF: Questions.

17 COMMISSIONER GUNN: Ma'am, I have a couple  
18 questions.

19 MS. MUELLER: Sure.

20 COMMISSIONER GUNN: What was -- do you  
21 remember the day on which the tree was cut down?

22 MS. MUELLER: It was in January. I have  
23 got the men's names from the tree service and one of  
24 your supervisors who I spoke to on the phone.

25 COMMISSIONER GUNN: You talked to an Ameren



1 supervisor.

2 MS. MUELLER: I spoke to a tree service  
3 supervisor and he gave me the number for an Ameren  
4 supervisor, and I have got his name and number.

5 COMMISSIONER GUNN: Was it this January?

6 MS. MUELLER: Yes.

7 COMMISSIONER GUNN: Just within the last  
8 couple weeks?

9 MS. MUELLER: Just happened.

10 COMMISSIONER GUNN: Okay. And you have not  
11 heard back.

12 MS. MUELLER: Not heard a word. And all I  
13 asked for is a tree to be replanted because they  
14 admitted they took it down. And the other point that  
15 really made me mad is they admitted we had permission  
16 or sorry, it's from the wrong person and his excuse  
17 was our maps are really bad. Well, it's my yard, my  
18 tree. And I'm old enough, I'm not going to see this  
19 thing replaced.

20 COMMISSIONER GUNN: Did you actually talk  
21 to the Ameren supervisor; you only talked to the  
22 contracto.

23 MS. MUELLER: I talked tomorrow twice.

24 COMMISSIONER GUNN: All right. I don't  
25 have any questions. The other commissioners might,

1 but I would urge you to follow up with our staff and  
2 talk to them as well as Ameren folks. We have a PSC  
3 complaint process, both informal and formal complaint  
4 process.

5 MS. MUELLER: Okay.

6 COMMISSIONER GUNN: That if you don't get  
7 satisfaction from the company, you can contact the  
8 commission. And I would urge you to take that  
9 opportunity tonight to talk to some of our staff that  
10 were at the table when you walked in. You also have  
11 some high ranking folks from Ameren tonight and I  
12 would take the opportunity to discuss this with them.  
13 Other than that, I don't have any questions. The  
14 other commissioners might.

15 JUDGE WOODRUFF: Mr. Jarrett.

16 COMMISSIONER JARRETT: I don't have any  
17 questions.

18 COMMISSIONER KENNEY: I don't have any  
19 questions, but I hope you will be able to get some  
20 progress made.

21 MR. BURN: You can talk to Mr. Wakeman over  
22 there. Dave Wakeman is our vice-president in charge  
23 of that. He can talk to you about your problem.

24 MS. MUELLER: I appreciate that. Thank  
25 you.

1                   COMMISSIONER GUNN: Thanks for coming out.

2                   JUDGE WOODRUFF: The next name is James  
3   Labit. Please raise your right hand. Do you sole,nly  
4   swear or affirm that the testimony you're about to  
5   give shall be the truth, the whole trith, and nothing  
6   but the truth?

7                   MR. LABIT: I do.

8                   JUDGE WOODRUFF: Thank you very much. Can  
9   you spell your last name for us?

10                  MR. LABIT: L-a-b-i-t.

11                  JUDGE WOODRUFF: What would you like to  
12   tell us?

13                  MR. LABIT: Good evening. And thank you  
14   for the Commissioners to take their time to hear some  
15   of us people who are silent. But I think looking at  
16   my age, looking at the age of people around here, the  
17   older folks are starting to become in the majority.  
18   And unfortunately, when you get old you don't work.  
19   You live in a retirement world of retirement income.  
20   It's either a pension type income or Social Security  
21   type income. And many people try to live in their  
22   homes as long as they can, but living in a home  
23   requires paying utility bills. Now, I don't know  
24   about the higher echelon of pay type people who get  
25   \$300,000 bonuses, but I don't believe I every got one

1    like that.  I don't think that the majority of people  
2    who are living on retirement and live on retirement  
3    income have had that kind of benefit either.  So, what  
4    I request is that this craziness of a 18 percent  
5    increase be totally looked at from the very point of  
6    us poor folk who have to live on a fixed income.  If  
7    you recall, the federal government decided that Social  
8    Security did not need to have an increase this year or  
9    next year.  Why, because inflation was so low.  In  
10   fact, I just read a report from the federal reserve  
11   and inflation rate was shown at .3 percent.  Now,  
12   that's a long way from 18 percent the way I see it.  
13   Now, I think we have to be fair.  Obviously, Ameren  
14   provides a service and we all need electricity.  And  
15   so, fine, give them a rate increase equal to  
16   inflation, .3 percent, that ought to do them just  
17   fine.  I don't see a problem with that.  So, what I  
18   really want to do is just bring your attention to all  
19   of us who live in the world of very little income  
20   trying to get by and just can't stand these kinds of  
21   increases.  Thank you.

22                   JUDGE WOODRUFF:  Thank you sir.  Questions  
23   for Mr. Labit.

24                   COMMISSIONER GUNN:  No.  Thanks, sir.

25                   COMMISSIONER KENNEY:  Thank you.

1 JUDGE WOODRUFF: The next name on the list  
2 is Robert Davoli. Good evening, sir.

3 MR. DAVOLI: My name is Bob Davoli.

4 JUDGE WOODRUFF: Please raise your right  
5 hand. Do you solemnly swear or affirm that the  
6 testimony that you're about to give shall be the  
7 truth, the whole truth and nothing but the truth.

8 MR. DAVOLI: I do.

9 JUDGE WOODRUFF: Thank you. Go to the  
10 podium. Can you spell your last name please?

11 MR. DAVOLI: My last name is D-a-v-o-l-i.

12 JUDGE WOODRUFF: Thank you.

13 MR. DAVOLI: As I just mentioned, my name  
14 is Bob Davoli. I live in University City. I have  
15 about there for 27 years now. I am speaking on behalf  
16 of my neighbors and my other residents around me,  
17 particularly those in third ward. There is  
18 approximately 8000 registered voters in that area.  
19 And as a fact, I know right now that about 50 percent  
20 of us are earning \$20,000 a year and many of those  
21 residents are on fixed incomes, many people couldn't  
22 come here tonight because they can't drive because  
23 they are just that old that they could not be here.  
24 So I'm taking their place. I'd just like you to  
25 strongly consider not raising the rates for this

1 Ameren utility. This is going to really hurt our  
2 third ward. The people that are living right now are  
3 struggling right now as it is. St. Louis is near ten  
4 percent unemployment. This is also going to put a  
5 burden on the small business people in our area, in  
6 our community. They are going to have to compensate  
7 for this rate increase. Whether or not they lay  
8 people off, they raise their prices, they cut their  
9 days. They are going to recoup their profits and it's  
10 going to affect us, the residents that live there. We  
11 don't have another choice to compete with another  
12 company. This is a monopoly. And I think we're at  
13 your mercy right now. We would just like you to  
14 strongly reconsider raising the rates at this time.  
15 And that's all I have to say right now.

16 JUDGE WOODRUFF: Thank you, sir. Any  
17 questions for Mr. Davoli?

18 COMMISSIONER GUNN: I don't have any.

19 COMMISSIONER KENNEY: Thank you. No  
20 questions. Thanks, Mr. Davoli.

21 JUDGE WOODRUFF: Mr. Davoli was the last  
22 name on the list. Is there anyone else that would  
23 like up to sign up? Oh, there is another piece of  
24 paper. Annette Rey. Please raise your right hand.  
25 Do you solemnly swear or affirm that the testimony

1     that you're about to give shall be the truth, the  
2     whole truth, and nothing but the truth.

3                     MS. REY:   Yes, sir.

4                     JUDGE WOODRUFF:   Thank you.   And if you  
5     could state your name and spell your last name.

6                     MS. REY:   My name is Annette Rey; R-e-y.

7                     JUDGE WOODRUFF:   Thank you.

8                     MS. REY:   Everyone here has been very  
9     polite and low toned.   I'm more fiery.   I have  
10    prepared a statement that is a bit more forceful.  
11    Thank you for this time to speak.   As a virtually  
12    unrepresented Missouri citizen, I do not trust that  
13    this opportunity will avail much in the area of relief  
14    from large powers that are unrelenting in their thirst  
15    for my hard-earned dollars.   Throughout the summer of  
16    2009, I did not turn on my air conditioning.   I made  
17    this decision not to comply with global weather  
18    hysterics, but to live within my means.   A message I  
19    hope you people learn immediately.   I expected lower  
20    electric bills in exchange for my sweating and  
21    suffering.   I was rewarded with a lower bill except  
22    for May and June, there is no correlation to my actual  
23    usage in the total of my bills.   Then unaccountably my  
24    bills in the billing cycle of October 7th to November  
25    5th and November 5th to December 8th spiked.   During

1   these periods, I used even less electric as I was not  
2   running any fans for relief from the heat. Yet my  
3   bills increased from the previous cycle by 250  
4   percent. The utilities mistakenly think they can get  
5   away with anything and think they can sneak these  
6   spikes past the customers based upon the change in  
7   season. They are wrong. I was so grateful for cooler  
8   weather that I did not turn on my furnace until  
9   December 7th. This outrageous increase in my bill was  
10   not due to heating my home. Missouri Senate bill 376  
11   was passed by our incorrigible, paid-off elected  
12   puppets. This bill enables the utility company to  
13   recoup from its victims, customers' monies that they  
14   are otherwise attempting to save by cutting back. So  
15   not only are we suffering through heat or cold by  
16   using less service, we are further insulted and robbed  
17   by being forced to pay the utility the money we would  
18   have otherwise savied. UE and anyone who abetts them  
19   in their thievery remind me of a teenager with no  
20   economic sense and who feels a right of entitlement to  
21   what is in my pocket. Youth is the excuse of the  
22   teenager. What, other than unconscionable greed and  
23   ineptitude in running a business, is the excuse of UE.  
24   That is my statement.

25                   JUDGE WOODRUFF: Thank you, ma'am. Any



1 questions for Ms. Rey.

2 COMMISSIONER GUNN: I just have one or two.  
3 You said that your bills increased by 250 percent.

4 MS. REY: Two and a half times, yes.

5 COMMISSIONER GUNN: Was that May and June  
6 bills or October or November?

7 MS. REY: That was October and November  
8 bill.

9 COMMISSIONER GUNN: And you have an  
10 electric furnace?

11 MS. REY: I have gas heat.

12 COMMISSIONER GUNN: Okay.

13 MS. REY: It's turned on by electric, of  
14 course.

15 COMMISSIONER GUNN: Right.

16 MS. REY: And then just light bulbs and  
17 typically things in a house. I don't even have a  
18 dishwasher that is continually like I'm running  
19 electric. I live alone. I don't even use a washing  
20 machine all that often because I can collect it. You  
21 know when you're alone you don't have a bunch of kids  
22 and all that.

23 COMMISSIONER GUNN: Have you gotten your  
24 December bill yet?

25 MS. REY: I'm not sure. No, I don't think

1 so.

2 COMMISSIONER GUNN: I was wondering if you  
3 knew.

4 MS. REY: No. Yeah. That would be a good  
5 point, but, no, I don't think I have.

6 COMMISSIONER GUNN: Great. I don't have  
7 any more questions. Again, I would -- if there are  
8 questions about billing, I know that our staff can  
9 talk to you about that to see if there is any  
10 disparities between what you were supposed to be  
11 charged and what may have been charged, as well as the  
12 company has some people outside that deal with billing  
13 issues and other issues. So if you think it's helpful  
14 and appropriate in your situation, I would certainly  
15 take advantage of those folks being here tonight.

16 MS. REY: Thank you very much for that. I  
17 feel that the utility company charges with this mumbo  
18 jumbo they tell us. Well, it's peak time, peak usage  
19 time, and all this kind of stuff. That would be their  
20 excuse for saying why my bill increased the way it did  
21 when I was using less service. They come up with all  
22 of these things to charge us. And as other people  
23 have stated, it's a monopoly. We don't have any other  
24 place to go. We have to accept the reasons they tell  
25 us and we have to pay the bills, or then there is late

1 fees, et cetera. And all this extra charges they put  
2 outside, and then the utility gets turned off if you  
3 want to stick your heels in and fight them then where  
4 are you. It's totally unfairness to the citizens.

5 JUDGE WOODRUFF: Thank you.

6 COMMISSIONER GUNN: Thank you, ma'am. I  
7 don't have anything else.

8 COMMISSIONER KENNEY: No questions. Thank  
9 you.

10 JUDGE WOODRUFF: I know I saw one other  
11 hand. Yes. In the back first and then we'll come up  
12 to you. Good evening, sir.

13 MR. IVERSON: Good evening.

14 JUDGE WOODRUFF: Place raise your right  
15 hand. Do you solemnly swear or affirm that the  
16 testimony you're about to give shall be the truth, the  
17 whole truth, and nothing but the truth?

18 MR. IVERSON: I do.

19 JUDGE WOODRUFF: Thank you. Tell us your  
20 name.

21 MR. IVERSON: My name is Walter Iverson.

22 JUDGE WOODRUFF: Can you spell your last  
23 name?

24 MR. IVERSON: I-v-e-r-s-o-n.

25 JUDGE WOODRUFF: What would you like to

1 tell us?

2 MR. IVERSON: I didn't originally come to  
3 make a comment tonight, but I have listen to some of  
4 the people that have spoken. I agree with the  
5 gentleman that was retired that was up here. I think  
6 that a .3 percent increase would be reasonable. It's  
7 something that's tied to inflation. I live on a fixed  
8 budget. I'm almost retired, and there were two  
9 thoughts, two comments I'd like to make that occurred  
10 to me as I was listening. Number one is just kind of  
11 I'm astounded that the gentleman from AmerenUE said  
12 that he got a \$300,000 bonus. I'd estimate that it  
13 would take me about ten years to make that much when I  
14 was working. The other comment is that I wonder if  
15 Ameren UE has thought about the response of a lot of  
16 people who are on a fixed budget or have moderate  
17 income; what their response will be to this. I know  
18 from my personal response, if you talk about 18  
19 percent increase on my electric bill, my response is  
20 to consume less electricity. So, in the balance, I  
21 would attempt to keep my bill at same level or maybe  
22 even less so I could afford to take my wife out to  
23 dinner or something. So, that response would result  
24 -- would not result in AmerenUE realizing any income  
25 from this. The only thing that would happen is that

1    like the lady that spoke before me, we would turn down  
2    our heat; we turn off our air conditioning; we unplug  
3    stuff, we would not use the washer and dryer as often.  
4    And I don't know from my perspective it would be a  
5    hardship if a 18 percent rate increase happened. From  
6    AmerenUE's perspective, I don't think they are going  
7    to accomplish what they seek to do which is to raise  
8    their revenues. Because I think a lot of people are  
9    just going to cut back their consumption. In today's  
10   economy, people out of jobs, and I have been looking  
11   for extra part-time job. There is just knowing else  
12   you can do. That's all I have. Thank you.

13               JUDGE WOODRUFF: Thank you, sir. Questions  
14   for Mr. Iverson.

15               COMMISSIONER GUNN: I have no questions.  
16   Thank you, sir.

17               JUDGE WOODRUFF: This gentleman over here.  
18   Please raise your right hand. Do you solemnly swear  
19   or affirm that the testimony you're about to give  
20   shall be the truth, the whole truth, and nothing but  
21   the truth?

22               MR. KUHN: I do.

23               JUDGE WOODRUFF: Tell us your name.

24               MR. KUHN: My name is George Kuhn; K-u-h-n.

25               JUDGE WOODRUFF: Thank you.

1                   MR. KUHN: And I live in unincorporated St.  
2   Louis County, and over the years with the numerous  
3   increases by not just AmerenUE, but all the utilities,  
4   my home has been supplied with energy efficient  
5   products, extra insulation, thermal windows. I  
6   probably got a wheel barrel full of regular light  
7   bulbs that have been replaced by flourescent trying to  
8   compensate to some degree for these increases. I too  
9   am retired. And like one of the gentleman there so  
10  eloquently put it earlier that the federal government  
11  decided as far as my Social Security I don't need any  
12  more. Well, with the increases that goes without  
13  saying. I don't know how much is enough. One of  
14  things in the brochure that I saw they were looking  
15  for return of, I think, 11 point something percent on  
16  their dividends. I wish I could get a CD or find  
17  something that with what little money I have left that  
18  hasn't been lost in market, that I could get that kind  
19  of a return. I could probably live on that rather  
20  than now that I'm retired I am looking for part-time  
21  work so that I can pay some of these necessities. The  
22  gentleman from the grocery store, utilities, the gas  
23  pumps, it's just gotten to the point that greed is  
24  running rampant, and there is some point in time that  
25  us people have to be able to find a voice. And we're

1 looking for that through your people to be heard.  
2 That enough is enough. There used to be a class in  
3 our society called upper middle class, it's gone. I  
4 haven't heard it on any of the news media for years.  
5 We've either got people living at or below the poverty  
6 level, or wealthy. Well, I haven't made it to poverty  
7 yet, but I'm definitely not in the wealthy. We need  
8 your help. We need to be heard. Maybe we just don't  
9 quite have the power or we don't think we have the  
10 power to fight such ridiculous rate increases and that  
11 often. So I just ask to be heard and voices of the  
12 people around us. The people that have to pay these  
13 bills before there are more foreclosures and there are  
14 no switches there to be turned off and on to use  
15 electricity. Thank you very much.

16 JUDGE WOODRUFF: Thank you, sir.

17 COMMISSIONER GUNN: Thank you, sir.

18 JUDGE WOODRUFF: Questions for Mr. Kuhn?  
19 Anyone else wish to testify. Come on up. Please raise  
20 your right hand. Do you solemnly swear or affirm that  
21 the testimony that you're about to give shall be the  
22 truth, the whole truth, and nothing but the truth?

23 MS. KOMLOSKY: Yes.

24 JUDGE WOODRUFF: Thank you.

25 MS. KOMLOSKY: My name is Georgene

1 Komlosky; K-o-m-l-o-s-k-y. I just want to say thank  
2 you for this opportunity to speak with you. And I  
3 urge you all to disallow this gargantuan 18 percent  
4 increase. There are, I mean everybody has said it too  
5 eloquently. Enough is enough. That is -- in this  
6 economy, that is just outrageous. Perhaps, as much as  
7 five percent increase, but 18 percent is just way out  
8 of anyone's scope. Comparing the midwest in average  
9 of rate increases with the west coast and east coast,  
10 which the standard of living is higher on both coasts.  
11 They earn much more money and, of course, they pay  
12 higher rates along with their higher salaries such as  
13 California and whatnot, what I really want to say. I  
14 remember a few years ago when I'll had their utility  
15 rates increased at a high rate and what a hardship  
16 that was for so many of their citizens. And now it  
17 comes to Missouri, and the same thing is likely going  
18 to happen to us. My husband owns a small business and  
19 in this economy his business has slowed down quite a  
20 bit. It's construction and home remodeling, and so we  
21 would have 18 percent increase in our home, 18 percent  
22 increase in his building for the business. He -- in  
23 this economy, he doesn't get bonuses or anything. We  
24 as a lot of people with small businesses, you work and  
25 you just take less home. In order to keep your



1 business operating and functioning, you just take less  
2 monies in order to live so that you can keep your  
3 business open. There are no bonuses. There are no  
4 \$300,000 bonuses. I think if they want to cost cut,  
5 they could take away the bonus. Why should all the  
6 citizens have to pay for these gargantuan bonuses.  
7 And that's my statement.

8 JUDGE WOODRUFF: Thank you, ma'am. Any  
9 questions for Ms. Komlosky.

10 COMMISSIONER GUNN: No questions.

11 COMMISSIONER KENNEY: No. Thank you,  
12 ma'am.

13 JUDGE WOODRUFF: Is there anyone else who  
14 would like to testify. Yes, ma'am.

15 MS. SCHUBA: My name is Patricia Schuba;  
16 S-c-h-u-b-a.

17 JUDGE WOODRUFF: Do you solemnly swear or  
18 affirm that the testimony you're about to give shall  
19 be the turth, the whole truth, and nothing but the  
20 truth?

21 MS. SCHUBA: I do.

22 JUDGE WOODRUFF: Thank you.

23 MS. SCHUBA: I came this evening to get  
24 more information, not necessarily to testify. But in  
25 the course of thing I feel like I need to. My

1 background is a biologist and my family has lived in  
2 the area where we live in Missouri for over 100 years.  
3 And we live very close to one of the plants that  
4 produce the energy that's being sold to most of  
5 Missouri, and they're requesting an increase in rates  
6 to pay for. And when I read through the information  
7 sheet, I notice that one of the features of the  
8 request for this 18 percent increase is to cover the  
9 cost of federal and state required environmental  
10 investments. And I even asked in the first session of  
11 tonight's informational talk to explain what  
12 investments have been made in the past that this 18  
13 percent would help cover. And I was told that was the  
14 type of coal being burned at Labadie power plant for  
15 example. My concern again is that we're being asked  
16 in this first request feature to cover the cost of  
17 cleaning up the environment as a result of producing  
18 this energy. On top of paying for getting the energy  
19 every day in our homes and in our businesses to return  
20 month to month. And as, again, a monopoly, we have no  
21 right to say we're going to go purchase this energy  
22 from somebody that does a cleaner job or better job.  
23 You as commissioners are our only protection from a  
24 company that can do as it will. So my request for  
25 you in my testimony is to be very specific about

1 questions of what this company is requesting that this  
2 money covers. Because it says that this could  
3 increase between rate cases. So if suddenly the EPA,  
4 as we know, is ruling on hazardous waste probably in  
5 the next month says that obvious sludge that's being  
6 produced in these plants have toxic chemicals to this  
7 children's brain development, to pregnant women's  
8 babies, to a whole litany of bad health outcomes for  
9 Missourians. What if then they say we need the  
10 citizens of Missouri to pay for that risk. And to me  
11 that's not fair. That's not fair as a person who  
12 works in health care. That's not fair as a biologist,  
13 and it's certainly not fair as a person who lives  
14 within the wake of that plant. So 18 percent is a lot  
15 to be asking in this economy. It's a lot to be asking  
16 of people who are in hardship as it is. But then on  
17 top of it to say that it's not the responsibility of  
18 the company itself to do a clean environmentally safe  
19 business in Missouri is yet another issue that I take  
20 question with. And would say, again, the  
21 commissioners need to ask what does that mean; what  
22 are you doing to keep Missourians safe to produce that  
23 energy and to make a profit in Missouri, and to be our  
24 voice in that argument. Thank you.

25 JUDGE WOODRUFF: Any questions.

1                   COMMISSIONER GUNN: No questions.

2                   COMMISSIONER KENNEY: Thank you.

3                   MS. SCHUBA: Thank you.

4                   JUDGE WOODRUFF: Anyone else wish to

5 testify? I don't see anybody else raising their hand.

6 Yes, sir. If you would please raise your right hand.

7 Do you solemnly swear or affirm that the testimony

8 you're about to give shall be the truth, the whole

9 truth, and nothing but the truth?

10                  MR. HOWARD: I so swear.

11                  JUDGE WOODRUFF: Thank you. What's your

12 name.

13                  MR. HOWARD: My name is Randy Howard;

14 H-o-w-a-r-d.

15                  JUDGE WOODRUFF: Okay.

16                  MR. HOWARD: I have heard a lot of talk

17 tonight about the 18 percent and how they don't feel

18 that would be fair. Reading through the literature, I

19 have also noticed that the staff of the Public Service

20 Commission is looking for at about a nine percent

21 increase. I just wanted to make a point. I don't

22 think 9 percent would be fair in this kind of market

23 place. And a reduction in expense by about five and a

24 half percent would make up, the nine percent in going

25 towards the profitability. Most businesses have had

1 to -- and people individually have had to make pretty  
2 drastic cuts in their own expenditures over the last  
3 year. And I feel that is the only fair way to go. If  
4 anything besides the .3 possibly a rate reduction  
5 might be in order at this time and as we are dealing  
6 with a monopoly. In lieu of competition, we have the  
7 Public Service Commission and I know we're not going  
8 to change the structure that says the more money you  
9 spend the more money you're allowed to make. So that  
10 you can hold your same percentage of profitability,  
11 the whole concept is greatly flawed. I don't have a  
12 better idea and I don't expect it to be changed today,  
13 but you guys are the ones that sit there to protect  
14 everybody else that's sitting out here. The concept  
15 of saying spend more and then we'll let you charge  
16 more, it's wrong. It's very wrong, very wrong and  
17 especially at this time. That's all I have to say.

18 JUDGE WOODRUFF: Any questions for Mr.  
19 Howard?

20 COMMISSIONER GUNN: I don't have any  
21 questions.

22 COMMISSIONER KENNEY: Thank you, sir.

23 JUDGE WOODRUFF: One more chance; anybody  
24 else want to testify? If you raise your right hand.  
25 Do you solemnly swear or affirm that the testimony

1     that you're about to give shall be the truth, the  
2     whole truth, and nothing but the truth?

3                     MR. RIES:   I do.

4                     JUDGE WOODRUFF:   If you tell us your name  
5     and spell your last name.

6                     MS. JEFFRIES:   My name is Pam Jeffries;  
7     J-e-f-f-r-i-e-s.   And I apologize for coming late, but  
8     I just have a potentially unique perspective to offer  
9     because I work for a company that serves utilities, so  
10    not just, in fact, Ameren is not even a customer of  
11    ours.   I wish they were, but they are not.   But I am  
12    familiar with what's going on in the utility industry  
13    as a whole.   And at this time, unlike any others, and  
14    maybe Ameren spoke a little while ago, I don't know.  
15    But they are facing a lot of issues in the industry in  
16    terms of an aging infrastructure.   And we've been  
17    working off of the same power grid for 50 plus 100  
18    years, so any of you that bought electronics recently  
19    know they don't make them like they used to.   Thank  
20    God they did make them as well as they did then  
21    because we keep pushing and pushing the power grid.  
22    So one of the things that has to happen is there has  
23    to be new investment in the power grid because our  
24    usage doesn't keep going up as much as their energy  
25    efficiency programs in place and people are using

1 smart light bulbs and things like that, the other  
2 things that are happening is more people are getting  
3 HDTV or whatever those things are. So ultimately our  
4 use of power is going to grow. So we do need to  
5 invest. You have to increase in anything to make sure  
6 it upholds you. And so it's not to belittle -- I'm  
7 certainly a consumer, too, the needs that we all have  
8 and bad economy and bad timing of this right now, but  
9 I also just want to represent there are real issues.  
10 This isn't just something that is made up. There is  
11 real investments that do need to be made that will  
12 ultimately benefit us all. And some of those things  
13 are investing in a new source of power, so not burning  
14 so much coal, but investing in solar energy and other  
15 things. And the other point I wanted to make, there  
16 is, you know, it may like look a monopoly, but there  
17 is one state in the country now that has -- it's  
18 deregulated and that's Texas. And actually what's  
19 happening is their rates are going up faster than  
20 those that are controlled by the state regulation and  
21 have so-called monopolies. That's all I wanted to  
22 say.

23 JUDGE WOODRUFF: Questions for Ms.  
24 Jeffries?

25 COMMISSIONER GUNN: I don't have any

1 questions.

2 COMMISSIONER KENNEY: Thank you.

3 JUDGE WOODRUFF: Anyone else wish to  
4 testify? I don't see any hands going up. All right.  
5 Thank you all for coming tonight, and with that we are  
6 adjourned.

7 COMMISSIONER GUNN: If I can let everybody  
8 know, this is one part of the process. We have four  
9 local public hearings tomorrow, on Thursday down at  
10 the Wainwright building we'll have the ability for  
11 anybody that couldn't make it from nine o'clock to  
12 three to come down and videotape comments and have any  
13 questions answered. So we had some other activities  
14 for people that can't make it tonight. After this,  
15 the procedure is we have an evidentiary hearing, those  
16 procedures will be webcast and so you can follow it on  
17 the web. I think those are scheduled in mid-March.  
18 And then we're required to have a decision out by late  
19 spring or early summer. So that's the time line from  
20 here on out in case anybody had any questions, but I  
21 want to thank everybody for coming out this evening.

22

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1	I N D E X O F S P E A K E R S .	
2		
3	Mr. Wiegert. . . . .	.5
4	Mr. Bauer. . . . .	.8
5	Mr. Schilling. . . . .	10
	Ms. Mueller. . . . .	13
6	Mr. Labit. . . . .	19
	Mr. Davoli. . . . .	.21
7	Ms. Rey. . . . .	23
	Mr. Iverson. . . . .	27
8	Ms. Kuhn. . . . .	.32
	Ms. Schuba. . . . .	.33
9	Mr. Howard. . . . .	.36
	Ms. Jeffries. . . . .	.38
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