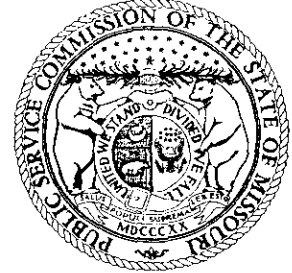


Notice of *Ex Parte* Contact

TO: Data Center
All Parties in Case No. **ER-2007-0002**

FROM: Chairman Jeff Davis *JMD*

DATE: March 7, 2007



On March 7, 2007 I received the attached letter from Mr. Edward R. Martin, Jr. regarding Ameren. The Commission is currently considering some of the issues discussed in this document in case **ER-2007-0002** which is a contested case. In contested cases, the Commission is bound by the same *ex parte* rule as a court of law.

Although communications from members of the public and other government officials are always welcome, those communications must be made known to all parties to a contested case so that those parties have the opportunity to respond. According to the Commission's rules (4 CSR 240-4.020(8)), when a communication (either oral or written) occurs outside the hearing process, any member of the Commission or Regulatory Law Judge who received the communication shall prepare a written report concerning the communication and submit it to each member of the Commission and the parties to the case. The report shall identify the person(s) who participated in the *ex parte* communication, the circumstances which resulted in the communication, the substance of the communication, and the relationship of the communication to a particular matter at issue before the Commission.

Therefore, I submit this report pursuant to the rules cited above. This will ensure that any party to this case will have notice of the attached information and a full and fair opportunity to respond to the comments contained therein.

cc: Commissioners
Executive Director
Secretary/Chief Regulatory Law Judge
General Counsel



OFFICE OF THE GOVERNOR
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MATT BLUNT
GOVERNOR

STATE CAPITOL
ROOM 216
(573) 751-3222

March 7, 2007

Mr. Jeff Davis
Chairman
Public Service Commission
Governor Office Building
200 Madison Street
Jefferson City, MO 65101

Dear Chairman Davis:

I am writing you in order to convey some serious concerns I have about Ameren and its representatives in our state. Specifically, I am concerned about Steve Sullivan, general counsel of Ameren, who has behaved in a manner that is sufficiently troubling to me that I feel compelled to notify you and your fellow commissioners.

To be more exact, I am concerned that Mr. Sullivan has repeatedly acted with questionable integrity with his interactions with Attorney General Jay Nixon. Please allow me to clarify how this is so.

First, in a meeting last September, Mr. Sullivan told me that he was approached by Attorney General Nixon and/or his campaign; Mr. Sullivan was directed to send contributions to certain state legislative committees that would be funneled to Mr. Nixon's campaign accounts. Mr. Sullivan made clear to me that this approach by Mr. Nixon took place after Mr. Nixon had accepted criminal prosecutorial discretion for the Taum Sauk case. Mr. Sullivan indicated that there was a cause and effect to Mr. Nixon's actions: the call for money came after the criminal inquiry began. Mr. Sullivan and his colleagues have repeatedly told me that that Ameren continues to feel tremendous pressure from Mr. Nixon due to their fear of his prosecutorial discretion. Ameren has indicated that they are unable to settle any aspect of the case and move forward due to Mr. Nixon's inaction and perceived threats. However, Mr. Sullivan continues to be unwilling to address this issue with the Attorney General or anyone else. Repeatedly, I have counseled him of his rights and that he needs to be assertive against such pressure. He has declined.

Mr. Jeff Davis
March 7, 2007
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Second and most relevant to you and your colleagues, I have concerns regarding the rate case filed by Ameren and currently before you. After the Taum Sauk disaster, Governor Blunt made explicit that Ameren should not expect ratepayers to pay for the damage and that the expenses caused by the disaster. Ameren agreed. However, incredibly, Ameren turned around and included in its rate case some \$10 million charge that was related to the Taum Sauk disaster. They later removed this amount, but questions persist. Why was it included? Do they really understand their responsibility? Does an apparent lack of responsiveness to aspects of the recent power outages extend to aspects of Taum Sauk and the rate case? It is my understanding that Mr. Steve Sullivan is a lead attorney for the rate case. This should trouble you.

Finally, too many Missourians have been unsatisfied with Ameren's responses to the storms over the past year or so. That Mr. Sullivan and Ameren have been slow to come up with plans that adequately address the needs of their ratepayers and customers is a serious concern.

At this point, Mr. Chairman, I am writing this letter after careful thought because of the ongoing rate case that is in front of you. It is important for Missourians to know what has happened and how Ameren and its top people operate. I strongly urge you to call Mr. Sullivan before you and address his actions. He may have plausible explanations; if so, Missourians deserve to hear them. Without explanations, however, I am naturally suspect of any and all Ameren statements or submissions.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Ed Martin". The signature is fluid and cursive, with the first name "Ed" and the last name "Martin" clearly distinguishable.

Edward R. Martin, Jr.
Chief of Staff