

1 STATE OF MISSOURI
2 PUBLIC SERVICE COMMISSION
3
4 TRANSCRIPT OF PROCEEDINGS
5 Local Public Hearing
6 February 9, 2010
7 Union R XI High School
8 In the Matter of Union)
Electric Company d/b/a)
9 AmerenUE's Tariffs to) File ER-2010-0036
Increase its Annual)
10 Revenues for Electric Service)
11
12 Morris Woodruff, Presiding
Deputy Chief Regulatory Law Judge
13 Robert Kenney
Commissioner
14
15 Nathan Williams, Staff Attorney
16 Lewis Mills, Office of Public Counsel
17 Thomas Byrne, counsel for AmerenUE
18
19
20 Reported by:
21 Jeanne M. Pedrotty, CCR/CSR
Midwest Litigation Services
22
23
24
25

1 JUDGE WOODRUFF: Good evening, everyone.
2 I'd like to welcome you to this Local Public Hearing.
3 My name is Morris Woodruff. I'm the regulatory law
4 judge assigned to this case. And this is case number
5 ER2010-0036. And before we get started with anything
6 else, I'd like to introduce the commission to my left.
7 This is Commissioner Robert Kenney.

8 COMMISSIONER KENNEY: Good evening,
9 everybody. Thank you for braving the cold and coming
10 out here tonight. As may have already been explained
11 to you, this is the local public hearing portion of
12 Ameren's rate case. You had an opportunity earlier to
13 ask questions of our staff and of Ameren staff. In
14 this portion, you will have an opportunity to submit
15 sworn testimony that will become a part of the case
16 record. The Missouri Public Service Commission is
17 composed of five commissioners that are appointed by
18 the governor. So I have four colleagues that are
19 going to be able to take the transcript of this, and
20 they will have an opportunity to review that as we
21 decide the larger rate case. So tonight you will have
22 an opportunity to submit sworn testimony, and we will
23 have the opportunity to ask you questions if that's
24 appropriate. And then that testimony will be
25 transcribed and will become part of the case record.

1 So your participation in this process is appreciated.
2 It's necessary. And we thank you for taking the time
3 to come out and become part of the process.

4 JUDGE WOODRUFF: Thank you, Commissioner.
5 And you might also notice that we are videotaping the
6 testimony tonight. This will eventually be put on to
7 our website, PSC.mo.gov, so anyone that wants to view
8 it can view it that way as well as one of the other
9 local public hearings that we've had around the state.
10 And this is the last one. March 15th is when we start
11 the actual evidentiary hearing in Jefferson City. Let
12 me go ahead and explain the procedure that we're going
13 to follow tonight. I have got a list of people who
14 signed up out front to give their testimony. When I
15 call your name, please come up to the podium here,
16 I'll ask you to raise your right hand and I'll swear
17 you in as a witness and I'll give you an opportunity
18 to make your statement. Then I'll give the
19 commissioners a chance to ask questions as well. And
20 I may have some questions. And if any of the
21 attorneys who are here to representing the parties
22 have questions, they may ask question also to kind of
23 follow-up on things. And before I call the first
24 witness, I'll give the attorneys an opportunity to
25 identify themselves beginning with the attorney for

1 staff.

2 MR. WILLIAMS: Nathan Williams, and my
3 address is Post Office Box 360, Jefferson City,
4 Missouri, 65102.

5 JUDGE WOODRUFF: Thank you. And for
6 AmerenUE?

7 MR. BYRNE: Your Honor, I'm Tom Byrne for
8 AmerenUE. My address is 1901 Chouteau Avenue, St.
9 Louis, Missouri, 63103.

10 JUDGE WOODRUFF: Thank you. And for office
11 of Public Counsel.

12 MR. MILLS: Thank you, Your Honor. My name
13 is Lewis Mills. My address is Post Office Box 2230,
14 Jefferson City, Missouri. And I'm appearing on behalf
15 of the office of Public Counsel and the public.

16 JUDGE WOODRUFF: Any other attorneys
17 representing any of the parties? I don't see anybody
18 else. We'll go with the first witness. And the first
19 name is David Stone. Thank you, sir. If you please
20 raise your right hand. Do you solemnly swear or affirm
21 that the testimony you're about to give shall be the
22 truth, the whole truth, and nothing but the truth.

23 MR. STONE: Yes, I do.

24 JUDGE WOODRUFF: Thank you very much. You
25 might want to speak a little more in the microphone or

1 move it towards you a little bit. What would you like
2 to tell us?

3 MR. STONE: I'd like to know why did the
4 electric companies go through and does the same job
5 twice? In other words, they go through, they trim
6 these trees and then they decided later on to come
7 back and just cut them all down. Why don't they just
8 do it right the first time?

9 JUDGE WOODRUFF: I need to explain, I can't
10 answer questions about the particulars of the case.

11 MR. STONE: They come by and they trim
12 trees, and later on they come back and they decide to
13 cut them down, which just adds more expense to it.
14 Why not do the job right the first time?

15 JUDGE WOODRUFF: Well, I can take that as a
16 rhetorical question, but I can't give you an answer
17 today. If you want to talk to the people from Ameren,
18 they might be able to explain themselves, or you can
19 talk to Lewis Mills at the Office of Public Counsel.
20 They might be able to answer your questions.

21 MR. STONE: All right.

22 JUDGE WOODRUFF: Is there anything else
23 you'd like to tell us?

24 MR. STONE: No.

25 JUDGE WOODRUFF: Any questions for this

1 gentleman?

2 COMMISSIONER KENNEY: No. No. Thank you.

3 JUDGE WOODRUFF: Thank you. The next name
4 is Josh Marion. If you would please raise your right
5 hand. Do you solemnly swear or affirm that the
6 testimony you're about to give shall be the truth, the
7 whole truth, and nothing but the truth?

8 MR. MARION: Yes, I do.

9 JUDGE WOODRUFF: Thank you. Could you tell
10 us your name please.

11 MR. MARION: Josh Marion.

12 JUDGE WOODRUFF: Can you spell your last
13 name?

14 MR. MARION: M-a-r-i-o-n as in Nancy.

15 JUDGE WOODRUFF: Thank you very much. What
16 would you like to tell us.

17 MR. MARION: I'm not exactly sure how this
18 works. However, these companies, utility companies
19 and a lot of other companies, keep getting more and
20 more money all the time. And the general public is
21 the ones who have to pay for it. Why does the little
22 guy always have to pay for all of these other mistakes
23 that everybody else is making? There is a lot of
24 people out of work. There is a lot of people that are
25 on fixed income. And we keep getting hit by the

1 utility, water, electric, the fuel, everybody's
2 heating costs. This needs to stop somewhere. If they
3 have all these millions of dollars in profit, why not
4 reuse that money to make their system better. We're
5 not the ones using -- you know, we're not running
6 their companies. Why don't they find a way to use
7 their profit more efficiently?

8 JUDGE WOODRUFF: Anything else you'd like
9 to add?

10 MR. MARION: I just -- I think that 18
11 percent is way too much money. I think that there is
12 too much money spent on newer vehicles for their
13 service companies when they could put a lot more
14 people to work by rebuilding some of the service
15 equipment that they have instead of us paying for
16 these hundred thousand dollars trucks. It's
17 absolutely ridiculous. The CEO should not be driving
18 around in \$40,000 or \$50,000 automobiles when we all
19 have to drive around in \$5000 and \$6000 automobiles.
20 And we have to make a living just like they do.
21 That's all I had to say. I just think that it's way
22 too much money.

23 JUDGE WOODRUFF: Thank you, sir. Any
24 questions for Mr. Marion?

25 COMMISSIONER KENNEY: Mr. Marion, thank you

1 for taking the time to come out.

2 MR. MARION: Okay. Thank you.

3 JUDGE WOODRUFF: The next name on the list
4 is Russell McCreary. Good evening, sir.

5 MR. MCCREARY: Good evening.

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

10 MR. MCCREARY: I do.

11 JUDGE WOODRUFF: Thank you very much. And
12 could you state your name and spell your last name
13 please?

14 MR. MCCREARY: Russell McCreary;
15 M-c-C-r-e-a-r-y.

16 JUDGE WOODRUFF: Thank you. What would you
17 like to tell us?

18 MR. MCCREARY: Well, I'd like to share with
19 you and my neighbors around here what I learned in the
20 past 20 plus years at Ameren. Just a little
21 background. I started in this line of work in 1980,
22 March, working construction all across the midwest for
23 Mississippi, Arkansas, Iowa, Kansas, New Jersey and,
24 of course, in Missouri. Construction at that time was
25 about like it is now, in a recession. I came to work

1 at Ellisville at UE in 1988. I went from Ellisville
2 to Berkley to Dorsett and back to Ellisville. So I
3 worked in three different districts in the metro area.
4 15 years ago I chose to build a house out here in
5 Union because I had that opportunity. Just like I had
6 the opportunity to come to work for UE at the time. I
7 just want to let you know some of the things that I
8 have seen over the years right there at Ellisville,
9 west county, basically, Franklin County to 141. From
10 a high at 85 people going out at everyday to do the
11 work, UE cut us down to 22. Now, that's true that
12 construction had dropped off and we didn't need that
13 many people, but when they -- they do know how to
14 squeeze a dime. That's for about 70,000 meters. Our
15 motor transportation department went from 13 people
16 down to two. They have invested in computers. When I
17 came there everything was on paper, triplicate form.
18 You had people to shuffle the paper. They invested in
19 computers and, of course, training. The supervisors
20 at Ellisville went from seven to three. So, as our
21 load increased and our customer load increased, the
22 work force was decreased at the same time. We made
23 these work. They did a good job. I have been there
24 for about five different contracts. I haven't voted
25 for one because it's all about concessions, but we

1 worked it out between labor and management. We went
2 from four-man crews to three-man crews to two-man
3 crews to even one man crews. And it was just to do
4 more with less. That's what it's been; more with
5 less. In recent years when things picked up, they
6 have invested in hand tools, electrical hand tools
7 battery operated that cost hundreds of dollars a
8 piece. Cutters and presses and things, but they
9 realize hydraulic tools that cost thousands of dollars
10 a piece that you can't take six feet from the truck to
11 use. So they have made some pretty wise investments.
12 They have also invested in safety. What I'm wearing
13 is a flame retardant shirt. We didn't have to wear
14 these before. And in this line of work, I'm a
15 lineman. It is dangerous. They did these things
16 before it was mandated by the government or anything.
17 They did it on their own. They say what they do what
18 they do to make things better and they have. They
19 have invested, of course, in new lines, in tree
20 trimming, and cable. Some of these cables, depending
21 on where they go in, are over \$500 a foot because of
22 their location specifically west coast. They have
23 done what they did -- another thing that they are
24 battling -- the local cities like Wildwood and Ballwin
25 now have inspection programs to where if we go to work

1 on our own cables in the right-of-way, we have to
2 coordinate with them, post a bond, and then, of
3 course, pay for paperwork that we didn't have to do 15
4 years ago. Healthcare coverage; mine has gone up over
5 \$5000 last year for my family. And I -- and, of
6 course, the company picks up the major portion of
7 that, and over \$4000 the year before. Last week I
8 heard down at local union that they are looking into
9 different healthcare companies to help trim costs. I
10 just wanted to let my neighbors know. Oh, some of the
11 machines that we've gone with, you talked about
12 trucks. I have gone out in rusted trucks, rusted with
13 holes in the floorboard and they would put mud flaps
14 in there to fix it because they knew the truck wasn't
15 going to be around much longer. Now, we have a new
16 fleet of diesels that are automatics, no longer stick
17 shifts. And he is right, they are hundreds of
18 thousands of dollars a piece, but some of the trucks
19 that used to be here, I won't want my wife on the road
20 riding behind. They improved the system just about
21 everywhere you look. They improved communication.
22 When I came in the door, it was just go to work and
23 that's what you do that day. You don't care about
24 tomorrow. They started a program where they actually
25 ask us what we thought. And they, of course, had to

1 do it in a big way. They had to have another company
2 come in to make it fair so people wouldn't feel like
3 they were being picked on. They took some of those
4 ideas. And it's just nice to have communication both
5 ways instead of just told what to do. They set goals
6 for us. Not only as a corporation, but also as a
7 district. And they don't keep it a secret anymore.
8 They share it with us. They tell us this is what we
9 got to do to get better. And we try to get better.
10 We're trying to get better for our customers. When
11 you go back to the same neighborhood from time after
12 time, when the people know you by name, you know there
13 is something wrong. So these cables and all this \$500
14 million dollars that they have invested, it's been
15 needed for a long time. And I just want to share some
16 of that with my neighbors. These are good jobs and
17 you say well cut, cut, cut. You know, there is people
18 out there now -- there is other companies that I go to
19 work for. There is guys getting into the business can
20 go to work for other companies and they have to stay
21 competitive. I chose to come here to Union because I
22 think it's a good place to live. I chose to come to
23 UE. And I chose to remain there. And I just want to
24 share that information with you.

25 JUDGE WOODRUFF: Thank you, sir. Mr.

1 Kenney, any questions?

2 COMMISSIONER KENNEY: Mr. McCreary, thanks
3 for coming and sharing. You're a member of IBEW; is
4 that right?

5 MR. MCCREARY: Uh-huh.

6 COMMISSIONER KENNEY: What's your local
7 number?

8 MR. MCCREARY: 1439.

9 COMMISSIONER KENNEY: And you made mention
10 of various contracts that you had an opportunity to
11 negotiate over the years?

12 MR. MCCREARY: Not negotiate, just vote on.

13 COMMISSIONER KENNEY: Just vote, so --

14 MR. MCCREARY: Right.

15 COMMISSIONER KENNEY: Do you feel like you
16 were dealt with fairly and generally pleased with the
17 process?

18 MR. MCCREARY: No. The process can be long
19 and drawn out.

20 COMMISSIONER KENNEY: Let's say the
21 outcome.

22 MR. MCCREARY: But somehow or other they
23 always seem to get together and make it work one way
24 or the other. Not everybody is happy, but again, I
25 could go to work for some place else and I could have,

1 but I chose to stay here. I like the area and like
2 the neighborhood. I like the people. There are
3 better and there are worse companies out there. I
4 know.

5 COMMISSIONER KENNEY: Well, thank you for
6 coming out. And thanks for the work that you do.

7 MR. MCCREARY: Thank you.

8 JUDGE WOODRUFF: I have a couple questions
9 for you, sir.

10 MR. MCCREARY: Yes.

11 JUDGE WOODRUFF: You mention that you are
12 involved in construction. What does that entail?

13 MR. MCCREARY: Line construction. When UE
14 -- say UE -- you used to have UE would not lay people
15 off, but they wouldn't hire. You're going to build a
16 steel tower line, you need a couple hundred people to
17 do it. They wouldn't hire people to do it, UE
18 wouldn't, and then lay them off. What they do is they
19 hire contractors. I worked for several. Sachs
20 Electric, Parr, KCP & L. You work on different
21 companies, different utility jobs. And, of course,
22 jobs in construction are construction jobs. I started
23 on high line working for Missouri Central Electric I
24 think it was ran from Jonesburg to Big Springs,
25 Missouri. It was a fixture line. And you just work

1 -- I worked for city, city of Macon with Sachs
2 putting up street lights and traffic signals. I work
3 for UE civil different times, building substations and
4 distribution system. So like I said, I came from
5 outside and I looked around. And you know what, this
6 isn't a bad place to be.

7 JUDGE WOODRUFF: Okay. So you're a lineman
8 now?

9 MR. MCCREARY: Yeah. Well, repair man
10 which means you run a crew. It's a seniority type
11 thing.

12 JUDGE WOODRUFF: And you said you noticed
13 some improvement in UE's performance. When did that
14 start; buying the new trucks and that sort of thing.

15 MR. MCCREARY: Oh, I'd say about eight or
16 nine years ago maybe. One thing I do want to mention,
17 I looked up -- we were able to check out and I looked
18 on my residence in the last five years, I have been
19 out five times for a total of six hours, but I'm one
20 of the guys with underground electric system that's
21 not that old, and we're right off a feeder. I don't
22 live way back on a narrow road with a bunch of trees
23 on either side. And in the city you cannot -- you
24 trim ten feet out and that's it. You go any farther
25 and people start calling our lawyers. So they are

1 doing the best job they can with some of the
2 conditions they have. We've had people call in and
3 complain about people in boots leaving heel marks in
4 their sod, seriously. I mean and they address that.
5 They send people back out to fix it because they are
6 very concerned these days about customer service.
7 They understand that this is where the money comes
8 from.

9 JUDGE WOODRUFF: Okay. Thank you, sir.
10 Any other questions for this witness? Thank you.

11 MR. MCCREARY: Thanks.

12 JUDGE WOODRUFF: The next name on the list
13 is Don Kretsinski. You don't want to -- I'll cross
14 your name off. John Kennedy.

15 MR. KENNEDY: I'm right here.

16 JUDGE WOODRUFF: Good evening, sir.

17 MR. KENNEDY: Good evening.

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

22 MR. KENNEDY: I do.

23 JUDGE WOODRUFF: Thank you. Could you tell
24 us your name?

25 MR. KENNEDY: My name is John Kennedy. And

1 I'm here tonight to testify on, you know, UE sent us a
2 little thing on my electric for last two years'
3 average monthly bills. And so I completed it out for
4 this year. And I want to tell you this before, I have
5 got a regular statement that I want to read. I tried
6 to sent it through e-mail and I couldn't get it
7 through. But I added up my annual bills and I don't
8 know where the money goes, and I don't know how much
9 they need, but I know since 2007 my bill right now for
10 2009 was 15 percent higher. 2008 was ten percent
11 higher than 2007. And with that, I want to read the
12 e-mail that I tried to send through today and I
13 couldn't get through. It said I would urge all people
14 who will have to okay this rate hike to keep in mind
15 that a lot of senior citizens will have to pay
16 whatever they allow and we cannot go anywhere else to
17 buy our electric. We are dependent on your to fairly
18 compensate the utility companies, but also let them
19 know that responsibility to serve the community while
20 they are also cut costs from within. Some people
21 cannot afford a 16 percent rate hike. I know costs
22 are up. My own electric bills have went up ten
23 percent in 2008 and 15 percent through 2009 from 2007.
24 This shows that we are paying our fair share cost of
25 electric. Ameren should have to show that they are

1 responsible to the people of Missouri and not just
2 here for the money. And I only say this because one
3 person could have stopped that Tomsauk monstrosity,
4 one human being. And it was billions and billions and
5 billions. One person could have went and seen that
6 thing and shut them off. Even though they had
7 electronic eyes in there. And I know this is fact
8 because I seen the paperwork and went to UE. It was
9 called to their attention that the sensor was floating
10 on top of the water for two months before that dam
11 broke. They did nothing about it. You know. I'm not
12 trying to say that anybody is at fault. Everybody
13 makes errors, you know. I'm just trying to say I
14 think these people, they need to be held accountable
15 and know we can't go nowhere and buy electric. This
16 is the only place right here. And another thing I
17 got, I'd like to say since I looked around tonight and
18 I don't see the people that I need to represent here
19 tonight. That's people that's 75, 80, 85, 90. That's
20 been on limited income for 20 or 30 years and here
21 after you get this 18 percent added on to mine, I'm
22 going to have 33 percent jump in three years, and
23 paying this year. You know, I'm not to a point where
24 I can't pay my electric bill, but I'm sure there are
25 some that does. I don't care. If we need this raise

1 to get electric to us, that's fine, but I think
2 provisions ought to be made for people that's on
3 limited income. I mean poor income that cannot afford
4 to pay these bills. I don't think UE should be able
5 to go out there and turn them off now when they are
6 selling electricity to other people and set higher and
7 selling to them for less money than what we're paying.
8 That's ridiculous. That's the way I feel. I think
9 someone ought to take up for the 75 and 80-year-olds
10 that can't get here. I know someday if they keep
11 going, 30 percent every four years or every ten years
12 on me, I'm going to be there some day. I'll be where
13 I won't be able to pay my utilities. And I'd just
14 like to have them held accountable a little bit.

15 JUDGE WOODRUFF: Thanks, sir. Any
16 questions?

17 COMMISSIONER KENNEY: I don't have any
18 questions, Mr. Kennedy, but thank you for the time and
19 thank you for speaking for folks that were not able to
20 make it here tonight.

21 MR. KENNEDY: Thank you.

22 JUDGE WOODRUFF: The next name on my list
23 is Daniel Swann. Good evening, sir. Please raise
24 your right hand. Do you solemnly swear or affirm that
25 the testimony you're about to give shall be the truth,

1 the whole truth, and nothing but the truth?

2 MR. SWANN: Yes, I do.

3 JUDGE WOODRUFF: Thank you very much. Tell
4 us your name and spell your last name.

5 MR. SWANN: Daniel Swann; S-w-a-n-n.

6 JUDGE WOODRUFF: Thank you, sir.

7 MR. SWANN: Thanks, Judge. I got the call
8 last night, an automated thing announcing that this
9 was coming down. And in looking at an increase of
10 about 17 percent, I get budget billings in my home,
11 median income. My wife and I both work raising three
12 kids. That went up, I want to say three months ago,
13 17 percent. We've been cutting back on our
14 electricity. And we figured what another 18 percent
15 is. It equals another \$600 a year for our household.
16 I was reading through this paperwork and reasonable
17 return on its investment after recovering prudently
18 incurred expenses upsets me a bit, and Montauk was
19 mentioned. I understand that their profit had to have
20 gone down that year for the cleanup. And I'm also
21 aware that or it's been in talks about a new nuclear
22 plant. And I would say that if Ameren is wanting to
23 do these projects, let the shareholders take a lesser
24 cut and not give us the brunt of it to pay for their
25 improvements. Because I'm sure after their projects

1 are done, our rates aren't going to go back down. I
2 know things are tough all over for all of us, the
3 whole nation. Missouri is not part of -- I guess it's
4 little over a sixth of the states that are running in
5 bankruptcy. And trying to keep this state's
6 government and the people here lucrative, I think it's
7 important to everybody pulled together in this
8 monopoly, big companies as well as all of us out here.
9 You start hitting us with more bills, less income to
10 spend on our local economies, it's not going to be
11 beneficial. I think it would be detrimental and I
12 appreciate you hearing me.

13 JUDGE WOODRUFF: Thank you, sir. Any
14 questions for Mr. Swann?

15 COMMISSIONER KENNEY: No, but thank you for
16 coming out, Mr. Swann.

17 MR. SWANN: Thank you.

18 JUDGE WOODRUFF: Thank you very much. Mr.
19 Swann was the last person to have signed up. Is there
20 anyone else who would like to testify? I see a
21 gentleman in the back. Come on forward. Good
22 evening. Please raise your right hand. Do you
23 solemnly swear or affirm that the testimony that
24 you're about to give shall be the truth, the whole
25 truth, and nothing but the truth?

1 MR. GASS: Yes, sir.

2 JUDGE WOODRUFF: Could you tell us your
3 name?

4 MR. GASS: Edward Gass; G-a-s-s-.

5 JUDGE WOODRUFF: What would you like to
6 tell us?

7 MR. GASS: Well, Union Electric in my eyes
8 is very good company. They work very good. I know a
9 lot of the fellas in Franklin County. No problem.
10 But they are talking about their chart that they're
11 number one in no power outages, but that costs money.
12 Maybe we shouldn't be number one, maybe we ought to be
13 two or three and rates would stay a little lower, but
14 the other thing like the other gentleman talked about.
15 There is a lot of people that is going to be hurt
16 pretty bad by an 18 percent raise. And especially the
17 people that's laid off, people that jobs have been
18 cut, people that jobs are reduced in pay. I think if
19 everybody worked for Ameren, everybody would be able
20 to pay that. But today that's not there. So I would
21 ask the Commission maybe not to approve that rate.
22 Maybe it's needed in their eyes. I'm sure it is or
23 they wouldn't have asked for it, but maybe the right
24 thing to do is look at the folks and not burden
25 everybody so bad and maybe cut back a little bit.

1 Like I say, instead of being number one on less power
2 outage what if you have a little power outage. I have
3 one every once in while. It doesn't bother me. It
4 shouldn't bother anybody. It's a natural thing that
5 happens. A squirrel is going to get in a transformer.
6 Wind is coming up and blow the trees down. That just
7 happens and we just have to live with it. The thing
8 that I see in the '60s and the '70s, Ameren -- well,
9 it wasn't Ameren. It was UE. But it was very good
10 company, and I'm sure we had power outages just like
11 we have today and I don't think people got upset near
12 as bad about them as they do today. And maybe people
13 are going to kind of have to suck up a little bit and
14 if they want to keep the rates low, they might have to
15 have a little less best service and that's my opinion.

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

18 COMMISSIONER KENNEY: No. Thank you, Mr.
19 Gass.

20 MR. GASS: Thank you.

21 JUDGE WOODRUFF: Anyone else who would like
22 to testify? I see the gentleman over here. Good
23 evening. Please raise your right hand. Do you
24 solemnly swear or affirm that the testimony you're
25 about to give shall be the truth, the whole truth, and

1 nothing but the truth?

2 MR. RIO: I do.

3 JUDGE WOODRUFF: Could you tell us your
4 name please?

5 MR. RIO: Todd Rio; R-i-o.

6 JUDGE WOODRUFF: What would you like to
7 tell us?

8 MR. RIO: I would just like to ask the
9 Commission to keep a few things in mind when they are
10 looking into this rate increase. One thing, and
11 obviously it's been in the news a lot lately, but
12 that's executive compensation. It really seems
13 ridiculous to me to look at executives of almost any
14 company and talk about compensation packages that are,
15 you know, well and above \$750,000. I looked at a
16 little bit of information on the Internet yesterday.
17 And I wasn't able to find the most current
18 information, but I think the executive board at Ameren
19 is very well compensated. And bring some of that pay
20 down may not decrease a 18 percent rate to a ten
21 percent increase, but I think every little bit counts.
22 And it sure would be a gesture of good faith towards
23 its client. We do have to keep in mind that AmerenUE,
24 in this instance, they do have a monopoly. So I think
25 when we talk about the rate of return on their

1 investments, we cannot compare it to other companies
2 that do not have monopolies and, therefore, are really
3 at much greater risk. You know, the power that
4 AmerenUE produces is going to be sold to their
5 clientele. It is not like for say a car company that
6 really doesn't know how many cars they are going to
7 sell in the next year. Ameren's rate of electricity
8 may fluctuate some, but they are going to be selling
9 electricity to these customers. They have no other
10 choice. So I don't think you can give them the same
11 rate of return that maybe you would like to see from a
12 private -- from more of a free market company. The
13 second thing -- some of the things I heard talked
14 about tonight were they talked about capital
15 expenditures in order to make their lines more
16 reliable seems to me that they are more of maintenance
17 costs. You know, trimming of trees, replacing of some
18 lines, or replacing of some transformers. To me, if
19 you have a power company, you should be budgeting for
20 a certain amount of maintenance every year. And a lot
21 of the things that they mention to me didn't seem like
22 that's a real capital expenditure, capital
23 expenditures would be building a new plant, seriously
24 improving maybe some equipment in your plant, more
25 efficient equipment, or maybe equipment that just does

1 its job better. That would be a capital expenditure.
2 It seems like a lot of this stuff is maintenance. The
3 other comment I would have is about the potential rate
4 increases due to emissions, carbon, clean energy. I
5 know Missouri passed a law in 2008 that was going to
6 structure in the coming years, making it law, that
7 power companies have to supply a certain percentage of
8 renewable energy. That was passed by Missouri voters.
9 Myself, I have to question how much people really
10 think about if they really think about the cost impact
11 that they in the end are going to have to foot when
12 they pass those things. And when a rule -- because I
13 think the day will come by when there is some sort of
14 rule or rate increase that is directly related to
15 renewable energy or clean energy. I would like to see
16 that billed separately. Merely to an educated citizen
17 that these are some of the things that maybe they
18 directly voted for or maybe their elected
19 representatives have voted for. And this is what it's
20 going to cost you. I think the educational benefit of
21 that would be great. And as I say that I'm mechanical
22 engineer, and I think most engineers at heart are
23 green people. We love things that are efficient. We
24 love things that are clean. We love machines and
25 mechanisms that do their job very well. At heart, I'm

1 a very green person, but people need to realize what
2 that doesn't mean that you are going to get it at the
3 same cost. And when they talk about AmerenUE being
4 one of the cheapest, I think most of our power
5 production is coal. Coal is cheaper electricity, but
6 it's also the dirtiest. So there is always a give and
7 take. So I would just ask that the Commission kind of
8 keep those things in mind when they are looking at
9 this rate increase case.

10 JUDGE WOODRUFF: Thank you, Mr. Rio. Thank
11 you.

12 COMMISSIONER KENNEY: Thanks for the very
13 valuable input. And thanks for taking the time to
14 participate in the process.

15 JUDGE WOODRUFF: Is there anyone else here
16 who would like to testify? Yes, sir. Good evening.

17 MR. MOLL: Good evening.

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

22 MR. MOLL: I do.

23 JUDGE WOODRUFF: Thank you very much. Tell
24 us your name please.

25 MR. MOLL:: David Moll; M-o-l-l.

1 JUDGE WOODRUFF: What would you like to
2 tell us?

3 MR. MOLL:: I'm a retired individual on a
4 fixed income. I'd like to speak primarily tonight for
5 two groups of people in our county. The unemployed
6 and the elderly on fixed incomes. As you probably
7 know, I'd like to ask the Commission to consider that
8 this county, Franklin County and the St. Louis major
9 metro region has the highest unemployment; 11.8
10 percent in December based on the Merit report that I
11 downloaded. I work -- I have occasion to almost daily
12 interact with people who are unemployed, on
13 unemployment looking for work. Almost daily they are
14 looking for work on the Internet. They are on their
15 second, third applying for unemployment extension in
16 March. They are stuck. They have no cash to take any
17 kind of increase in utility rates, which, of course,
18 hits every one of us. As I appreciated the gentleman
19 who spoke for those who don't come out on the cold
20 night like this who are, of course, elderly than most
21 of us, and have been on a very tight fixed income for
22 years. They will not be able to absorb any kind of
23 increase. Anything would be excessive. As you
24 probably know, Social Security received no cost of
25 living adjustment this year, promised none next year.

1 It's just not in the future for these people to be
2 able to absorb a utility increase like this. I
3 understand that we need electricity. We need it
4 generated. We need for UE to make some profit so that
5 they can stay in business and serve us. We're stuck
6 with them. However, this is a very difficult time.
7 We are in a very fragile economy. We're in an economy
8 that still could collapse. We could see it fall apart
9 in this up coming year. The people here are dependent
10 on jobs and jobs are probably a year farther away from
11 them, in my opinion, than they think they are, or some
12 of the things they are promised and they are stuck.
13 And I just implore the Commission to consider each of
14 the individuals in Franklin County. Thank you.

15 JUDGE WOODRUFF: Thank you, sir. Any
16 questions?

17 COMMISSIONER KENNEY: Mr. Moll, thank you
18 for coming out and sharing your thoughts with us. You
19 mentioned that you work with folks that are looking
20 for work. Is that --

21 MR. MOLL: I do.

22 COMMISSIONER KENNEY: Is that through a
23 social service agency or through church?

24 MR. MOLL: I'm an adjunct instructor with
25 East Central College. I teach GED class primarily to

1 adults who are virtually all unemployed, all looking
2 for work. And typically are without high school
3 diplomas, the benefit of a high school diploma, or
4 they are preparing to take a course -- entrance exams
5 for a course to get further training through TRI or
6 WIA, or programs like that. It's a part-time
7 involvement.

8 COMMISSIONER KENNEY: In the course of that
9 work and that interaction, do you ever have occasion
10 to refer your students to energy assistance programs
11 or to any --

12 MR. MOLL: I do, but that's not my job
13 primarily. But of course, you build personal
14 relationships and instructional settings like that.
15 So I do share with them as I know of various community
16 services that are available to them, even help them
17 with earned income credit and things they have not
18 experienced before.

19 COMMISSIONER KENNEY: Have you ever had
20 occasion to directly interact with Ameren in assisting
21 any of your students?

22 MR. MOLL: I have not. I have been -- I'm
23 a rather recent resident of Franklin County as of June
24 of '07. So, this is my first experience with an
25 18-percent increase from AmerenUE.

1 COMMISSIONER KENNEY: Well, thank you for
2 sharing with us, and thanks for the work that you do.

3 MR. MOLL: Thanks for listening.

4 JUDGE WOODRUFF: Anyone else like to
5 testify? Yes, ma'am. Good evening. Please raise
6 your right hand. Do you solemnly swear that the
7 testimony that you're about to give shall be the
8 truth, the whole truth, and nothing but the truth?

9 MS. MARQUART: I do.

10 JUDGE WOODRUFF: Tell us your name please.

11 MS. MARQUART:: My name is Jeanne Marquart;
12 M-a-r-q-u-a-r-t.

13 JUDGE WOODRUFF: And what would you like to
14 tell us?

15 MS. MARQUART:: Well, when AmerenUE
16 purchased Union Electric, I believe they did it for
17 the profit they could see that they could make. I
18 believe they saw a good investment. At the time they
19 also cancelled several maintenance contracts, I
20 believe. One was in tree trimming. I believe they
21 had a contract with a shade tree company and they
22 decided they could do this in-house. Now, there's
23 nothing wrong with that, but they also decided that
24 they could change the schedule a bit and kind of shave
25 off instead of trimming every three years, maybe we go

1 to every five years. I believe that sort of thing was
2 ill-advised. I believe that is what they paid for
3 when they had the massive outages. I believe they are
4 making up for that now, but I also think they had to
5 do a lot of PR, hiring Karen Foss to tell us that they
6 listen and they respond. I'm glad they are putting
7 the wire underground because then we won't have to
8 worry about whether they cancel tree trimming or other
9 kinds of maintenance. And if they decided that they
10 don't want to be number one anymore, I sure hope they
11 warn us because at that the point I think I'm going to
12 buy a small generator for myself. I'm not asking that
13 they back off from being number one, I'm just asking
14 that they maintain what they have. And I also agree
15 with Mr. Rio who said that they need to budget for
16 these kinds of things. I have to do that in my own
17 home. If I decide I'm going to add on, I need to
18 figure out how much it's going to cost me to heat, how
19 much it's going to cost me to run electricity. If I
20 decide to have company over for a meal, I need to
21 figure out if I can pay for the food that we're going
22 to eat. I think they have probably done as Mr.
23 McCreary says, a pretty good job of trying to be more
24 cost effective. And I do think they have got some
25 very wonderful people working for them. But I don't

1 think they have always made the best economic moves
2 for themselves. Thank you.

3 JUDGE WOODRUFF: Thank you, ma'am. Any
4 questions?

5 COMMISSIONER KENNEY: That's all right.
6 Thanks for coming back. I wanted to ask if you had
7 any reliability issues that you experienced personally
8 here at the time of ice storms a few years ago or any
9 other such reliability issue?

10 MS. MARQUART: Not myself, but several
11 people I knew who lived in St. Louis did. I also
12 believe that the not being permitted to go certain
13 areas trimming trees is a bit of a red herring. I
14 believe if it's explained to the homeowners, what
15 trouble is going to be caused by the trees overhanging
16 the wires, I believe that almost any homeowner is
17 going to give in. I also think that there were places
18 where the trees were not trimmed that were not in some
19 homeowners' yard or not some prized tree that may have
20 made a huge difference. I believe there was a
21 gentleman, at least one, who lost his life in one of
22 those power outages. And I can't say that I fault
23 Ameren directly for it. I know accidents can happen,
24 but isn't it a shame that there weren't more trees
25 trimmed. Maybe if they had stayed on the schedule

1 they had.

2 COMMISSIONER KENNEY: Thank you very much.

3 JUDGE WOODRUFF: Anyone else like to
4 testify? Yes, ma'am. Good evening.

5 MS. HANNAH: Hi.

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

10 MS. HANNAH: I do.

11 JUDGE WOODRUFF: Tell us your name.

12 MS. HANNAH:: Laura Hannah.

13 JUDGE WOODRUFF: Spell your last name.

14 MS. HANNAH: H-a-n-n-a-h.

15 JUDGE WOODRUFF: What would you like to
16 tell us?

17 MS. HANNAH: It seems to me that the
18 environment that we're living in environmentally and
19 financially that the power companies make money by
20 selling power. We consume so much power without many
21 restrictions, which is creating power companies to
22 spend more money on power plants. They're in business
23 to make money. They are in business to increase
24 sales. As a consequence, rate increases are
25 inevitable to sustain profit and create more plants

1 which costs will be in turn given to the consumer. At
2 what point do we, the public, start to stop our
3 consumption to drop our costs. There are a few things
4 that I seem to see happening more and more in our
5 country. We are lighting up everything. We consume
6 so much energy out of fear. Industrial areas have
7 lights that you can't even see the stars anymore
8 because they are so bright. Schools like this one are
9 constantly set at a certain temperature with or
10 without people. Public buildings also, and of course,
11 where I live we just recently became incorporated into
12 the city of Pacific. With becoming incorporated into
13 the city of Pacific, we were given street lights which
14 consume power. We never needed those street lights.
15 I never wanted them. Nobody asked me if I wanted
16 them. I find that a lot of the people that I have
17 heard tonight are in trouble and it worries me. I
18 have been living in my house this winter, it's about
19 3000 square feet. I ordered the fuel to power the
20 house, it's on oil. And I started hearing more and
21 more people telling their stories of losing their
22 jobs, not being able to pay for the heat. So this
23 winter I have not turned my heat on once. It's a
24 different perspective living like that, to see what
25 other people feel. It's also -- I have gone through a

1 change of how I dress, how I think, how I eat, how I
2 sleep, how I live my life. I think that all of us
3 could use a good dose of toning our consumption back
4 so we can create a better world where we don't have to
5 worry about our neighbor who is on a fixed income and
6 they are on oxygen tanks and they need to breathe.
7 I'm asking my community, my neighbors that all of you
8 go home tonight and see how much power you use, how
9 much lighting, how much heat, how many times you go on
10 without thinking of planning your trips to and from
11 stores. Thanks for listening.

12 JUDGE WOODRUFF: Thank you, ma'am. Any
13 questions?

14 COMMISSIONER KENNEY: Thank you for your
15 comments.

16 JUDGE WOODRUFF: Is there anyone else who
17 would like to testify? I don't see any other hands
18 going up. So with that I'll hand it over to
19 Commissioner Kenney if he has any final comments.

20 COMMISSIONER KENNEY: I said earlier, and
21 I'll say it again, your voice is an important and
22 integral part of the process. So thank you again for
23 venturing out on this very cold night and sharing your
24 remarks with us. The hearing on this case will be
25 March 15th in Jefferson City. You're welcome to come.

1 We have a very open and transparent process at the
2 Public Service Commission. You have the ability to
3 watch our weekly meeting streaming live on the
4 Internet. So please continue to be involved and thank
5 you for participating this evening.

6 JUDGE WOODRUFF: Thank you. And I might
7 add to that that the evidentiary hearing are scheduled
8 to last for two weeks and they will also be streamed
9 live on the Internet if you want to watch on the
10 Internet. With that, we are adjourned. Thank you.

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I N D E X O F S P E A K E R S

Mr. Stone.	5
Mr. Marion.6
Mr. McCreary.8
Mr. Kennedy.16
Mr. Swann.20
Mr. Gass.	22
Mr. Rio.24
Mr. Moll.	28
Ms. Marquart.	31
Ms. Hannah.	34