

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of Union Electric Company)	
d/b/a AmerenUE for Authority to File)	
Tariffs Increasing Rates for Electric)	Case No. ER-2007-0002
Service Provided to Customers in the)	
Company's Missouri Service Area.)	

**AMERENUE'S GROUNDS FOR CLAIMING INFORMATION
IS HIGHLY CONFIDENTIAL**

COMES NOW Union Electric Company d/b/a AmerenUE ("AmerenUE" or "Company"), and pursuant to paragraph K of the Protective Order issued by the Missouri Public Service Commission in this proceeding, hereby provides its grounds for claiming certain information contained in its direct testimony is appropriately designated as "Highly Confidential." In support hereof, AmerenUE states as follows:

1. On July 7, 2006, AmerenUE filed in this proceeding a request for a general rate increase for electric service provided in its Missouri service area. In accordance with the Commission's regulations, as part of that filing AmerenUE included its direct testimony.

2. Three of the 26 witnesses who provided direct testimony, Shawn E. Schukar, Michael L. Moehn and Robert K. Neff had portions of their testimony that AmerenUE designated as "Highly Confidential." The purpose of this filing is to explain why each portion of testimony was so designated, and describe the harm to AmerenUE and its customers that would result from the disclosure of each portion.

3. In Mr. Schukar's direct testimony, AmerenUE designated a single number, which appears twice on page 14 of the testimony, as Highly Confidential. This number is the Company's adjustment to off-peak power prices during the second half of 2005 to account for rail disruptions that occurred during that period. This information meets the definition of Highly

Confidential information because it is market-specific information and it discloses information related to strategies employed or to be employed by AmerenUE in contract negotiations.

Specifically, disclosure of this number would reveal AmerenUE's view of the relationship between off-peak power prices at the beginning and end of each year. Power purchasers and sellers could use this information to AmerenUE's detriment in negotiating off-peak power contracts. Ultimately the higher costs resulting from disclosure of this information would be borne by AmerenUE's customers.

4. In Mr. Moehn's direct testimony, AmerenUE has designated as Highly Confidential the Company's short-term and long-term planning reserve margins (appearing on pages 3 and 9 of the testimony), a chart showing AmerenUE's capacity position in future years (appearing on page 4 of the testimony), and a chart showing AmerenUE's load duration curve (appearing on page 6 of the testimony). This information qualifies as Highly Confidential both because it is market-specific information and because it relates to strategies employed or to be employed in contract negotiations. Release of this information would compromise AmerenUE's ability to optimize its purchases of generation assets or purchased power, and its sales of excess capacity or energy, by providing critical confidential information about AmerenUE's needs to the marketplace. Release of this information could increase the costs of AmerenUE's acquisition of generation resources and purchased power, and decrease margins earned on sales of excess capacity and energy, again to the ultimate detriment of customers.

5. In Mr. Neff's direct testimony, AmerenUE has designated as Highly Confidential information appearing on pages 2-7, 11-18, 20, 21, 23-34 and 38-41. All of this information relates to the Company's coal and coal transportation contract prices, contract duration and other important contract terms; AmerenUE's hedging strategies and positions; the operation and

strategic advantages provided by its coal pooling arrangement; and the level of the Company's coal inventory at each coal-fired plant. All of this information is market-specific information that directly relates to AmerenUE's negotiation of past contracts, and its ability to negotiate favorable future contracts. If any of this market intelligence was made public, or fell into the hands of counterparties, it would adversely impact the Company's ability to negotiate optimal coal and coal transportation arrangements for the benefit of its customers. Because coal and coal transportation costs comprise such a large percentage of AmerenUE's annual expenses, disclosure of this information would be particularly detrimental. Finally, this contract information is generally protected from public disclosure by confidentiality provisions in the agreements.

Respectfully submitted,

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July 13, 2006

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served via e-mail, to the following parties on the 13th day of July, 2006.

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