

DATA INFORMATION REQUEST
Union Electric Company
Case No. EO-96-14

Requested From: Gary S. Weiss

Date Requested: 04/12/99

Information Requested:

Please provide the work papers supporting Gary Weiss's calculations regarding territorial agreement.

Follow up Questions:

1. What customers and area is included in the Black River Cooperative Exchange revenue comparison provided by the Company in work papers provided.
2. What does the Ameren System Lambda used to price up interchange sales of the lost kwh sales from the Macon Cooperative Exchange represent.

Requested By: Steve Rackers

Response:

1. The eight areas listed on the revenue comparison provided for the Black River Cooperative Exchange represent the areas where the addition and/or reduction of customers were located. Therefore, all the customers gained or lost in the exchange are included in these eight areas. Some of the areas also include some existing AmerenUE customers.
2. The System Lambda is the highest cost of energy on the Ameren System each hour. The source can be either an Ameren Plant or an interchange purchase. This cost is used as a general market price indicator because Ameren is typically in the interchange market as a seller or buyer every hour of the year.

Prepared By: Gary S. Weiss

Exhibit No. 28
Date 6-3-99 Case No. EO-96-14
Reporter DURBIN

No. 107

DATA INFORMATION REQUEST
Union Electric Company
CASE NO. EC-96-14

Requested From: Gary Weiss
Date Requested: 04/09/99
Information Requested:

Please provide the workpapers supporting Gary Weiss's calculations regarding territorial agreements.

Requested By: Steve Rackers

Information Provided: See Attached.

Note: The Attached Work Papers were faxed to Steve Rackers on 4/9/98.

The attached information provided to the Missouri Public Service Commission Staff in response to the above data information request is accurate and complete, and contains no material misrepresentations or omissions, based upon present facts of which the undersigned has knowledge, information or belief. The undersigned agrees to immediately inform the Missouri Public Service Commission Staff if, during the pendency of Case No. EC-96-14 before the Commission, any matters are discovered which would materially affect the accuracy or completeness of the attached information.

If these data are voluminous, please (1) identify the relevant documents and their location (2) make arrangements with requestor to have documents available for inspection in the Union Electric Company office, or other location mutually agreeable. Where identification of a document is requested, briefly describe the document (e.g. book, letter, memorandum, report) and state the following information as applicable for the particular document: name, title, number, author, date of publication and publisher, addresser, date written, and the name and address of the person(s) having possession of the document. As used in this data request the term "document(s)" includes publication of any format, workpapers, letters, memoranda, notes, reports, analyses, computer analyses, test results, studies of data, recordings, transcriptions and printed, typed or written materials of every kind in your possession, custody or control within your knowledge. The pronoun "you" or "your" refers to Union Electric Company and its employees, contractors, agents or others employed by or acting in its behalf.

Signed By: Gary S. Weiss

Date Response Received: _____

Prepared By: Gary S. Weiss

AmerenUE
MACON ELECTRIC COOPERATIVE TERRITORIAL AGREEMENT
SCHEDULE OF ESTIMATED ADDITIONAL NET REVENUE

ANNUAL REVENUE LOST 1996 VERUS 1998	(\$1,690,000)	P. 3
ENERGY SAVINGS (LESS EXCESS SALES)	282,095	P. 2
EXCESS ENERGY SALES	1,313,009	P. 5
REDUCTION OF EMPLOYEES	200,000	P. 2
LOWER ANNUAL TREE-TRIMMING SAVINGS	60,000	P. 2
LOWER MAINTENCE DUE TO LESS POLEMILES	33,000	P. 2
LOWER ANNUAL SUBSTATION MAINTENANCE	6,400	P. 2
OTHER SAVINGS	12,000	P. 2
 TOTAL ADDITIONAL NET REVENUE	 <u>\$216,504</u>	

March 17, 1999

TO: Gary Weiss
FROM: David Allen

MEC TERRITORIAL AGREEMENT INFORMATION

Based on historical trend analysis, it appears that as of calendar year 1998, the areas directly involved in the trade have seen a net reduction of \$1,690,000 in annual revenues and a reduction of 30,100,000 kWhs at the customer meter. Based on an average load factor of 45%, I calculate a reduction of 7635kW in demand at the customer meter at system peak.

Annual Revenues vs. O&M:

Annual revenues lost (based on graph of 1996 vs. 1998):	(\$1,690,000)	
*Energy savings: (30.1 million kWh)(1.12 loss factor)(1.9 cents/kWh)	\$ 640,528	*
*Lowered demand: (7635kW)(1.2 loss factor)(1.18 reserve factor)(\$67/kWh)	\$ 724,348	* *
Reduction of 2 LSWs and corresponding trucks/equip:	\$ 200,000	
Lowered annual tree-trimming expenses (avg):	\$ 60,000	
Lowered mtce per polemile: (73 miles)(\$1,500/polemile)(30% expensed)=	\$ 33,000	
Lowered annual substation mtce:	\$ 6,400	
Miscellaneous: (eliminated RR agreements, O&M at Clarence Storeroom, OH xfmr replacements)	\$ 12,000	
	Net Change:	(\$ 13,724)
Additional large customers not accounted for in 1998	\$ 65,000	
Orscheln 1/2 year worth ~\$30,000 in gross annual revenues		
Copelco expansion worth ~\$35,000 in gross annual revenues		

Full Savings

* 30,100,000 kWh
x 1.0735 kWh

32,312,350
- 12,109,277

20,203,073
x .014 kWh

\$ 282,843

\$ 282,095 on S.L.

Capital Expenditures

Annual:

Lowered mtce per polemile: (73 miles)(\$1,500/polemile)(70% capitalized)= \$ 77,000 (ongoing)

Onetime:

Cutover Costs	(\$ 175,000)	(1997 - 1999)
Sub Rehabs: Bucklin \$75k, New Cambria \$60k, Excello \$125k	\$ 260,000	(1995 - 1999)
Sale of Clarence storeroom	\$ 11,251	(1998)
Clarence Sub upgrade	\$ 160,000	(1999)
NMR implementation (2000 fewer meters)(\$22 per meter)	\$ 44,000	(1999)
Salvage value of substation equipment	\$ 94,000	(next 5-10 yrs)
Highway relocations(non-reimbuseable)	\$ 710,000	(next 10-20 yrs)

Future and Other Considerations

This territorial agreement was never expected to result in an immediate payback. We entered into this agreement based on relatively longterm growth expectations. The areas we traded away had longterm population trends significantly downward. Most people expect many of the small towns traded away to be completely gone within 20 years. Moberly, on the other hand, has a good location, a new four lane highway nearing completion of construction, a major railroad, solid growth, and we are now the exclusive energy provider.

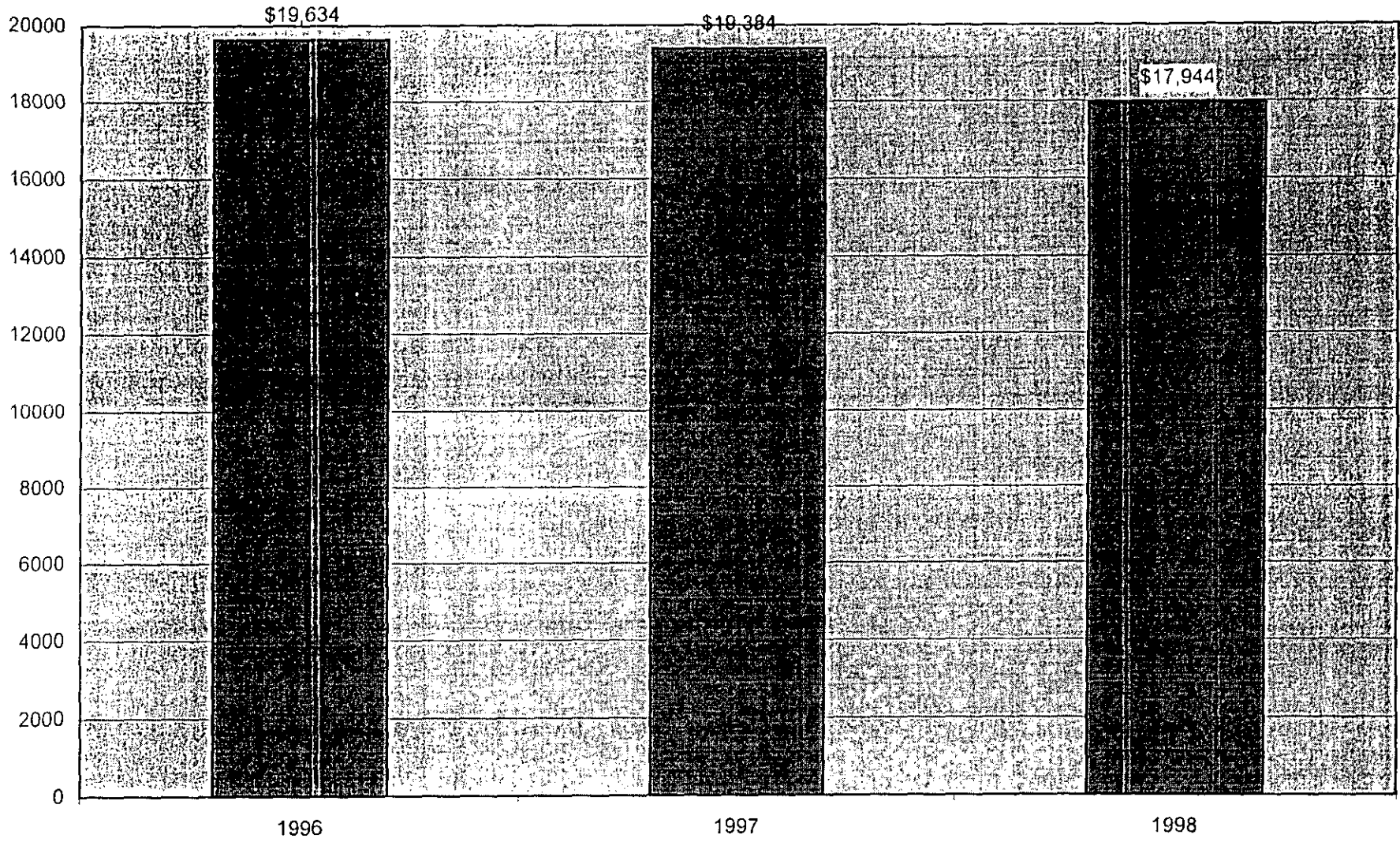
The above credit for demand should probably be much higher, considering the "free market" generation costs seen during June 1998.

The above factors are all tangible. What about elimination of duplication of facilities, no more destructive competition (giveaways), improved public safety, better storm response, and improved planning?

* demand and energy factors are the average of the next five years' factors, taken from Evaluate

Copy: Ron Loesch
File: MEC
 chrono

Only Trade Areas: Annual Revenues (\$000)

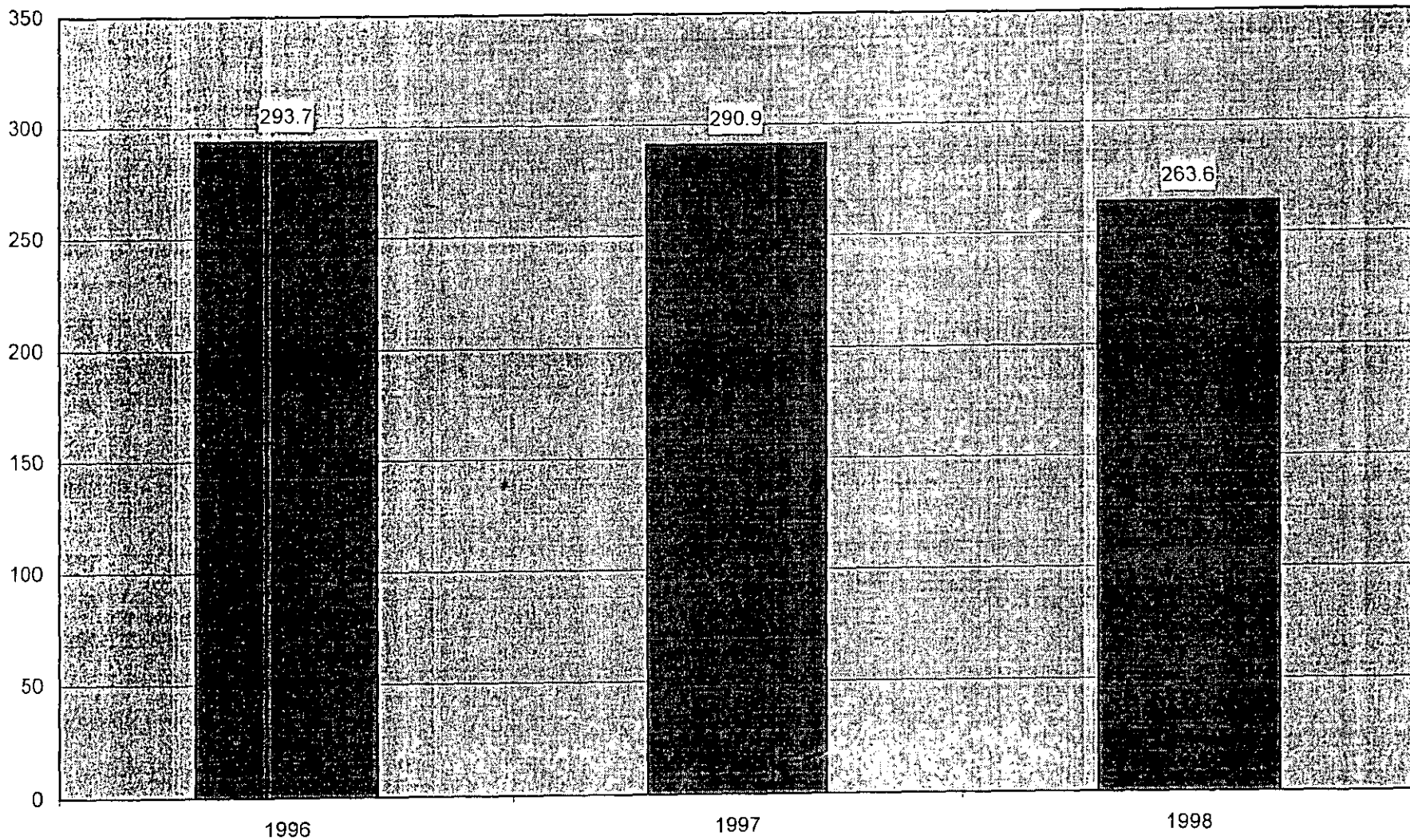


1996 \$19,634,000
 1998 17,944,000

 \$ (1,690,000)

Page 3

Only Trade Areas: Annual kWh (millions)



1996 293,700,000
1998 263,600,000

30,100,000

Macon Territory Agreement

1998

MONTH	Data	Total	\$/mwh
1	Sum of Maconkwh	2,242,016.02	
	Sum of \$	42,319.99	18.88
2	Sum of Maconkwh	1,932,422.17	
	Sum of \$	36,698.21	18.99
3	Sum of Maconkwh	2,190,976.53	
	Sum of \$	52,937.68	24.16
4	Sum of Maconkwh	1,970,045.80	
	Sum of \$	42,185.86	21.41
5	Sum of Maconkwh	2,358,195.83	
	Sum of \$	98,302.75	41.69
6	Sum of Maconkwh	2,881,153.34	
	Sum of \$	595,045.94	206.53
7	Sum of Maconkwh	3,314,025.54	
	Sum of \$	423,024.41	127.65
8	Sum of Maconkwh	3,271,936.81	
	Sum of \$	210,976.70	64.48
9	Sum of Maconkwh	2,642,161.74	
	Sum of \$	92,642.41	35.06
10	Sum of Maconkwh	2,118,337.65	
	Sum of \$	39,904.08	18.84
11	Sum of Maconkwh	2,057,219.27	
	Sum of \$	41,381.02	20.12
12	Sum of Maconkwh	2,297,212.14	
	Sum of \$	45,797.15	19.94
Total Sum of Maconkwh		29,275,702.85	
Total Sum of \$		1,721,216.19	58.79

Average \$/mwh
 $\frac{\$108.43}{\text{Kwh}}$
 $\frac{\$1,084.3}{\text{Kwh}}$

Prices based on Ameren System Lambda (Highest Cost Power for the hour).
 Load shapes from CIPS Edgar Load file (44% annual lf)

June-September Kwh Available For Sale 12,109,277

Revenues = $12,109,277 \times 108.43 = \underline{\underline{\$1,313,009}}$

Black River Cooperative Trade

Area	Name	JULY 1995 - JUNE 1996			JULY 1997 - JUNE 1998		
		Customers (June '96)	KWHR (Year Total)	Amount (Year Total)	Customers (June '98)	KWHR (Year Total)	Amount (Year Total)
675	Iron County	1,047	163,659,807	\$7,170,483.42	2,194	190,826,969	\$ 8,557,790.55
676	Reynolds County	85	136,034,494	\$6,090,305.82	128	147,306,636	\$ 6,302,568.54
698	Washington County	6,346	102,390,379	\$6,617,432.07	7,894	122,939,533	\$ 7,900,384.83
699	Greenville	296	4,904,536	\$362,934.61	-	-	\$ -
701	Viburnum	-	-	\$0.00	453	7,970,733	\$ 517,227.06
702	Mill Spring	111	1,044,759	\$80,423.44	-	-	\$ -
706	Piedmont	1,242	26,107,929	\$1,793,774.64	-	-	\$ -
710	Wayne County	1,334	13,707,007	\$991,538.12	116	1,485,081	\$ 105,001.71
	Total	10,461	447,848,911	\$ 23,106,892.12	10,785	470,528,952	\$ 23,382,972.69

INFORMATION FROM REPORT NO. 1887 - ELECTRIC SALES

Black River Trade