

**FIRST SET OF DATA REQUESTS FROM MEUA
TO MAURICE BRUBAKER (MIEC)**

MEUA-1.1: On page 4, Brubaker references the “unique circumstances faced by aluminum smelters” to justify moving the LT class (Noranda) to cost of service while only making a “modest realignment” as it applies to other classes.

- a) Please discuss the “unique circumstances”, as understood by Mr. Brubaker, faced by aluminum smelters?
- b) Has Mr. Brubaker attempted to independently verify any of the “unique circumstances” faced by aluminum smelters?
- c) When did Mr. Brubaker first become aware of these “unique circumstances”?
- d) Was Mr. Brubaker aware of these “unique circumstances” when he filed class cost of service testimony in either Case No. ER-2007-0002 or ER-2008-0291?
- e) Has Mr. Brubaker surveyed the customers in the Large General Service, the Small Primary or the Large Primary classes to determine if they face similar “unique circumstances”?
- f) What “unique circumstances” would a large retail customer (i.e., Wal-Mart, Lowe’s, etc.) in the Large General Service class have to show so that Mr. Brubaker would support a full movement to cost of service?
- g) Has Mr. Brubaker considered whether his decision to move the LTS class to cost of service while other non-residential classes remain above their cost of service may exacerbate the “unique circumstances” faced by other non-residential customers?

MEUA-1.2:

- a) Please provide a full accounting of the compensation Brubaker and Associates has received, to date, for its participation in this proceeding.
- b) Please provide a break-down of this compensation by particular activity. For instance, break-down by revenue requirement versus class cost of service activities.
- c) Please provide an estimate for all remaining costs associated with Brubaker and Associates’ participation in this proceeding.
- d) Please provide a full accounting of the compensation Brubaker and Associated has received, to date, from Noranda associated with its participation in this proceeding.
- e) Please provide a break-down of this compensation received from Noranda, to date, by particular activity. For instance, break-down by revenue requirement versus class cost of service.
- f) Please provide any contract or other documents detailing the arrangement for billing of legal or professional services to the individual members of MIEC. Please provide a discussion of how this billing arrangement has changed with the addition of Noranda to MIEC.

MEUA-1.3: At pages 4-5, Mr. Brubaker states that “For most regulators, cost-based rates are an expressed goal.” Does Mr. Brubaker believe in cost-based rates?

MEUA-1.4: Please provide citations to every case in which Mr. Brubaker has recommended that a specific class be provided a cost-based rate based upon “unique circumstances.” Please provide a description of those “unique circumstances.” Please provide a copy of all relevant testimony from those cases.

MEUA-1.5: Please provide citations to every case in which Mr. Brubaker has seen a public utility commission grant special class cost of service consideration to a particular class based upon “unique circumstances.”

MEUA-1.6: At page 32, Mr. Brubaker refers to the role that electric rates play in economic development, specifically job creation and job retention. Please provide all studies which support the linkage between electric rates and job creation / retention.

MEUA-1.7: At page 32, Mr. Brubaker refers to the role that electric rates play in economic development, specifically job creation and job retention. Despite the many similarities between his testimony in this case and the testimony that he filed in Case Nos. ER-2007-0002 and ER-2008-0318, that same statement did not appear in his testimony in either of those cases. When did Mr. Brubaker become aware of the role that electric rates play in economic development? Please provide all information that Mr. Brubaker used to reach this conclusion.

MEUA-1.8: At page 32, Mr. Brubaker refers to the role that electric rates play in job creation or retention. Mr. Brubaker claims that this is particularly true for “industries where electricity is one of the largest components of the cost of production.” Please provide a copy of all studies or analyses prepared by Mr. Brubaker or relied upon by Mr. Brubaker in determining that cost of electricity plays a heightened rate on job creation or retention depending on the amount of electricity used by a particular customer.

MEUA-1.9: In the following article (<http://www.tms.org/pubs/journals/JOM/0202/Binczewski-0202.html>) reference is made to the notion that representatives in this area did not want another aluminum smelter because it did not generate the same number of jobs per consumer kilowatt as other alternatives. Does Mr. Brubaker have any opinion regarding the legitimacy of the notion that aluminum smelters provide less economic development (job creation) per kilowatt hour than other commercial and industrial operations?

MEUA-1.10: Under what circumstances would Mr. Brubaker believe that a particular customer or class should receive an electric rate that is below cost?

MEUA-1.11: In his revised testimony, Mr. Brubaker asserts that a cost based revenue requirement for the LTS class would require a shift of costs of \$21.6 million (cost of service of \$117,556,000). In its direct testimony, Noranda claims that it needs a rate of \$27.00 / MWH. How much of a reduction below Mr. Brubaker’s cost of service would be necessary in order for Noranda to have a rate that equates to \$27.00 / MWH?

MEUA-1.12: Does Mr. Brubaker believe that Noranda's recommendation for a below-cost rate is reasonable?

MEUA-1.13: Please provide citations to every case in which Mr. Brubaker has recommended or agreed to a below-cost rate for a particular customer or class. Please provide copies of Mr. Brubaker's testimony in which he has either recommended or agreed to a below-cost rate for a particular customer or class.

MEUA-1.14: In Case No. ER-2008-0318, Mr. Brubaker ran two analyses that found that the LGS / SP customer class was paying either \$83.0 million or \$69.0 million over cost. In that case, Mr. Brubaker's "recommendation moved classes roughly 25% of the way toward cost of service." In this case, Mr. Brubaker's original analysis showed that the LGS / SP customer class were paying rates that had ballooned to over \$136 million over costs. Despite the fact that the amount over cost has grown by approximately 64%, Mr. Brubaker only recommended a move of "20% of the way towards cost of service." Please describe in detail the criteria Mr. Brubaker uses in recommending a movement of 25% versus 20%. What circumstances would have to be present in order for Mr. Brubaker to recommend a movement of more than 25% towards cost of service?

MEUA-1.15: In his testimony, Mr. Brubaker claims that a cost-based rate would further the goal of equity. In his opinion, does Mr. Brubaker believe that a below-cost rate would further the goal of equity? If so, please state how a below-cost rate would further the goal of equity.

MEUA-1.16: In his testimony, Mr. Brubaker claims that a cost-based rate would further the goal of conservation. In his opinion, does Mr. Brubaker believe that a below-cost rate would further the goal of conservation? If so, please state how a below-cost rate would further the goal of conservation.

MEUA-1.17: In his testimony, Mr. Brubaker claims that a cost-based rate would further the goal of development of DSM programs. In his opinion, does Mr. Brubaker believe that a below-cost rate would further the goal of development of DSM programs? If so, please state how a below-cost rate would further the goal of development of DSM programs.

MEUA-1.18: In his testimony, Mr. Brubaker claims that a cost-based rate would further the goal of cost minimization. In his opinion, does Mr. Brubaker believe that a below-cost rate would further the goal of cost minimization? If so, please state how a below-cost rate would further the goal of cost minimization.

MEUA-1.19: On what date did Mr. Brubaker become aware of the misallocation of income taxes that necessitated the preparation of revised schedules?

MEUA-1.20: On what date did AmerenUE notify Mr. Brubaker of the misallocation of income taxes in his class cost of service study?

MEUA-1.21: On what date did Mr. Brubaker notify Noranda of the misallocation of income taxes in his class cost of service study?

MEUA-1.22: Please describe in detail Noranda's reaction upon being notified that Mr. Brubaker's class cost of service study included a misallocation of income taxes.

MEUA-1.23: What is Mr. Gorman's opinion regarding the change in AmerenUE's business risk profile associated with the simultaneous transfer of the Metro East load and the replacement with the Noranda load (single customer representing approximately 6.5% of AmerenUE's revenues)?

MEUA-1.24: Please quantify the change in Mr. Gorman's recommended return on equity associated with the change in AmerenUE's business risk profile resulting from the simultaneous transfer of the Metro East load and the replacement with the Noranda load.