

STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION  
JEFFERSON CITY  
March 8, 2001

CASE NO: EM-96-149

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Enclosed find certified copy of an ORDER in the above-numbered case(s).

Sincerely,

A handwritten signature in black ink that reads "Dale Hardy Roberts". The signature is written in a cursive style with a large initial "D".

**Dale Hardy Roberts**  
Secretary/Chief Regulatory Law Judge

**STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION**

At a Session of the Public Service  
Commission held at its office  
in Jefferson City on the 8th  
day of March, 2001.

In the Matter of the Application of Union )  
Electric Company for an Order Authorizing: )  
(1) Certain Merger Transactions Involving )  
Union Electric Company; (2) the Transfer )  
of Certain Assets, Real Estate, Leased )  
Property, Easements and Contractual )  
Agreements to Central Illinois Public )  
Service Company; and (3) in Connection )  
therewith, Certain Other Related )  
Transactions )

Case No. EM-96-149

**ORDER AUTHORIZING EARNINGS INVESTIGATION FILING JULY 1, 2001**

Section 7.g. of the Stipulation and Agreement approving the Second Experimental Alternative Regulation Plan (EARP) in the Commission's Report and Order issued on February 21, 1997, states in part: "By February 1, 2001, UE, Staff and OPC will file, and other signatories may file their recommendations with the Commission as to whether the New Plan [Second EARP] should be continued as is, continued with changes (including new rates, if recommended) or discontinued." Recommendations were filed separately by Union Electric Company d/b/a AmerenUE (AmerenUE), the Staff of the Missouri Public Service Commission (Staff), the Office of the Public Counsel (Public Counsel), and Missouri Energy Group (MEG) on February 1, 2001, and by Missouri Industrial Energy Consumers (MIEC) on February 7, 2001.

None of the parties recommended that the Second EARP be continued as is, and the parties did not agree to a continuation with changes. Therefore, the Commission will not order the Second EARP to be continued. While most of the parties advocated the discontinuance of the EARP,

AmerenUE supports continuing the EARP with certain modifications. As a part of its recommendations, AmerenUE agreed that "some reasonable rate reduction should be made." Staff, Public Counsel, MEG, and MIEC all recommend that a case be established to reduce rates, "rebase" rates, or reduce the return on equity. Therefore, the Commission finds it reasonable to establish a case for the purpose of rate reductions immediately following the expiration of the Second EARP.

The Commission is not approving modification or continuance of the EARP. As AmerenUE stated, if there is to be a new EARP, "it will only come about by agreement of the interested parties."

The Commission will authorize the Staff to file an earnings complaint case on July 1, 2001. The Commission expects that all of the parties will cooperate in preparing for the expiration of the Second EARP.

**IT IS THEREFORE ORDERED:**

1. That the Staff of the Missouri Public Service Commission is authorized to file an earnings complaint to seek a reduction of rates for Union Electric Company d/b/a AmerenUE upon expiration of the Second Experimental Alternative Plan on July 1, 2001, if it determines that one is warranted.

2. That the Second Experimental Alternative Regulation Plan shall not be continued beyond its expiration on June 30, 2001.

3. That this order shall become effective on March 18, 2001.

**BY THE COMMISSION**



**Dale Hardy Roberts**  
**Secretary/Chief Regulatory Law Judge**

( S E A L )

Lumpe, Ch., Drainer, Schemenauer,  
and Simmons, CC., concur.  
Murray, C., dissents.

Register, Regulatory Law Judge

Secretary: Register/Bace  
3-6 CM-90-149  
Date Circulated CASE NO.

vdL pz  
Lumpe, Chair

mlal pz  
Draimer, Vice Chair

cm NO  
Murray, Commissioner

OS  
Schemenauer, Commissioner

KS  
Simmons, Commissioner

OK

3-8  
Agenda Date

Action taken: 4-1 AA

Must Vote Not Later Than \_\_\_\_\_

**STATE OF MISSOURI**

**OFFICE OF THE PUBLIC SERVICE COMMISSION**

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this 8<sup>th</sup> day of March 2001.

Dale Hardy Roberts  
Dale Hardy Roberts  
Secretary/Chief Regulatory Law Judge

