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Missouri Public
Service Commission

Exhibit No.:	Voluntary Green Program (VGP)
Issues:	Rick Anderson
Witness:	Missouri Department of Natural Resources - Energy Center
Sponsoring Party:	Surrebuttal Testimony
Type of Exhibit:	ER-2007-0002
Case No.:	February 27, 2006
Date:	

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

**SURREBUTTAL TESTIMONY OF
RICK ANDERSON**

**MISSOURI DEPARTMENT OF NATURAL RESOURCES
ENERGY CENTER**

**UNION ELECTRIC COMPANY d/b/a
AMERENUE**

CASE NO. ER-2007-0002

DUR Exhibit No. 653
Date 3-16-07 Case No. ER-2007-0002
Reporter RF

1 Q. Please state your name and business address.

2 A. My name is Rick Anderson. My business address is Missouri Department of Natural
3 Resources, Energy Center, P.O. Box 176, Jefferson City, Missouri 65102-0176.

4 Q. Are you the same Rick Anderson who has filed prepared direct testimony in this case?

5 A. Yes, I am.

6 Q. Would you summarize the scope of this surrebuttal testimony?

7 A. I will be responding to the rebuttal testimony of Mr. Robert J. Mill, a witness for AmerenUE
8 regarding the Voluntary Green Program (VGP). I will address the degree to which Mr. Mill's
9 explanation of AmerenUE's program and the related tariff meet the four conditions I
10 identified in my direct testimony as necessary for DNR to support AmerenUE's proposed
11 VGP.

12 Q. Please summarize the four conditions presented in your direct testimony.

13 A. (1) UE should commit to educate its customers about the program and market the program
14 effectively; (2) UE should commit to a good faith effort to offer certificates from generation
15 sources that are located as close as possible to Missouri; (3) UE should commit to full
16 disclosure of the generating source of the certificates sold in the program that includes the
17 geographic location(s), type of resource and amount of energy from each provider; and (4)
18 UE should acknowledge that "green" attributes of the power sold through the VGP are owned
19 by the customer and will not be used for some other purpose.

20 Q. Does Mr. Mill respond to these conditions in his rebuttal testimony?

21 A. Yes. I will address Mr. Mill's responses to each condition individually.

22 Q. Does Mr. Mill respond to the first condition that UE educate its customers and market the
23 program effectively?

24 A. Yes. Mr. Mill's rebuttal testimony suggests that by contracting with 3 Phases Energy Services
25 (3 Phases), AmerenUE will have an adequate program to inform its customers about the VGP.

26 Q. Do you agree?

1 A. While contracting with 3 Phases is an appropriate means for AmerenUE to inform its
2 customers about the program, the terms of the contract are subject to change independent of
3 this tariff. To assure that this condition is met, the educational and marketing aspects of the
4 program should be articulated in the tariff.

5 Q. Does Mr. Mill respond to your second condition?

6 A. Mr. Mill's rebuttal testimony indicates that by including a provision in the company's contract
7 with 3 Phases that they obtain at least 50% of the RECS from sources in Missouri and
8 Illinois, AmerenUE has made a good faith commitment to obtaining RECs for generation
9 sources that are located as close as possible to Missouri.

10 Q. Do you agree?

11 A. While having a contract with 3 Phases is an appropriate step for the company to fulfill one of
12 its responsibilities, the terms of the contract are subject to change independent of the tariff.
13 To assure that this condition is met, the tariff should address the issue of the geographic
14 location of the RECs.

15 Q. Does Mr. Mill respond to your third condition?

16 A. Mr. Mill's rebuttal testimony states that by contracting with The Center for Resource
17 Solutions, AmerenUE will have an adequate program to assure full disclosure of the source of
18 the RECs.

19 Q. Do you agree?

20 A. Mr. Mill's rebuttal testimony states:
21 "Such Product Content Label identifies the type and geographic location of resources used to
22 provide the RECs." (Mill Rebuttal, pg. 3, lines 3-4)

23 As I stated in my direct testimony, full disclosure includes the type, geographic source and
24 the amount of energy associated with the RECs. The product content label should also
25 include the amount of energy associated with each type and geographic location of renewable
26 resource. In addition, to be 'full disclosure' such information should be updated at least annually,
27 and such disclosure should not be limited to customers actually participating in the program.

1 Q. Does Mr. Mill address your fourth condition?

2 A. The proposed tariff filed by Mr. Mill as Schedule RJM-4-2 in his direct testimony states that
3 UE will take title to the RECs on behalf of its customers. As these purchases would be made
4 on behalf of its customers, and not by or for AmerenUE, the company should be precluded
5 from using the RECs in any other way. This provision is not included in the requirements of
6 the Center for Resource Solutions' Green-E program. As a result it is important that these
7 provisions be specified in the tariff.

8 Q. Can you offer alternative tariff language that would accomplish the revisions you have
9 described?

10 A. Yes. If the following paragraph replaced the "Company Obligations" section of the tariff
11 submitted as Schedule RJM-4-2 in Mr. Mill's direct testimony, it would satisfactorily address
12 the four conditions I described in my direct testimony. (Note: text with double underlining
13 represents text that would be added to the text offered in the tariff language Mr. Mill
14 submitted.)

15 COMPANY OBLIGATIONS

16 The Company will purchase RECs from its contractual partner, 3 Phases Energy, its
17 successor, or assignee, in sufficient quantities to match the units billed under this tariff with
18 no less than 50% of the RECs coming from renewable energy projects located in Missouri or
19 Illinois. Title to the RECs will rest with the Company and the Company will in turn retire
20 such RECs on behalf of the customers participating in the program and not for any other
21 purpose. Additionally, the Company's Voluntary Green Program will be Green-e Certified ®
22 by the nonprofit Center for Resource Solutions. Communications with customers about the
23 Voluntary Green Program will be updated at least annually, disclosing the geographic
24 location (s) of the renewable generation, the type of renewable energy source and the amount
25 of energy associated with the RECs.

26 Q. Does that conclude your surrebuttal testimony?

27 A. Yes.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Union Electric Company,
d/b/a AmerenUE, and its Tariff
Filing to Implement a General Rate
Increase for Electric Service

Case No. ER-2007-0002

AFFIDAVIT OF RICHARD L. ANDERSON

STATE OF MISSOURI

COUNTY OF COLE

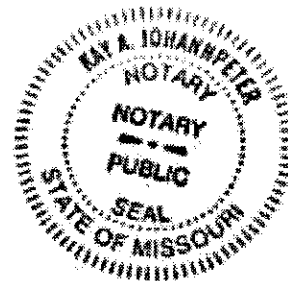
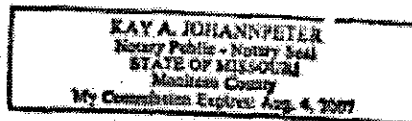
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Richard L. Anderson, being duly sworn on his oath, hereby states that he has participated in the preparation of the foregoing Surrebuttal Testimony in question and answer form; that the answers in the foregoing Surrebuttal Testimony were given by him; that he has knowledge of the matters set forth in such answers; and that such matters are true and correct to the best of his knowledge, information and belief.

Richard L. Anderson
Richard L. Anderson

Kay A. Johannpeter
Notary Public

My commission expires:



Subscribed and sworn before me this 22nd day of February 2007.