Notice of Ex Parte Contact

TO: Data Center All Parties in Case No. ER-2007-0002 FROM: Chairman Jeff Davis Commissioner Connie Murray Commissioner Steve Gaw Commissioner Robert Clay Commissioner Lin Appling



DATE: January 12, 2007

On January 11, 2007, we received the attached letter from Richard M. Scholes and Brenda C. Scholes regarding AmerenUE. The Commission is currently considering the issues discussed in this document in case **ER-2007-0002** which is a contested case. In contested cases, the Commission is bound by the same *ex parte* rule as a court of law.

Although communications from members of the public and members of the legislature are always welcome, those communications must be made known to all parties to a contested case so that those parties have the opportunity to respond. According to the Commission's rules (4 CSR 240-4.020(8)), when a communication (either oral or written) occurs outside the hearing process, any member of the Commission or Regulatory Law Judge who received the communication shall prepare a written report concerning the communication and submit it to each member of the Commission and the parties to the case. The report shall identify the person(s) who participated in the *ex parte* communication, the circumstances which resulted in the communication, the substance of the communication, and the relationship of the communication to a particular matter at issue before the Commission.

Therefore, we submit this report pursuant to the rules cited above. This will ensure that any party to this case will have notice of the attached information and a full and fair opportunity to respond to the comments contained therein.

cc: Commissioners Executive Director Secretary/Chief Regulatory Law Judge General Counsel

12122 Trentmore Place Sunset Hills, Missouri 63127 January 9, 2007

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Ms. Connie Murray Missouri Public Service Commission Box 360 Jefferson City, Missouri 65102-0360

re: Opposition to proposed rate hikes for Ameren (Case No. ER-2007-0002)

Dear Ms. Murray:

We herein respectfully express our opposition to the \$361 million rate increase proposed by Ameren. Because Ameren already has a rate formula tied to increases in fuel costs, any further increase does not seem justifiable. In fact, your own PSC staff recommends a decrease in the rate because of the current "excess" profits earned by Ameren. We realize that citizens' conservation efforts and mild weather of the past two years may have decreased Ameren's revenue, but these should not be reasons to place higher rates on consumers.

Also, Ameren has failed recently as a good corporate citizen. Their mismanagement and neglect have led to the Tam Sauk disaster and the ruination of one of Missouri's best features, an area of natural beauty. Ameren is yet to provide fair compensation to the state and all individuals who were impacted by the destruction. Additionally, many people were without power in the summer of 2006 and again in December because some tree limbs that should have been trimmed were not; Ameren had scaled back on this importance maintenance item. Please do not fall for Ameren's attempt to blackmail the public by their saying that they will increase tree trimming but only after having obtained a rate hike. Ameren should simply cut into their profit to properly trim trees and handle other maintenance.

Rather than being content to serve the electric needs of Missourians in a high quality manner, the management of Ameren appears arrogant and bent on primarily increasing the company's profits.

Increases in utility rates act as a repressive tax on all citizens and businesses regardless of their ability to absorb the increase; this is inflationary. We urge you <u>not</u> to grant the proposed increase to Ameren. It is not justified, and it would be financially harmful to Missouri citizens and businesses.

Thank you for your attention.

Very truly yours,

teta M. Scholes .

Richard M. Scholes

Richard M. Scholes 12122 Trentmore Place Sunset Hills, MO 63127 SAINT LOUIS MO 631 09 JAN 07 PM 01 L

Ms. Connie Murray Missouri Public Service Commission Box 360 Jefferson City, Missouri 65102-0360

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