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Missouri Public
Service Commission

3. As to Paragraph 2, AmerenUE admits that for several weeks during June and July, 1999, there were extended service interruptions in the area where Complainants live and work. To the extent that some Complainants have set out specific claims of concern about the effect of such outages, AmerenUE can neither admit nor deny those statements since they are generally outside the knowledge of the Company. The Company does not deny that some Complainants have informed the Company of their specific concerns, however.

4. As to Paragraph 3, AmerenUE admits that it has been contacted by customers in this area concerning these power outages.

5. As to the various requests for relief stated in the Complaint, the Company will respond below.

6. In further Answer to the Complaint and the concerns expressed by the Complainants in their Complaint forms, the Company states as follows:

7. The Company believes that many of the outages were caused directly or indirectly by storm damage which was sustained by its equipment during this time. On June 27, 1999 a regulator at the Brumley Substation failed during a thunder and lightning storm. The Company believes the failure was lightning related. The next day, a lightning arrester on the 34 kV line which supplies the Brumley substation, was struck by lightning during a continuation of the same storm. The Company believes that these, and later storms caused equipment to fail immediately, or sometime later, which in turn caused many of the power outages at issue in this case.

8. Other outages apparently occurred during periods of intense heat and unusually heavy loading conditions.

9. The Company denies that it has neglected this area, or that it has allowed the service to deteriorate. The Company has continued to conduct routine maintenance on this rural line and the accompanying facilities in accordance with good public utility maintenance practice. It had recently reviewed and inspected portions of the lines and equipment serving this area including testing of utility poles. Some facilities were replaced immediately and others were scheduled for replacement on a reasonable maintenance schedule. Prior to this period, nothing in the Company's knowledge indicated that this area was more vulnerable to outages than any other

sparsely populated rural distribution service area. Various upgrades of facilities have been in the budget and are both ongoing and scheduled for the next year or two.

10. In addition, since the outages at issue here occurred, the Company has looked at the area again and has taken additional steps to improve service. This has included accelerated tree trimming, additional pole inspections and load shifting to change the balance of the system in this area.

11. The Company finds the outage history in this area, over this time period to be unacceptable. It regrets the inconvenience these outages have caused its customers. However, the Company does not believe it has been negligent in maintaining the facilities in this area. Moreover, because of the unusually large number of lengthy outages, the Company has expanded its efforts in this area to address the problems.

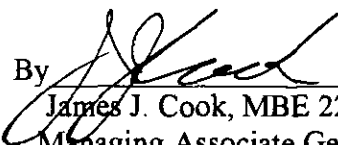
12. The relief requested in the Complaints was to "upgrade" the facilities to "efficiently handle customer load and eliminate power outages." The Company is taking the steps outlined above, and additional steps as necessary, to address the causes of the outages experienced during June and July of this year. The Company believes that the steps it is taking will bring this area back into a more normal level of service. However, the Company cannot "eliminate power outages." Even new equipment fails. Weather and other causes can create power outages, even if all facilities are new and all trees have been recently trimmed. The Company believes, however, that this area is already experiencing significantly better service because of the recent actions taken by the Company. While power outages will not be eliminated, they can be reduced to a more normal level and the Company believes that will be true of this service area very soon, if it has not reached that level already.

13. To the extent that said Complainants requested that another provider be allowed to serve this area, the Company submits that such a request is not appropriate.

WHEREFORE, for the reasons stated above, AmerenUE requests that the Complaint in this matter be dismissed.

Respectfully submitted,

UNION ELECTRIC COMPANY
d/b/a AmerenUE

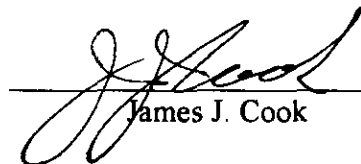
By 
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DATED: September 21, 1999

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served via first-class, U.S. mail, postage prepaid, on this 21st day of September, 1999, to the Office of Public Counsel and Complainant.


James J. Cook