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Missouri Public
Service Commission

Exhibit No.: **084**
Issues: Support for AmerenUE's
Proposed Rate Increase
From Union Employees
Witness: Michael A. Datillo
Local Union No. 1455,
International Brotherhood of
Electrical Workers
Sponsoring Party: Union Electric Company
Type of Exhibit: Rebuttal Testimony
Case No.: ER-2007-0002
Date Testimony Prepared: January 31, 2007

MISSOURI PUBLIC SERVICE COMMISSION

CASE NO. ER-2007-0002

REBUTTAL TESTIMONY

OF

MICHAEL A. DATILLO

ON

BEHALF OF

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

St. Louis, Missouri
January, 2007

AmerenUE Exhibit No. 84
Case No(s). ER-2007-0002
Date 3/29/07 Rptr pk

1 **Q. What is the purpose of your testimony?**

2 A. The purpose of my testimony is to provide support for AmerenUE's
3 proposed rate increase and to express concerns about the impact of the proposed rate
4 reduction of the Commission Staff ("Staff"), the State of Missouri through the Attorney
5 General's office, and certain other parties on AmerenUE, and also on the AmerenUE
6 employees represented by Local 1455. AmerenUE's proposed rate increase to recover its
7 cost of service and its large investments in utility plant will enable the company to
8 continue to provide quality service to its Missouri electric customers and to continue to
9 provide jobs to the employees represented by Local 1455. The employees of Local 1455
10 are proud of their accomplishments in working for a company that provides quality
11 service at one of the lowest rates in the region. It is my understanding that this is the first
12 rate increase AmerenUE has requested in nearly 20 years. Indeed, even with the
13 proposed rate increase AmerenUE's rates will still be among the lowest in the country.

14 **Q. What is Local 1455's overall concern with the proposed reductions to**
15 **AmerenUE's rates?**

16 A. Such huge rate cuts would be a strange way to reward all of us who have
17 made AmerenUE such a successful, efficient supplier of electricity. Also, we are
18 concerned that reductions of this magnitude will jeopardize AmerenUE's ability to
19 provide quality service to its electric retail customers in Missouri. We are concerned that
20 such a dramatic rate reduction would not provide the Company with sufficient funds to
21 invest in much needed infrastructure improvements in generation, transmission and
22 distribution.

1 **Q. How many AmerenUE employees does Local 1455 represent?**

2 A. Local 1455 represents approximately 1,100 employees at AmerenUE.

3 **Q. What roles do the employees represented by Local 1455 play in the**
4 **operations of AmerenUE?**

5 A. AmerenUE employees represented by Local 1455 perform a broad
6 spectrum of work such as mail delivery, billing, design, estimating, distribution,
7 transmission, customer service, call center duties, computer operation, information
8 technology, power plant design and stenographic work, just to name a few of the over
9 200 job classifications' duties and responsibilities.

10 **Q. What is your understanding of the rate and revenue proposals which**
11 **AmerenUE is making in this proceeding?**

12 A. It is my understanding that AmerenUE is proposing to increase rates in
13 order to recover increases in its cost of service, including pay and benefits for our
14 members as well as billions of dollars of capital investments it has made in the State of
15 Missouri. A portion of the rate increase is also due to AmerenUE's proposal to enhance
16 its tree trimming practices to "harden" its system against damage from future storms like
17 the severe storms that hit the St. Louis area in 2006.

18 **Q. Does Local 1455 support AmerenUE's proposals?**

19 A. Yes, we do. Local 1455 supports AmerenUE's rate increase request
20 because it will allow not only our members, but all of us who are the men and women of
21 AmerenUE, to continue to provide the high quality service we have in the past, and more
22 than ever need to do in the future.

23 **Q. Does this conclude your testimony?**

24 A. Yes, it does.

In the Matter of Union Electric Company d/b/a)
AmerenUE for Authority to File Tariffs Increasing) Case No. ER-2007-0002
Rates for Electric Service Provided to Customers)
in the Company's Missouri Service Area.)

STATE OF MISSOURI)
) ss
CITY OF ST. LOUIS)

1. My name is Michael A. Datillo. I am employed by Local Union 1455, International Brotherhood Electrical Workers as Business Manager.
2. Attached hereto and made a part hereof for all purposes is my Rebuttal Testimony on behalf of Union Electric Company, d/b/a AmerenUE, consisting of 3 pages, all of which have been prepared in written form for introduction into evidence in the above-referenced docket.
3. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded are true and correct.

Michael A. Datillo
Michael A. Datill

Subscribed and sworn to before me this 31st day of January, 2007.

Carla J. Henn
Notary Public

Carla J. Flinn - Notary Public
Notary Seal, State of
Missouri - St. Louis City County
Commission #08399906
My Commission Expires 4/20/2010