Missouri Public Service Commission

Exhibit No.: 626

Issue(s): Generation Plant - Non-

Callaway

Witness: Mark C. Birk

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

MARK C. BIRK

ON

BEHALF OF

UNION ELECTRIC COMPANY d/b/a AmerenUE

> St. Louis, Missouri January, 2007

l		REBUTTAL TESTIMONY	
2		OF	
3		MARK C. BIRK	
4		CASE NO. ER-2007-0002	
5	Q.	Please state your name and business address.	
6	A.	My name is Mark C. Birk. My business address is One Ameren Plaza, 1901	
7	Chouteau Avenue, St. Louis, Missouri 63166-6149.		
8	Q.	Are you the same Mark C. Birk that filed Direct Testimony in this	
9	proceeding?		
10	A.	Yes, I am.	
11	Q.	What is the purpose of your Rebuttal Testimony in this proceeding?	
12	A.	The purpose of my Rebuttal Testimony is to provide estimated retirement	
13	dates for each of AmerenUE's major coal-fired generating facilities to be used by AmerenUE		
14	witness John Wiedmayer in calculating depreciation rates for these facilities.		
15	Q.	Is there some degree of uncertainty involved in estimating the retirement	
16	6 dates of these facilities?		
17	Α.	Yes. There are three major challenges regarding the continued, long-term,	
18	economic operation of the existing AmerenUE coal-fired generating units. The first		
19	challenge is the potential for increasingly stringent future environmental requirements that		
20	may be placed on these existing units. The second is the potential for future development of		
21	new generating technologies which may be more efficient and/or cleaner than the		
22	technologies employed in existing units, and thus more commercially viable. The third is the		
23	finite life associated with thick-walled components such as hoiler drums and headers. The		

- aging mechanisms of most concern involve creep in the high temperature headers and fatigue
- 2 cracking in the drums, and thus some replacement of these heavy wall components can
- 3 reasonably be expected if unit lives of greater than 60 years are going to be obtained. These
- 4 issues make estimating precise retirement dates for these facilities very difficult. Other
- 5 factors which need to be considered in estimating retirement dates for each facility include
- 6 the age and condition of each major component, the service history of each facility and the
- 7 expected future service conditions, anticipated near term capital investment for each facility,
- 8 and the time and resources required to permit and construct replacement base load production
- 9 capacity.

Q. Based on all of these considerations, what is your estimate of the retirement date for each of these facilities?

12 A. Taking all of these factors into consideration, my estimate of the retirement 13 dates for each of AmerenUE's coal-fired generating units is as follows:

Facility	Estimated Retirement Year	Approximate Age at Retirement
Meramec Plant	2021	63 years
Sioux Plant	2027	60 years
Labadie Plant	2033	61 years
Rush Island Plant	2037	60 years

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- Q. Does this conclude your Rebuttal Testimony?
- 16 A. Yes, it does.

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Union Electric Company d/b/a AmerenUE for Authority to File Tariffs Increasing Rates for Electric Service Provided to Customers in the Company's Missouri Service Area.)) Case No. ER-2007-0002)
AFFIDAV	IT OF MARK C. BIRK
STATE OF MISSOURI)) ss	
CITY OF ST. LOUIS)	
Mark C. Birk, being first duly swo	m on his oath, states:
1. My name is Mark C. Birk.	I work in St. Louis, Missouri and I am employed by
Union Electric Company as Vice Presiden	at of Power Operations.
2. Attached hereto and made	a part hereof for all purposes is my Rebutttal
Testimony on behalf of Union Electric Co	ompany d/b/a AmerenUE consisting of 2 pages, which
has been prepared in written form for intro	oduction into evidence in the above-referenced docket
3. I hereby swear and affirm	n that my answers contained in the attached
testimony to the questions therein propo	ounded are true and correct. Mark C. Birk
Subscribed and sworn to before me this	30 day of January, 2007.
My commission expires: July 21, 3	Notary Public Danielle R. Moskop Notary Public - Notary Seal STATE OF MISSOURI
>	St. Louis County St. Louis County My Commission Expires: July 21, 2009 Commission # 05745027