

FILED³

APR 25 2007

Ameren's Response to
State of MO - Atty General Data Request
MPSC Case No. ER-2007-0002
AmerenUE's Tariff Filing to Increase Rates for Electric Service
Provided to Customers in the Company's Missouri Service Area
Missouri Public
Service Commission

Requested From: Mike Brosch

Data Request No. AG/UTI-323

Ref: Rebuttal Testimony of AmerenUE witness Mr. Beishir, page 4 (Impact of rate reductions) At page 4 of his Rebuttal, Mr. Beishir states, "...we are concerned that reductions of this magnitude will jeopardize AmerenUE's ability to provide quality service to its electric retail customers in Missouri. We are concerned that such a dramatic rate reduction would not provide the Company with sufficient funds to invest in much needed infrastructure improvements in generation, transmission and distribution." Please provide the following information:

- a. Explain the analysis Mr. Beishir has conducted and the information he has reviewed to formulate the "concerns" that are described in his testimony.
- b. Does Mr. Beishir or AmerenUE possess any information supportive of a conclusion that a Commission-approved rate change below the level of revenues advocated by AmerenUE will "jeopardize" service quality in Missouri?
- c. Does Mr. Beishir or AmerenUE possess any information supportive of a conclusion that a Commission-approved rate change below the level of revenues advocated by AmerenUE will cause the Company to not invest in "needed infrastructure" in Missouri?
- d. Provide complete copies of all studies, reports, analyses, workpapers, projections and other documents associated with your response to parts (a) through (c) of this data request.

Response:

- a. I did not conduct a study to formulate my concerns, nor did I feel it necessary to do so. My opinion stems from 30 some years of experience in the electric utility industry.
- b. See answer to part a.
- c. See answer to part a. Additionally, I would have concerns that a scenario such as the reduction of AmerenUE's rates proposed by Staff would restrict AmerenUE's investment in its system. That result seems to defy logic regarding what should occur in the regulatory process.
- d. n/a

Prepared By: Leo Beishir

Title: Business Manager, Local 1439

Date: February 16, 2007

STATE Exhibit No. 525
Case No(s) ER-2007-0002
Date 3/29/07 Rptr PD