September, 2007

Dear AmerenUE Customer:

AmerenUE and Pemiscot-Dunklin Electric Cooperative have reached a tentative agreement for the sale of AmerenUE's Dunklin County service territory to the cooperative.

As part of the sale, which is subject to Missouri Public Service Commission (PSC) approval, approximately 2,100 AmerenUE customers in Senath, Arbyrd, Cardwell, Hollywood, Hornersville, and surrounding rural areas of Dunklin County would become electric customers of Pemiscot-Dunklin Electric Cooperative.

You are one of those customers. Both AmerenUE and Pemiscot-Dunklin Electric Cooperative want you to have an opportunity to understand the merits of the sale and its potential impact on your reliability and rates. Attached is a fact sheet that addresses possible questions you might have related to the sale.

The companies are also conducting a workshop where you can discuss the sale with company officials, ask questions and complete a comment card that will allow us to follow up on any questions you might have.

That workshop is scheduled for:

- Oct. 22, 2007, from 4 to 7 p.m.
- The Senath Church of Christ Fellowship Hall, 202 E. Commercial St., Senath, Missouri. (Note: *the enclosed map offers directions.*)

For questions about this workshop, please call Rick Davis at 573-359-6680.

Thank you for your business. We look forward to seeing you at the workshop.

Sincerely,

Jean M Fraxon

Jean M. Mason Manager, SEMO Division AmerenUE

Charles J. Crawford General Manager Pemiscot-Dunklin Electric Cooperative

# FACT SHEET ON AMERENUE AND PEMISCOT-DUNKLIN ELECTRIC COOPERATIVE TENTATIVE AGREEMENT ON THE SALE OF AMERENUE TERRITORY

## The Facts:

- AmerenUE and Pemiscot-Dunklin Electric Cooperative have reached a tentative agreement for the sale of AmerenUE service territory in Dunklin County.
- As part of the sale, which is subject to Missouri Public Service Commission (PSC) approval, approximately 2,100 AmerenUE customers in Senath, Arbyrd, Cardwell, Hollywood, Hornersville, and surrounding rural areas of Dunklin County would become electric customers of Pemiscot-Dunklin Electric Cooperative.
- Officials of AmerenUE and Pemiscot-Dunklin say the sale would improve service to customers in that area, while enabling both utilities to operate more efficiently.

## The Benefits:

- Due to its geographic location, the area that would be affected by the sale is one that has been difficult for AmerenUE to serve---AmerenUE linemen must drive as long as an hour to reach the area.
- With the sale, current AmerenUE customers in Dunklin County can expect to realize quicker response time because the Pemiscot-Dunklin Electric Cooperative will have a serviceman in the area, and greater reliability because there are plans to build a substation to serve Senath, Arbyrd, Cardwell, Hollywood and Hornersville. If agreement is approved Pemiscot-Dunklin Electric Cooperative also plans to launch aggressive tree-trimming and pole inspection programs and to inventory the entire system with an eye toward addressing any problem areas.

## The Rate Implications:

- The average residential customer, using an average of 1200 kilowatt hours of power each month, would pay approximately \$13 more per month because of a difference in the rates between the two companies. At the workshop, each customer can get more precise information on the difference in rates based on that customer's usage.
- AmerenUE summer and winter rates differ (7.92 cents per kilowatt hour in summer and 5.62 cents in the winter months) while Pemiscot-Dunklin rates are 6.70 cents year-round so actual differences in the costs

appearing on a customer's bill will depend on how much electricity a customer uses in summer versus winter and other factors.

#### The Timing:

• The application requesting regulatory approval for the sale will be filed around the end of October. If approved, the customer transfer would be expected to take place in early 2008. Customers would receive letters indicating a change in billing address for their bills and rate changes.

#### About Pemiscot-Dunklin Electric Cooperative

With headquarters eight miles east of Kennett, Mo., Pemiscot-Dunklin Electric Cooperative serves approximately 6,200 customers in three counties (Pemiscot, Dunklin and New Madrid).

The company was organized in September 1937 and by July 1950 was Missouri's largest electric cooperative and one of the largest in the Midwest.

Today Pemiscot-Dunklin Electric Cooperative maintains 1,422 miles of singleand three-phase power lines and operates out of 10 substations with a goal of providing safe, affordable, reliable service to the rural Bootheel of Missouri.

The cooperative can be reached by dialing 573-757-6641 or Toll-Free Phone 1-800-558-6641.

#### About AmerenUE

AmerenUE serves 1.2 million electric customers and 125,000 natural gas customers in more than 60 counties across Missouri. The company was founded in 1902 and is based in St. Louis. AmerenUE is part of St. Louis-based Ameren Corporation, which provides energy services through four utility companies— AmerenUE, AmerenCIPS, AmerenCILCO and AmerenIP--- to 3.4 million customers in Illinois and Missouri. AmerenUE can be reached by dialing 1-800-55ASKUE or 1-800-552-7583

Here are the mail and email addresses and phone numbers for those interested in contacting the Missouri Public Service Commission:

Public Information Office Governor Office Building 200 Madison Street PO Box 360 Jefferson City, MO 65102-0360 MAIN PHONE: 1.573.751.3234 MAIN TOLL FREE: 1.800.392.4211 ☑ E-mail: pscinfo@psc.mo.gov