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STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

TRANSCRIPT OF PROCEEDINGS

Local Public Hearing

February 1, 2010

Mexico, Missouri
Volume 17

In the Matter of Union Electric)
Company d/b/a AmerenUE's Tariffs)
To Increase Its Annual Revenues) Case No. ER-2010-0036
For Electric Service)

MORRIS L. WOODRUFF, Presiding,
CHIEF REGULATORY LAW JUDGE.

ROBERT M. CLAYTON III, Chairman,
Commissioner.

REPORTED BY:
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25 Service Commission.

1 P R O C E E D I N G S

2 JUDGE WOODRUFF: Good evening, everyone.
3 I'd like to welcome you all to this local public hearing.
4 This is the local public hearing concerning AmerenUE's
5 request for a rate increase, ER-2010-0036.

6 My name is Morris Woodruff. I'm the
7 Regulatory Law Judge for the Commission that's been
8 assigned to handle this case, and to my left is the
9 Chairman of the Commission, Mr. Robert Clayton.

10 CHAIRMAN CLAYTON: Thank you, Judge
11 Woodruff. I wanted to introduce myself. My name is
12 Robert Clayton. I'm Chairman of the Missouri Public
13 Service Commission. I am one of five commissioners that
14 are assigned the task of resolving cases such as this,
15 utility rate cases that are filed by utility companies.
16 They come before the Commission, and ultimately we have to
17 make a decision on how we are going to address those
18 requests.

19 I want to thank you very much for coming
20 out here tonight, sharing some time and some comments with
21 us. I wanted to make you aware on behalf of my
22 colleagues, we've been going around the state conducting
23 local public hearings. We started off in the St. Louis
24 area. In fact, we've been to other places, southeast
25 Missouri. Now we're working our way through northeast

1 Missouri. We're in Mexico tonight, Kirksville tomorrow,
2 Moberly on Wednesday. So we've been traveling around the
3 state. We've been sharing the responsibilities. It's
4 difficult for each Commissioner to be at each location.

5 But I wanted to make you aware that the
6 Commissioners do read the transcripts that are going to be
7 made, including the transcript that will be made of this
8 local public hearing. So your comments are very
9 important, and I appreciate you coming out and sharing
10 some information here tonight.

11 This is not my first time coming to Mexico.
12 I've attended, I think, just about every local public
13 hearing that's -- that has involved utility rate cases in
14 the city of Mexico. I think this is my first time being
15 in the auditorium, and I'm very impressed with the
16 auditorium. I would note, I come from the Hannibal, and
17 the school here in Mexico I think is about the same age as
18 the high school in Hannibal, so there are a lot of
19 similarities.

20 So I appreciate you being here. I'm always
21 delighted to be in Mexico, and I look forward to the
22 comments you're going to offer tonight. Thanks.

23 JUDGE WOODRUFF: Thank you. Let me explain
24 the procedure that we'll follow tonight. We have signup
25 sheets out in front for people to sign up to testify. If

1 you didn't get a chance to sign up, that's okay. When we
2 get down to the bottom of the list, I'll ask if anyone
3 else wants to make a comment and we'll let you do that.

4 I'll go down the list and call people
5 forward to testify in the order that they're on the list.
6 I'll ask you to come up here to the podium, and I'll ask
7 you to raise your right hand and I'll swear you in, just
8 like you've seen on TV. Then you can make your statement
9 to the Commission.

10 We want to hear from everyone tonight, and
11 we're not going to try and set an arbitrary time limit on
12 you, but I do want you to keep in mind that there are
13 other people behind you who want to testify also. We want
14 to have a chance to hear from everybody.

15 Also, I want to emphasize that you may have
16 asked questions earlier before, before we went on the
17 record here. If you want the Commission to know about
18 that, you'll need to repeat yourself here. And also might
19 add that if you have some sort of a written statement, if
20 you don't want to read the entire statement, you can give
21 me the written statement and I'll make that part of the
22 record even if you don't actually read it all into the
23 record.

24 So let's go ahead and get started, and
25 we'll call the first witness, which is Robert Martin. If

1 you'd please raise your right hand.

2 (Witness sworn.)

3 ROBERT H. MARTY testified as follows:

4 JUDGE WOODRUFF: Thank you. Could you tell
5 us your name and spell your last name?

6 MR. MARTY: Robert H. Marty, M-a-r-t-y.

7 JUDGE WOODRUFF: What would you like to
8 tell us?

9 MR. MARTY: If you don't mind, I'd like to
10 give you some credentials, not because I'm setting myself
11 up, but so you can understand. I've spent 25 years
12 appearing before these hearings. I've seen Mr. Clayton
13 many times and appreciate the help he's given us and
14 showing up again here.

15 I am a former councilman and mayor of the
16 City of Mexico. I'm former board member and president of
17 the Mexico School Board, former president of the Mexico
18 Ministerial Alliance. I'm a 20-year board member of the
19 Human Development Corporation, seven-year board member of
20 the Children's Trust Fund, volunteer chaplain at Audrain
21 Medical Center. As I say, I've appeared here at least 25
22 years.

23 At the very beginning I'd like to make it
24 clear that the service we receive or I feel that we
25 receive in Mexico from AmerenUE is very good and has been

1 over a long period of time. We are a city of mature
2 trees, and I think they've done an increasingly good job
3 about getting those trees under control. A storm would
4 cause us a lot of trouble.

5 The 18 percent increase is both outrageous
6 and obscene. It's as if AmerenUE is living in an
7 alternate universe. They've got a poor record of
8 recordkeeping, Commissioner. To give you an example, some
9 years ago they wanted to raise the monthly cost of gas
10 service from approximately \$6 to 18. Your records will
11 show you what the real numbers are. You can't nail me for
12 the numbers.

13 When I appeared here, I said it's real
14 interesting that they're raising rates because recently
15 you read the meters from the satellite and you dismissed
16 the meter readers, and when you called AmerenUE, you got a
17 mechanical number and the people that answered the phone
18 were gone. Plus you had just gone together with a large
19 company, AmerenUE together.

20 Well, several weeks later AmerenUE came
21 back and said, you know what, we didn't want \$18. We only
22 wanted 14 per month. And when the press asked them why
23 the difference in what you asked for and what you're
24 asking for now, they said, and it's in the record, we used
25 old figures. We used old figures. That's AmerenUE's

1 words.

2 So I worry tonight, are we using old
3 figures? The lady said that the price of coal has gone
4 up, and, in fact, it's been pretty stable, and the cost of
5 money is almost -- well, you can't get any investment at
6 all, but the cost of borrowing is way down. So I wonder
7 how that's going. They have laid off, according to
8 testimony, several hundred people at least. I wonder if
9 those new costs are figured in this rate request.

10 AmerenUE is a large user of electricity
11 itself, and I wonder, are they doing efforts to conserve,
12 and how is the cost of electricity treated? When they
13 raise it to themselves 18 percent, they can say, oh pity,
14 oh pity, our costs are up, and then they ask to raise the
15 cost to us. So they're doubling down on electricity.

16 The problem is worse than that. The State
17 Legislature allows the electric -- when there is
18 conservation, they allow the electric companies if they
19 have reduced revenues to raise their rates if there's been
20 conservation. It's almost an insane thing for the
21 Legislature to do that. It's a ship of fools to do that.

22 That means when we or they, the electric
23 company, conserves electricity, there's no actual benefit,
24 when they really should be working on conserving their own
25 electricity. It should really be cost neutral, what

1 they're using. There's no incentive for them or the
2 customers to save electricity if, in fact, they raise the
3 rates to make up for lost income.

4 I also wish we could examine the Missouri
5 Public Service Commission itself. Its budget is paid for,
6 as I understand, by the utilities, but by law they're
7 allowed to pass the cost of the -- on to the ratepayers.
8 So we actually pay for the Missouri Public Service
9 Commission.

10 I wonder if they should -- are a serious
11 factor in the rates. I think it would be reasonable to
12 ask them to look possibly to streamline, to reduce costs
13 as much as 25 percent. I mean, do they reinvent the
14 wheel, the Missouri Public Service Commission, every time
15 they have rates? The assets of AmerenUE are well known
16 and identified. Certainly they can be in a program that
17 doesn't have to be jacked up each time they do it. I
18 think if their expenses were less, the utility would have
19 less costs, and then we would get less costs as well.

20 Also, the Missouri Public Service
21 Commission has a proven record of at least being sleepy.
22 In the mid 1980s at a hearing in Mexico for rate increase,
23 I pointed out that Missouri Power & Light, which was then
24 the company that ran Mexico, had only one stockholder,
25 Union Electric, and yet both companies had corporate staff

1 and lawyers and lobbyists and white collar people, and
2 that really, in fact, instead of raising rates, they
3 should decrease their rates.

4 Well, 11 months later, Union Electric did
5 lay off 200 people, mostly white collar, they simplified
6 their structure, and they reduced rates 5 percent. They
7 did reduce rates 5 percent. When the press asked them why
8 they had not done this before, they said because the
9 Missouri Public Service Commission had never said
10 anything. They'd not been aggressive enough to ask the
11 question.

12 Also over time, Mr. Clayton, if you watch
13 the rates, and we did when I was on the city council. We
14 studied them in an informal study. We found out that the
15 rate granted was generally about 40 percent, 47 percent of
16 what was asked. That didn't count some that were denied
17 entirely, some very small rates that were denied --
18 increase that were denied entirely.

19 But if you get 47 percent of what you ask
20 over the sweep of history, in that culture it would think
21 to me that that's how you're going to ask for your rates.
22 You're going to ask so that if you get half, half is
23 enough for you. And right now, even 9 percent of 18, half
24 of 18, that is too high.

25 I checked just this afternoon. We talk

1 about individuals. You've heard different people talk
2 about what it's going to do to them. There can be no
3 question about that. But I talked to both the public
4 schools and Audrain Medical Center. The public schools
5 and the medical center in Mexico are two of the largest
6 users of electricity in this community.

7 The public schools had in 2009 \$323,000 for
8 electricity. A 15, 18 percent increase would be about
9 \$60,000, equal to probably two or three beginning
10 teachers. If you know anything about schools -- and I
11 know you do. I don't mean to be differential. If you
12 know anything about schools, they're struggling,
13 struggling, and to stick them with that would be terrible.

14 Audrain Medical Center paid \$413,000
15 electricity in 19-- or 2009, and that increase would be
16 \$62,000. And it, too, is struggling on the margin to stay
17 alive. The rural hospitals and the rural schools have a
18 difficulty in going, and these increases are really sharp.

19 I think instead of these increases,
20 AmerenUE and the Missouri Public Service Commission could
21 see how they can reduce their costs significantly. Now,
22 the gentleman talking gave us a good list of things
23 they've done, but I think there must be more. And the
24 fact that they have not got an incentive for conservation,
25 I think they still should go forward with that to try and

1 do it.

2 I think instead of raising this much, I
3 think we probably ought to be reducing your prices
4 5 percent. And I thank you very much for listening to me.

5 (Applause.)

6 JUDGE WOODRUFF: Thank you, sir.

7 CHAIRMAN CLAYTON: Mr. Marty, can I just --
8 can I ask you a few questions?

9 MR. MARTY: I'll try.

10 CHAIRMAN CLAYTON: I just want to ask you a
11 couple of questions, and I appreciate you coming out. You
12 have indeed spent a great deal of time coming to local
13 public hearings regardless of whether it's Ameren or
14 American Water, whatever.

15 MR. MARTY: That's right.

16 CHAIRMAN CLAYTON: So I appreciate your
17 commitment.

18 The first question I have on just your last
19 comment about reducing rates by 5 percent. Are you basing
20 that suggestion on the costs of the company or are you
21 basing it on the current economy, the current state of the
22 economy in reducing rates by 5 percent?

23 MR. MARTY: I think that the company could
24 be like the rest of us and have to tighten their belt,
25 streamline. I think they could be streamlined. I think

1 they could use more computer systems. I think they can
2 reduce personnel. I think the Missouri Public Service
3 Commission could do the same thing. I'm talking about not
4 because of the economy but what they should be doing as
5 citizens.

6 CHAIRMAN CLAYTON: Okay. The other
7 question I wanted to ask was about trees. You mentioned
8 that the company has been -- you said they're doing a good
9 job of getting ahold of the mature trees in the area; is
10 that correct?

11 MR. MARTY: Yes.

12 CHAIRMAN CLAYTON: Had they been doing the
13 tree trimming over time or is this a recent occurrence, or
14 can you give me a little more information on tree
15 trimming?

16 MR. MARTY: Well, when you live as long as
17 I have, the trees grow old.

18 CHAIRMAN CLAYTON: Let's not get into that.
19 That's not under our jurisdiction here.

20 MR. MARTY: I think the trees have matured,
21 and as they come into maturity, why, they've done a job
22 recently of taking them down.

23 CHAIRMAN CLAYTON: Okay. So it's been an
24 improvement over what they've been doing in the past?

25 MR. MARTY: That's a better way to say it,

1 due to the maturity of the trees.

2 CHAIRMAN CLAYTON: Did you have a
3 problem -- and forgive me. I didn't bring my notes, and
4 the transcripts are probably here. Were there challenges
5 in reliability several years back?

6 MR. MARTY: Not in my hearing.

7 CHAIRMAN CLAYTON: Has that improved or do
8 you think it's just the same?

9 MR. MARTY: I don't think there have been
10 challenges in reliability. We have the ice storm. We
11 have the odd squirrel who eats the cable. We have those
12 things, but reliability has generally been good.

13 CHAIRMAN CLAYTON: Okay. That's all I
14 have. Thank you very much for coming. It's good to see
15 you.

16 JUDGE WOODRUFF: Thank you. And I just
17 remembered one thing I forgot to do, and that is to ask
18 for the attorneys who are here for the parties to identify
19 themselves. Is there anyone here from Staff?

20 MR. WILLIAMS: Yes. Thank you. Nathan
21 Williams, P.O. Box 360, Jefferson City, Missouri,
22 appearing on behalf of the Staff.

23 JUDGE WOODRUFF: And for the company?

24 MR. LOWERY: James B. Lowery, Smith Lewis,
25 LLP, 111 South 9th Street, Columbia, Missouri 65201,

1 appearing on behalf of AmerenUE.

2 JUDGE WOODRUFF: Thank you. For Office of
3 the Public Counsel?

4 MR. MILLS: On behalf of Office of the
5 Public Counsel and the public, my name is Lewis Mills. My
6 address is Post Office Box 2230, Jefferson City, Missouri
7 65102.

8 JUDGE WOODRUFF: Thank you. Anyone else
9 here for any of the parties?

10 (No response.)

11 JUDGE WOODRUFF: All right. We'll go back
12 to calling witnesses, then. The next name on the list is
13 Harold Enslen.

14 MR. ENSLEN: That's me.

15 JUDGE WOODRUFF: Good evening, Mr. Enslen.
16 If you'd please raise your right hand.

17 (Witness sworn.)

18 HAROLD ENSLEN testified as follows:

19 JUDGE WOODRUFF: Thank you. And could you
20 tell us your name and spell your last name.

21 MR. ENSLEN: Harold S. Enslen, E-n-s-l-e-n.

22 JUDGE WOODRUFF: Thank you. What would you
23 like to tell us?

24 MR. ENSLEN: Well, the last one of these we
25 attended last year, it was down at the technical college,

1 and it's -- I know you guys get tired of hearing about
2 these folks that are homebound, living down this street or
3 that street or that street or this street, living in one
4 or two rooms, trying to make it through this winter, and
5 this is still going on, whether using electric or gas,
6 and -- or water, as we pointed out about the water in the
7 past.

8 Recently in the newspaper there was an
9 article that was in the first part of December in the
10 local paper, AmerenUE Donating \$100 to 500 Customers For
11 Energy Assistance. I'd like to ask the crowd, how many
12 people here got that \$100? Did anybody get it? Anybody
13 got their hand up? Where did this -- where are these 500
14 customers? I've been around Mexico a long time, been
15 involved in city council and the school board, do a lot of
16 volunteer work, and I personally do not know one person
17 that got this.

18 So they're spreading this out. If they've
19 got this to spread out, did they spread this out over
20 their whole territory that Ameren covers or just in the
21 central part of Missouri? That's a question.

22 Anyway, also they were talking a while ago,
23 there was some questions about the profits, and this is an
24 article out of the St. Louis paper. In December '08-'09,
25 and it talks about that Ameren where they -- the profits

1 were 11 percent. Now, this is alleged, and we assume
2 that's right.

3 Also, the 18 percent, if you think about
4 it, there's some folks that have all electric houses, and
5 an 18 percent increase is a staggering increase for low
6 income people and for retired people.

7 Also, a while ago I was wondering if
8 Mr. Rainwater, Mr. Baxter and Mr. Voss are here in the
9 audience. Those are Ameren executives. Someone asked
10 about the bonuses. And I'll be glad to leave this with
11 you if you want. It tells about the bonuses, the alleged
12 bonuses.

13 JUDGE WOODRUFF: I can take it if you want
14 to give it to me.

15 MR. ENSLEN: All right. I'll give it to
16 you. I'll just quote what they were. Rainwater the way I
17 read it was \$771,000, Mr. Baxter's were \$302,000, and
18 Voss' was \$240,000. That's -- that's a staggering amount
19 for people that don't really -- everybody doesn't read the
20 paper, but this is a staggering amount when you're asking
21 for an 18 percent increase.

22 Also, I'm concerned that the Public Service
23 Commission is really listening to our plea to look after
24 folks that are staying home this cold weather and are in
25 need. Besides the food costs that have gone up, the

1 utilities cost and their other costs, and we're really
2 concerned that the Public Service Commission is listening
3 to our plea. That's all I have.

4 JUDGE WOODRUFF: Questions? Sir, if you
5 want to bring that document to me, I'll mark it as an
6 exhibit.

7 MR. ENSLEN: All right.

8 JUDGE WOODRUFF: All right. You've got
9 several documents here.

10 MR. ENSLEN: Yes.

11 JUDGE WOODRUFF: This is the information
12 sheet.

13 MR. ENSLEN: All right.

14 JUDGE WOODRUFF: One headlining, Ameren
15 Donating \$100 to 500 Customers for Energy Assistance, I'll
16 mark that as Exhibit 1. And for Stlouistoday.com you've
17 got a story dated December 8th. I'll mark that as 2. The
18 story dated December 10, I'll mark that as 3. And then
19 you've got a fourth one saying Group Opposing AmerenUE
20 Rate Hike Files Paper. Do you want that one also?

21 MR. ENSLEN: Yes.

22 JUDGE WOODRUFF: We'll mark that 4. Is
23 there any objection to the receipt of Exhibit 1, 2, 3 or
24 4?

25 (No response.)

1 JUDGE WOODRUFF: Hearing none, they will be
2 received into evidence.

3 (EXHIBIT NOS. 1, 2, 3 AND 4 WERE MARKED AND
4 RECEIVED INTO EVIDENCE.)

5 CHAIRMAN CLAYTON: Mr. Enslen, this isn't
6 your first rodeo. You've been to these hearings before?

7 MR. ENSLEN: Yes, sir.

8 CHAIRMAN CLAYTON: Yeah. I remember you
9 from the last one. I think -- that's all right. I'm not
10 sure -- just stay where you are just for right now.

11 I remember you speaking at the last one,
12 and as I recall, at the time you were speaking as an
13 advocate I thought for senior citizens, that you were
14 playing a little more formal role.

15 MR. ENSLEN: (Nodded.)

16 CHAIRMAN CLAYTON: I'm wondering if it
17 would be worthwhile for you to have a conversation with
18 our PSC Staff, either the two folks sitting over here or
19 the folks at the front desk, because this article does say
20 that there was some degree of cooperation, although I
21 don't personally know how it occurred, in the distribution
22 of these gift cards, but it does say that there's a
23 partnership with some charities and some aid
24 organizations.

25 Considering that you are playing some role

1 with helping senior citizens and you're aware of folks in
2 town that may be in need of assistance, it may be
3 worthwhile for you to meet with our staff and maybe learn
4 who those folks are, and perhaps you can be more involved
5 in programs like this when they come out.

6 MR. ENSLEN: I'm familiar with the -- with
7 the groups there, but I'm not familiar with any customer,
8 and I don't know anybody that does.

9 CHAIRMAN CLAYTON: Have you talked to any
10 of those groups?

11 MR. ENSLEN: Yes.

12 CHAIRMAN CLAYTON: Did they give you any
13 information?

14 MR. ENSLEN: No, I didn't get any. I
15 didn't talk to all of them.

16 CHAIRMAN CLAYTON: Are they credible groups
17 in the community?

18 MR. ENSLEN: Yes. I used to be on the
19 CMAAA.

20 CHAIRMAN CLAYTON: Okay. So there may be
21 some confidentiality that they're not sharing --

22 MR. ENSLEN: Could be.

23 CHAIRMAN CLAYTON: -- specific names.
24 Okay. I appreciate you coming out tonight. I appreciate
25 your comments.

1 JUDGE WOODRUFF: Thank you. Next name on
2 the list, then, is Clint Litel or Litel. Good evening,
3 sir. Please raise your right hand.

4 (Witness was sworn.)

5 CLINT LITEL testified as follows:

6 JUDGE WOODRUFF: Thank you. Would you tell
7 us your name and spell your last name, please.

8 MR. LITEL: My name is Clint William Litel.
9 Last name is L-i-t-e-l.

10 JUDGE WOODRUFF: Thank you very much.

11 MR. LITEL: Back in 2004, my dad shot my
12 leg off, and it's been really hard for me. Well, what I
13 just wanted to say was, there's a lot of people like me
14 that rely on one check every month, disability check, and
15 it's going to be hard for the people and everything, you
16 know, to pay a higher electric bill.

17 And, um, I'm here for American people and I
18 talk for them and stuff. There's -- there's going to be a
19 lot of -- there's going to be a lot of truck driving
20 companies going out of business, and it wouldn't surprise
21 me if there's going to be any car industries shutting down
22 because they ain't going to be able to pay their light
23 bill.

24 I think -- I think the 18 percent is a
25 little risky at this point because there's a lot of people

1 like me that buy hay, straw, goats and stuff like that and
2 livestock, and we use a lot of electricity for that, and
3 it wouldn't surprise me if there's going to be any
4 farmers, you know, quitting, shutting down.

5 So if it does pass, I'm hoping that it
6 don't, but if it does, I hope that we're willing to work
7 with it and to make it better. But if it don't pass, I
8 hope that -- really what I'm saying is, I'm hoping -- I'm
9 hoping that it stays the same that it is now because it
10 wouldn't surprise me if there's going to be a lot of
11 schools shutting down because they ain't going to be able
12 to pay the electricity. I hope we don't see that because
13 I don't want to see the schools close down.

14 It's going to be hard on the people that's
15 disabled to pay that 18 percent, and I hope that natural
16 gas and electric stays the same. I hope it doesn't get
17 higher, and I hope the car gas doesn't get higher because
18 it's high enough the way it is. And the truck drivers,
19 they have to buy diesel. Diesel's even high right now.

20 And I don't want -- I don't want to -- I
21 don't want to see this economy go down. I hope the
22 economy keeps booming and keeps doing what it's doing. If
23 you-all -- if you-all want it to pass, I hope it
24 doesn't -- I hope it doesn't reflect on all them issues,
25 and that's really all I have to say.

1 CHAIRMAN CLAYTON: Mr. Litel, thank you
2 very much for coming out tonight. I'm sorry for your
3 circumstances.

4 I wanted to ask you a few questions. You
5 started off talking about it's difficult only getting one
6 check. Do you mind if I ask you, are you disabled with
7 that injury?

8 MR. LITEL: I get a disability Social
9 Security check every month.

10 CHAIRMAN CLAYTON: And that's your only
11 source of income?

12 MR. LITEL: That's all the income I have.

13 CHAIRMAN CLAYTON: So basically you have to
14 balance all of your expenses, including your Ameren bill,
15 with just that single check?

16 MR. LITEL: (Nodded.)

17 CHAIRMAN CLAYTON: Okay. Have you ever had
18 the need to seek any special assistance through Ameren?
19 Have you ever had challenges with the bill or anything
20 like that where you had to reach out to Ameren for
21 assistance?

22 MR. LITEL: I ain't never had to go to this
23 point yet. I'm with the REA. I'm not with Ameren.

24 CHAIRMAN CLAYTON: Oh, you're not an Ameren
25 customer?

1 MR. LITEL: I'm an REA customer. So I'm
2 hoping that the REA customers, I hope their electric bills
3 don't get higher.

4 CHAIRMAN CLAYTON: They won't be affected
5 by this case.

6 MR. LITEL: They won't be affected?

7 CHAIRMAN CLAYTON: No. You ought to be
8 happy with that.

9 MR. LITEL: I am.

10 CHAIRMAN CLAYTON: The only one happy,
11 but --

12 MR. LITEL: I hope the AmerenUE customers
13 don't suffer.

14 CHAIRMAN CLAYTON: I appreciate that.
15 Thank you very much for coming, sir.

16 (Applause.)

17 JUDGE WOODRUFF: The next name on the list
18 is Harlan Applebee. Good evening, sir. Please raise your
19 right hand.

20 (Witness sworn.)

21 HARLAN APPLEBEE testified as follows:

22 JUDGE WOODRUFF: Thank you very much.
23 Could you state your name and spell your last name,
24 please.

25 MR. APPLEBEE: My name is Harlan Applebee,

1 A-p-p-l-e-b-e-e. I have great concerns on this, not only
2 because I know a lot of elderly people who are on a fixed
3 income, and yes, it would put a major cramp in their life.
4 They live -- they're barely making it now. I mean, they
5 have no money to do nothing. If they got any kind of
6 medication to pay for, they're screwed. They have no
7 money. Because I know a lot of them get -- some of them
8 get between 12 to \$1,500 a month and that's it.

9 And another 18 percent increase, I know on
10 my bill it makes another 50, \$60 a month. Those people
11 cannot afford to justify another 18 percent increase.
12 They have no money now. And our government's not going to
13 give them any more money. So it's up to the people. And
14 I know Ameren's got ways to get more money. They can cut
15 costs. There's other ways to go around.

16 To want \$402 million, it's just unreal,
17 because you see guys who work for the utility companies,
18 four or five of them standing around. One guy's working.
19 Four or five of them just standing there doing nothing.
20 That is ridiculous.

21 (Applause.)

22 I'm not with the union company. I have no
23 problem with them. But you still got to say the same
24 rules for every employee. You've got to get in there,
25 you've got to do your work, do it right the first time and

1 it don't cost you so much in the end. And I know this
2 because I've had to go in and fix people's stuff that they
3 screwed up. And I feel really guilty about charging that
4 customer a little bit of money to make things right for
5 them because somebody already screwed them.

6 And I feel that's what Ameren's trying to
7 do to us today. They're trying to screw the people who
8 provide your-all's paychecks. If it isn't for us, you-all
9 get nothing.

10 (Applause.)

11 I don't need AmerenUE to survive. I know
12 how to go out and make -- I don't need your electricity to
13 live. Every one of us, you know, our forefathers, they
14 lived off the land. They didn't have electricity. Don't
15 need it. I can conserve my wood. I can go out and cut
16 wood, but that's for me. These elderly people, they can't
17 go out and do this kind of stuff. They have to buy wood.
18 They're not able to go out and do it.

19 I do my part in making sure my energy bill
20 stays low. I turn off all my lights. I'm sure they do,
21 too. Most of them are living in one or two rooms in their
22 house because they can't afford to heat five, six rooms in
23 their house.

24 And so I really ask the Commission to
25 really pull for us to not make this increase because it

1 will have a lasting effect on everybody in the United --
2 or Missouri. The rest of the United States is already
3 suffering. I'm sure they're going through some of the
4 same difficulties some of us are today. That's really
5 what I have to say.

6 JUDGE WOODRUFF: Thank you, sir.
7 Questions?

8 CHAIRMAN CLAYTON: I have none.
9 (Applause.)

10 AUDIENCE MEMBER: Can you turn the mic?

11 JUDGE WOODRUFF: The mics over there?

12 CHAIRMAN CLAYTON: Nathan, can you just
13 help the next person that comes up with the mic? Go
14 ahead.

15 JUDGE WOODRUFF: The next witness then is
16 Hazel Roberts

17 AUDIENCE MEMBER: Please move the
18 microphone.

19 CHAIRMAN CLAYTON: We're going to do it
20 when she gets up here so we can measure it.

21 JUDGE WOODRUFF: Good evening, Ms. Roberts.

22 MS. ROBERTS: Good evening.

23 CHAIRMAN CLAYTON: Move that a little
24 closer to her there.

25 MS. ROBERTS: I don't really need a

1 microphone.

2 CHAIRMAN CLAYTON: Well, they're telling me
3 you do.

4 JUDGE WOODRUFF: I need to swear you in
5 first also.

6 (Witness sworn.)

7 HAZEL ROBERTS testified as follows:

8 JUDGE WOODRUFF: Thank you. Could you tell
9 us your name, please, and spell your last name.

10 MS. ROBERTS: I'm Hazel Roberts,
11 R-o-b-e-r-t-s. I live at 1524 Fairground Road, Mexico,
12 Missouri.

13 JUDGE WOODRUFF: What would you like to
14 tell us?

15 MS. ROBERTS: A lot of what's already been
16 said, but I'm one of those people. I'm on a steady
17 income, but it's not raising. Everything I have has gone
18 up. I don't see how, if our checks don't go up 18
19 percent, how everything else can go up as much as it's
20 going up. All of our insurances have gone up. All of our
21 other rates have gone up.

22 And I can't do without electricity. I
23 sleep with a breathing machine on every night. I have to
24 have electric. And I don't see how they can justify
25 trying to get 18 percent increase. I don't think I can

1 pay a 2 percent increase on my bill. Right now my gas
2 bill's outrageous because I have gas heat, but I have
3 other things that are electric. And in the summer, I have
4 air conditioning, and I don't tolerate a lot of heat and
5 humidity well, so I have to run my air conditioner. Well,
6 that's when it's going to really cost me.

7 I don't have extra money to pay anything.
8 I have a small retirement account that's worth a lot less
9 than it used to be, and I have a small annuity that runs
10 out in August. So Social Security's going to still
11 hopefully sustain me. But I don't see how I'm expected --
12 like any of the rest of them here who don't have a way to
13 make more money, I'm retired, and I don't see how we're
14 going to be able to make an increase in any kind of raise
15 for our electric bills.

16 I don't -- I know there are increases that
17 need to be done. I know you are an investor-owned
18 company. I don't think I own any part of you because my
19 income hasn't gone up, but the dividends on a lot of
20 things have gone down, and I don't see why they can't be
21 cut a little bit for the Ameren people, too. I know they
22 own the company. I'm part of a credit union. I own part
23 of a credit union, but my part's little compared to
24 everybody else's.

25 I don't see how we can be expected to

1 suffer such an increase when we haven't got it to pay. I
2 have cut out a lot of things. I don't travel like I did.
3 I don't do other things like I did, and I just can't
4 afford another increase in my electric.

5 This summer, it's going to go up. I have
6 budget billing. Thank goodness I have budget billing
7 because the last two bills have been horrible. Today I
8 got my AmerenUE bill. Woo-hoo. If I wasn't on budget
9 billing, I wouldn't have been able to pay it. I don't
10 have that much money. But I did have a balance in the
11 budget that they can draw on to pay it.

12 I won't have enough to pay another
13 increase, and with the weather fluctuating as much as it
14 does, especially this is Missouri, we have heat and
15 humidity in the summer and we have had bitter cold
16 recently. All of our costs have to go according to what
17 we have to have, our heating and cooling and so on. But a
18 large company can make cuts, too. They can tighten their
19 belts like we've had to do.

20 And I just want to make it short but not
21 sweet. I can't afford an increase on my electric.

22 JUDGE WOODRUFF: Thank you, ma'am. Any
23 questions?

24 (Applause.)

25 CHAIRMAN CLAYTON: Ms. Roberts, I don't

1 have any questions for you. Your message comes through
2 loud and clear. Thank you very much for coming.

3 JUDGE WOODRUFF: The next name on the list
4 is Eldon Mellott.

5 MR. MELLOTT: Mellott.

6 JUDGE WOODRUFF: Mellott. Okay. Good
7 evening, sir. Please raise your right hand.

8 (Witness sworn.)

9 ELDON MELLOTT testified as follows:

10 JUDGE WOODRUFF: Thank you. And if you
11 could tell us your name and spell your last name.

12 MR. MELLOTT: Eldon Mellott, M-e-l-l-o-t-t.
13 I live at 718 East Jackson Street in Mexico.

14 To start with, like I told them at the last
15 meeting, I'm not the sharpest knife in the drawer, but
16 I've got a lot of questions here. I might be wrong on
17 some of them, but that's why I'm here.

18 You get your big business, AmerenUE's
19 asking for 18 percent. They may need 2 to 3 percent.
20 They might need it. So the Public Service Commission
21 gives them 9. Public Service Commission pats themselves
22 on the back, says, boy, look what we've done for the
23 consumers, and AmerenUE says, look what we've done for our
24 investors.

25 Now, I don't mind people buying shares,

1 making a little money. It's the American way. But why
2 should they be left out of the loop in the financial
3 crunch we got now?

4 Now, to start with, I'm going to ask about
5 all these TV ads and billboard ads. It's propaganda is
6 the only way I can call it. They've got a man on there
7 saying, I don't get a raise this year, we're trying to
8 help you. Well, anybody in this room that's lucky enough
9 right now to have a job, I seriously doubt they got a
10 raise, and I know the ones on disability and Social
11 Security didn't. Our sewer's about doubled. Water rates
12 went up last time, and we're stuck.

13 And then in that same propaganda ad, they
14 talk about this great job they're doing on trimming trees.
15 They weren't doing much tree trimming until the State made
16 them do it, because I know some of the guys on these
17 crews, they're trimming stuff as big around as my waist.
18 So either they weren't doing it or they was way behind.
19 But they're using that as, you know, we're doing such a
20 great job.

21 And this budget billing, it's a good deal,
22 but it used to be they took 11 months, added it together,
23 divided by 11 and that's what you paid for 11 months. The
24 12th month, usually December, was more or less a freebie.
25 You was ahead. You had a little bit of Christmas money.

1 But now, no, they got to change it every four months. You
2 don't know what your bill's going to be. They change it
3 right after a real -- the bad winter when you're way
4 behind, they jack it up, then it's -- you hit a place,
5 then they lower it, and the only explanation you get out
6 of them is, oh, the computer does that automatically.
7 Well, somebody had to program that computer, and the only
8 way I can figure out is --

9 (Applause.)

10 The only thing that I can figure out why
11 they're doing it is greed, because if we owe them money,
12 they're not drawing any interest on that money. But when
13 they owe us, we don't draw no interest.

14 And here's one I come up with a couple of
15 weeks ago that it blows my mind. I know a family that
16 three years ago went to all electric, cook stove, furnace,
17 hot water heater, everything. They called AmerenUE, had
18 them shut the gas off, but AmerenUE didn't take the meter.
19 They've been charging them \$9 a month for a meter that has
20 had absolutely no gas running through it.

21 Now, if it had been me, the meter would
22 have been out in the middle of the street. They tried it
23 on a local businessman here, and he was too sharp for
24 them. He told them in a few short words what they could
25 do with their meter.

1 Now, I don't have anything against nuclear
2 power. Three Mile Island didn't put out enough radiation
3 for a good chest X ray. But they spent all this money
4 just trying to get an okay to build a new nuclear plant
5 and to try to get us to pay for it before they even got an
6 okay.

7 So last time I asked them, how many acres
8 do you own down there at Reform? We think 4,000. They
9 didn't know for sure. I said, well, what about 40 acres
10 of solar panel? I never heard of one going critical and
11 leaving parking lot glow in the dark. Make the tree
12 huggers happy. They have their electricity. Their answer
13 was, it only works during the daytime.

14 Well, all along they've put out this stuff,
15 do your laundry after the sun goes down, conserve energy
16 when the draw is. Well, the draw's during the daytime, so
17 why wouldn't they want them to work during the daytime?

18 So I asked them about wind power. I said,
19 you're going to get a little bit of trouble from the tree
20 huggers, going to kill a few birds, but I'll put sparrows
21 up against hypothermia and heat stroke any day. It costs
22 they said 12 cents a kilowatt hour, and they only got a 2
23 cent rebate from the Federal Government. So wind power
24 was out.

25 But now in their folder, boy, they're

1 pushing solar power and they're pushing wind power, and we
2 still ain't seen any of it.

3 I asked them, I said, you buy natural gas
4 wholesale, don't you? Yeah. I said, how many vehicles
5 have you converted to natural gas? It's a whole bunch
6 cheaper and a whole bunch cleaner. Their answer was,
7 well, nobody sells the vehicles. I didn't ask them to buy
8 new vehicles. I asked how many they converted, because if
9 they convert them, they'd have to refill them, they could
10 start their own filling stations. If I could, I'd convert
11 my own truck.

12 I asked them, whole bottom third of
13 Missouri's supposed to be natural gas reservoirs. I said,
14 why ain't you drilling your own wells? Well, they come up
15 with, I think it was a conflict of interest, which that
16 don't make any sense to me. If I own a furniture factory,
17 I can go out and buy my own timber and start my own
18 sawmill and cut my own wood for it. They could cut out
19 the middleman.

20 Another thing that they've come up with,
21 had a neighbor. He was getting a \$7 a month gas bill in
22 the wintertime, and they called AmerenUE for a good five
23 months, if not more. Oh, there's nothing wrong with it,
24 there's nothing wrong with it. AmerenUE finally come out
25 and changed the meter out. The meter was bad, and then

1 they hit him with an estimated bill, 1,200 bucks, ten days
2 you've got to pay it.

3 The other neighbor run extension cord to
4 the refrigerator. They plugged the refrigerator in one
5 day and deep freeze the next. And the Public Service
6 Commission let them get by with this on an estimate. They
7 have no proof what they used.

8 Last meeting they had, they said, well,
9 they got it so if their wholesale cost goes up, they can
10 pass it on to the consumers. On face value that makes
11 sense. If their wholesale price goes up, they got to pass
12 some of it on to consumers or they'll go out of business.
13 But in the same voice they said if it went down they was
14 going to refund 50 percent. So it was a heads I win,
15 tails you lose. If it went up, they didn't lose a dime.
16 If it went down, they made money.

17 So it's -- and their maintenance part of
18 it, on this tree trimming, I don't imagine anyone in
19 management's ever worked off a pole or out of a bucket.
20 Well, let me tell you, it's 2 a.m. in the morning, it's 20
21 degrees with a 20 mile an hour wind and it's snowing so
22 hard you couldn't see even if it was daylight, and they
23 got these line crews working in this stuff, covered with
24 ice. The misery index is terrible, the safety index goes
25 up.

1 They should have been trimming those trees
2 just for the safety of the line crews and the amount of
3 overtime they had to pay. But the State made them because
4 when that electricity goes down, busted water pipes,
5 flooded basements, sheetrock, spoiled food, it's mind
6 boggling how much money a person can lose. But now
7 they're bragging about it after the State made them do it.

8 Now, the nuclear power, President Obama in
9 his speech finally come up with some help on nuclear
10 power. For most of the administration has been dead set
11 against it. I don't know why.

12 And this maintenance part, safety part,
13 they had a faulty sensor on a dam that broke. Like to
14 have destroyed one of our state parks, and only by the
15 grace of God there wasn't hundreds of visitors in that
16 park.

17 So a lot of this don't make sense to me how
18 they can come back and want an 18 percent raise when the
19 people on fixed incomes and stuff, we're having trouble
20 buying little luxuries like toilet paper and toothpaste,
21 bath soap, and in my condition, in my deal, a haircut, you
22 know. And every time you turn around, they had a raise
23 last year, they had a raise before that.

24 And the difference on the gas, we've got an
25 option. We can heat with wood, corncobs, kerosene. It

1 might be dirtier. It might be more expensive. It might
2 not be as convenient. We can't burn coal inside the city
3 limits. But what do you substitute for water and
4 electricity?

5 President Busch said we was addicted to
6 energy, but everything you buy for your house now, they
7 preach conservation. They come in and winterized my house
8 for me. Put me a forced air furnace in. I had a coal
9 furnace that had been converted for gas. Had a burner in
10 it that big. It kicked on, you could hear it a half a
11 block away. But it leaked heat into the basement, and it
12 kept my floors warm. I didn't have to run it as much.

13 Put me in a forced air one. Everything I
14 saved on gas is going to run the blower, and they didn't
15 put no vents in the basement. The basement's cold and the
16 floor's cold. But they're still preaching this
17 conservation. Two years ago they come up they wanted a
18 raise. Everybody was conserving and they wasn't selling
19 enough electricity.

20 So they're robbing Peter to pay Paul,
21 saying one thing and doing just the opposite, and it --
22 like I said, I might have the wrong slant on it, but
23 that's the way it all comes across to me. And that's --
24 that's -- that's about the extent of it.

25 JUDGE WOODRUFF: All right. Thank you,

1 sir.

2 (Applause.)

3 CHAIRMAN CLAYTON: Mr. Mellott, you brought
4 up a lot of points all over the board on a lot of
5 different issues. There are a couple of things I wanted
6 to just mention.

7 No. 1, you mentioned two customers that had
8 difficulties with their service either not being turned
9 off or wasn't turned off in time and there were bills
10 continuing to churn. I mean, that is what our PSC Staff
11 is. We have an entire team that address those issues, and
12 I just want to make sure that those folks, if you can get
13 the word to them, or if you would meet with our Staff, if
14 there's something we can do, we would certainly address
15 those issues. It may be too much time passed, but on
16 those two issues, I wanted to bring that up.

17 MR. MELLOTT: Well, the one, it's been a
18 while back. You know, they give them ten days to come up
19 with 1,200 bucks. And last meeting they said it was their
20 meter and they was responsible for the maintenance on it,
21 but how can you charge somebody on an estimate, you know?

22 Now, the other family I just met here a
23 couple weeks ago. That meter's been sitting there for
24 three years and they're charging them \$9 a month minimum
25 wage for that meter.

1 new rules and regulations on tree trimming, infrastructure
2 inspections and reliability, and those -- that followed
3 the year of 2006 when all the outages occurred. So you're
4 exactly right.

5 MR. MELLOTT: You know, and now they're
6 using it as a great PR deal when they should have been
7 doing it for safety, even their own line crews. I don't
8 think a one of them's ever worked off a pole or out of a
9 bucket. When you pull that gap out of the pole and
10 there's blue sparks, static electricity flies from the
11 pole to the end of your gap and everything's wet or icy or
12 it's lightning, and the amount of overtime they got to pay
13 these guys, these guys earn their --

14 CHAIRMAN CLAYTON: It's a great
15 observation. Thank you for coming, Mr. Mellott.

16 JUDGE WOODRUFF: Next name on the list is
17 James Adams. Good evening, Mr. Adams.

18 MR. ADAMS: Good evening.

19 JUDGE WOODRUFF: Please raise your right
20 hand.

21 (Witness sworn.)

22 JAMES ADAMS testified as follows:

23 JUDGE WOODRUFF: Thank you very much.
24 State your name, please.

25 MR. ADAMS: James Adams, A-d-a-m-s.

1 JUDGE WOODRUFF: Thank you. What would you
2 like to tell us?

3 MR. ADAMS: Got some questions, got some
4 good things. First of all, for the AmerenUE people that's
5 here, they do a wonderful job of managing the Callaway
6 plant, and I know that from personal experience because
7 I've crawled through it and I've plugged it when it was
8 leaking. So I know a lot about that plant.

9 There's some things that I'd like to see
10 addressed. I presume the \$5 million -- 500 million,
11 400 million they're looking for is to pay for the new
12 steam generators and the armature for the steam turbine
13 that they repaired. They put in four steam turbines and
14 they put in a unit up in the actual turbine that runs the
15 power plant, which was probably a \$400 million deal.

16 It also allowed them to up the capacity of
17 the plant almost 10 percent, which is over a million a day
18 in what they sell electricity for. It went from 1,000
19 megawatts to probably 1,150 from this upgrade, and I'd
20 like to know if that's reflected in their cost increase.

21 Also, for the last three, four years
22 they've probably had 100 engineers sitting up on the
23 second story of the admin building down at Callaway
24 planning the plans for all this new reactor that now they
25 said they're not going to build, and who's paying for

1 those people? I think they're trying to pass something on
2 that's just a cost of doing business that they should
3 absorb one way or the other.

4 Some of the other things with them, I don't
5 know, maybe nobody has guts, but their model for their
6 operations of their company is sorry. Ford, Chrysler,
7 General Motors have all asked for their workers to help
8 them. Now, at the Callaway plant, unless it's changed,
9 and I haven't been there for a few years, you work 20
10 years at a very good wage -- a toilet washer draws
11 something over \$14 an hour, not to say what a good
12 technician draws -- and after 20 years you draw that for
13 the rest of your life at about 75 percent.

14 That's better than the military retirement,
15 and I think that's pretty sorry. I know they're all IBEW,
16 but I think it's time for management, pardon the phrase,
17 ma'am, to grow some balls and just flat explain to them,
18 boys, we're not going to be your little nurse maid
19 anymore. You're going to have to stand up and do your
20 work, and a lot of them do work.

21 And one thing, when you see these linemen
22 standing out here, eight or ten of them, sometimes that's
23 necessary, depending on what they're working on up there.
24 Also, unless Callaway -- unless Ameren's changed, I don't
25 think their linemen draw as much money per hour as the

1 coops. They used to not. I don't know currently.

2 But that's just some of the things I'd like
3 to see clarified and worked on, why we have to pay for all
4 these engineers. Well, they were there three, four years
5 ago, probably 100 of them. I don't know of any engineer
6 that don't make 60 grand a year.

7 And most of us are on a very fixed income,
8 probably everybody in this room, and I don't know that any
9 of us can live with an increase. And if they have to have
10 an increase to survive, I think their business model is
11 out of focus in some manner. They should be able to do it
12 in some other way, either through cost savings. Sioux
13 plant burns tires along with their coal to get the
14 temperature, their burn up. Takes less coal.

15 I don't think they have used all the means
16 available to them to help themselves. They've always just
17 came back to the cow and wanted more milk, and it's not
18 good.

19 I thank you very much.

20 (Applause.)

21 CHAIRMAN CLAYTON: Mr. Adams, first of all,
22 I want to say I appreciate your comments about Callaway.
23 I don't want to go into detail of your experience with
24 them, but certainly hearing that things are being operated
25 properly at a nuclear power plant are always positive.

1 It's good to hear that.

2 I wanted to ask you or mention to you that
3 you can ask the questions that you raised about the
4 equipment that has been placed into service or whether
5 that equipment is being thrown up into this rate case,
6 whether they're asking for that to be collected. The
7 gentleman sitting back here to your right may be able to
8 answer that question on whether the steam turbines are
9 included in this. I just don't know off the top of my
10 head.

11 He may also be able to answer your question
12 about the hundred engineers working at Callaway 2.
13 Generally, if there is not a plant in service, then those
14 costs are not recoverable. You can also ask that question
15 of the Public Counsel, who's right back here. He is your
16 attorney and everyone's attorney, the ratepayer advocate
17 in this case, and he may be able to give you some better
18 clarification. I cannot answer your questions.

19 The only question that I had for you was
20 about the workers. You mentioned that you thought the
21 workers were either overpaid or needed to take a pay cut.

22 MR. ADAMS: They are.

23 CHAIRMAN CLAYTON: I wanted clarification
24 on what you were saying. Were you saying all workers or
25 just union workers, or which workers should take a cut?

1 MR. ADAMS: I don't think there's any
2 non-union workers.

3 CHAIRMAN CLAYTON: Well, management's not
4 going to be union.

5 MR. ADAMS: No, management's not. I'm
6 saying the blue collar. Management have been taking some
7 cuts and some pay freezes, I know, but I don't know that
8 there's anybody on the switch for the union employees.
9 It's a very strong union, and they're tough to deal with.

10 But, you know, when you've got that many
11 hundred employees, you can kind of explain life to them.
12 It's we're either going to lay off 75 today or we're going
13 to have to freeze your salary for the next three years and
14 we're going to have to take a second look at the
15 retirement because it's breaking us. Nobody else in the
16 country I know of after 20 years draws 75 percent of their
17 salary.

18 CHAIRMAN CLAYTON: You made a comment --

19 MR. ADAMS: And I do draw a union pension,
20 by the way.

21 CHAIRMAN CLAYTON: Is it IBEW?

22 MR. ADAMS: No.

23 CHAIRMAN CLAYTON: You mentioned that, you
24 compared the salary of Ameren workers with coop workers.
25 Which did you say were paid more?

1 MR. ADAMS: The coops.

2 CHAIRMAN CLAYTON: The coops are paid more.

3 So the --

4 MR. ADAMS: On the linemen.

5 CHAIRMAN CLAYTON: So the Ameren linemen
6 are paid worse. The guys that go up in the pole trucks to
7 get the lights back on when it's cold and rainy, they're
8 paid less than the coops, and you think they ought to --

9 MR. ADAMS: That's my understanding.

10 CHAIRMAN CLAYTON: -- they ought to get a
11 pay cut?

12 MR. ADAMS: You're going to have to adjust
13 that to suit yourself.

14 CHAIRMAN CLAYTON: I just want to make sure
15 I understand your testimony.

16 MR. ADAMS: The guys in the trucks probably
17 need to be left alone. But the biggest thing if you're
18 working at Callaway, don't be late for popcorn, you know.
19 It's going to pop about nine o'clock. Make sure everybody
20 gets there. I mean, they have a lot of surplus help.
21 They have been trying to get rid of a bunch of it. If you
22 operate any business for 20 years in one spot, you acquire
23 a lot of stuff that's not needed.

24 CHAIRMAN CLAYTON: Thank you very much for
25 your time.

1 JUDGE WOODRUFF: Thank you, sir. Next name
2 on the list is, looks like Ellis Glasgow. Good evening,
3 sir.

4 MR. GLASGOW: Good evening.

5 JUDGE WOODRUFF: Please raise your right
6 hand.

7 (Witness sworn.)

8 ELLIS GLASGOW testified as follows:

9 JUDGE WOODRUFF: Thank you. Would you tell
10 us your name, please.

11 MR. GLASGOW: Ellis Glasgow, G-l-a-s-g-o-w,
12 1704 Fairground.

13 Well, I'm just going to make it short.
14 Most of the stuff that I had has already been said, but
15 one or two points I do want to make. Ameren, they come
16 out and they tell us, you know, put energy efficient
17 windows, energy efficient furnaces. That cuts you down
18 30 percent. That's not true, because when we do that,
19 they turn around and raise our rates. So we ain't gaining
20 a thing.

21 I mean, used to be a long time ago when you
22 use less anything, it always -- price would always fall.
23 It's not that way anymore. They just keep raising the
24 prices.

25 And I'm very concerned about industry here

1 in Mexico because it's just not going to affect industry,
2 it's going to snowball right on down. It's going to
3 affect groceries and everything else. Of course, I'm on a
4 fixed income, and, of course, that's about all I said
5 outside of what everybody else has said. Thank you for
6 your time.

7 CHAIRMAN CLAYTON: Mr. Glasgow, I just real
8 quickly want to ask you --

9 (Applause.)

10 CHAIRMAN CLAYTON: Just real quick I wanted
11 to ask, did you change out your furnace?

12 MR. GLASGOW: Yes.

13 CHAIRMAN CLAYTON: You did?

14 MR. GLASGOW: Yeah.

15 CHAIRMAN CLAYTON: And it's a gas furnace,
16 or did you change from gas to electric?

17 MR. GLASGOW: No. I just changed furnace.
18 I went from a, I guess 80 percent to a 95 percent.

19 CHAIRMAN CLAYTON: Did you notice, did it
20 change your usage? We'll get to the bills in a second,
21 but did it actually reduce the amount of gas that you
22 used?

23 MR. GLASGOW: Well, I ain't compared the
24 bills yet. I just got the bill. I'm going to compare it
25 January of this year -- actually, it's hard to do because

1 the weather's --

2 CHAIRMAN CLAYTON: So this is your first
3 winter with the new furnace?

4 MR. GLASGOW: Yeah.

5 CHAIRMAN CLAYTON: So you're not sure if or
6 how much you've actually saved with the new furnace?

7 MR. GLASGOW: Not sure yet.

8 CHAIRMAN CLAYTON: Not sure. When you
9 got --

10 MR. GLASGOW: I know these electric rates
11 is going up, if it goes up 18 percent, I'm going to be
12 losing.

13 CHAIRMAN CLAYTON: When you changed out
14 your furnace, did you go through a -- did Ameren have a
15 program in place or anything that either gave you
16 information or maybe assistance in the purchase, or did
17 you just make the decision on your own to go to a
18 higher --

19 MR. GLASGOW: I just made the decision on
20 my own, yeah. Also put in a new air conditioner, too. I
21 mean, same way with energy, I got a lot of friends on
22 windows, they say put them in, you'll save. It won't.
23 The less we use, the more the rates are high.

24 CHAIRMAN CLAYTON: I understand the concern
25 that you have.

1 MR. GLASGOW: I'm really --

2 CHAIRMAN CLAYTON: The less energy you use
3 over the long term is better. I mean, you're going to
4 save money. I understand your frustration on it.

5 MR. GLASGOW: I'm more concerned about our
6 industry and our people because, I mean, some of these
7 companies, they're probably going to have to shut down or
8 they're going to have to cut benefits or they're going to
9 have to cut people out.

10 CHAIRMAN CLAYTON: I understand. Thank you
11 for coming, Mr. Glasgow.

12 JUDGE WOODRUFF: Next name on the list is
13 Robin Acree. Good evening. Would you please raise your
14 right hand.

15 (Witness sworn.)

16 ROBIN ACREE testified as follows:

17 JUDGE WOODRUFF: Thank you. Would you
18 state your name and spell your last name, please.

19 MS. ACREE: Robin Acree, A-c-r-e-e.

20 JUDGE WOODRUFF: What would you like to
21 tell us?

22 MS. ACREE: First of all, I want to say I'm
23 a customer of AmerenUE. I live at 628 West Love Street
24 here in Mexico just down the street from here. And it
25 appears that Mexico High School must be trying to conserve

1 energy tonight because it is freezing up in here. Okay.

2 Just be noted.

3 I'm going to speak on my -- I would like to
4 speak on behalf of myself as a residential customer, and
5 then I would also like to speak on behalf of a nonprofit
6 organization that I am the executive director of which is
7 called GRO, Grass Roots Organizing, and it represents
8 hundreds of families within the AmerenUE customer area.

9 And so I would like to first speak to my
10 own personal experiences with this proposed rate increase
11 and with my own services with AmerenUE this past year.

12 First of all, I'd just like to say that
13 budget billing, I've used budget billing and it's really
14 helpful also, I understand when people are on fixed
15 incomes, but also for folks who are on salaried incomes
16 because you can pretty well know what your bills are month
17 to month because your salary doesn't go up month to month.

18 And my -- I don't have anybody else living
19 at my house, you know. Well, I do for a minute now, but
20 that's not permanent. But, you know, I don't have as many
21 people living in my house, but yet I did do a lot of work
22 on my house a few years back, but I still find my house is
23 colder and harder to heat, right, and my budget billing
24 just keeps going up regardless of whether or not my usage
25 is going down. And, you know, I've questioned it a little

1 bit about that, and I'm going to guess my house is kind of
2 old and it has been colder this year or whatever.

3 But I wanted to be noted that I guess for
4 almost four months my meter wasn't working outside of my
5 house, and somebody didn't bother to tell me that. I'm on
6 budget billing. I'm not going to lie to you. I'm never
7 frickin' home. Okay? My work takes me on the road a lot.
8 So I pay my bills, you know what I'm saying, barely. In
9 other words, I just write them and throw them in the
10 thing.

11 So Ameren company didn't catch that, right?
12 And I, of course, didn't because my bill stays the same,
13 right? Then they decided to tell me, and I want you to
14 know, this happened in 2009, and in I believe it was '07,
15 towards the end of 2007, November I believe it was, they
16 had changed out my meter. So it was a brand-new meter.
17 So, you know, I didn't -- I obviously didn't pay
18 attention.

19 Well, they noted to me that because I
20 wanted to note, they went back and decided -- I'd love to
21 have a business like this, first of all. A, faulty
22 equipment, right, and they're not responsible for that
23 faulty equipment, you know. I am, though. I'm going to
24 have to -- I had to pay them what they estimated my usage
25 was. Right?

1 And I just made the -- I just told you back
2 then I did have more people living in my house, and so
3 yeah, I don't know if you know this, but I'm a little bit
4 of an advocate. So I called and I was like, I was very
5 upset to say the least that they didn't catch this for all
6 this time, right, and they just let this amount accrue and
7 accrue and accrue and accrue.

8 And, you know, when I finally did advocate,
9 I still didn't get that much -- you know, I didn't get
10 that much relief from it. You understand what I'm saying?
11 And I just think that is a horrible way, first of all, to
12 do business; and secondly I should not be responsible for
13 AmerenUE's faulty equipment. I don't know who they
14 purchased it from, but it shouldn't be my fault.

15 And I did change -- I did allow them to
16 come and change the meter, not only that time this year,
17 this past year, but the other time as well. So I just
18 want to make that noted.

19 Now, putting on my hat as representing low
20 income and moderate income constituents across the state.
21 Oh, wait a minute. Back up. I also want you to know that
22 this 18 percent increase means \$425.52 annually on my own
23 personal bill. Okay. And, you know, that's -- that's
24 more than two bills that I currently pay almost. You know
25 what I'm saying? That's ridiculous, if this were to go

1 through. So they need to practice a little budget billing
2 themselves, I think. This is ridiculous.

3 I asked earlier, too, about the fact that,
4 you know, I've come before the Public Service Commission
5 on several issues when it comes to our constituents and
6 particularly customers of low to moderate income on many
7 occasions, and it still is appalling to me that someone
8 like Gary Rainwater can make a million dollars base salary
9 without bonuses.

10 And AmerenUE in just the first nine months
11 of last year when the rest of us are, you know, bailing
12 out big banks with tax dollars and our economy is
13 faltering here and people are living not just one family
14 in a household in this town, we don't have -- we have a
15 homeless problem all right. It's called we've got three
16 to four families living under one roof now. So these
17 utility bills are going to even be higher for those
18 families.

19 And yet this company still had a net profit
20 in just nine months last year of \$542 million. That's
21 over half a billion dollars. And I find that appalling
22 that they could come back once again to the consumers who
23 are taking the burden of this entire economy on their
24 backs right now and have the audacity to come and ask for
25 another increase in utility customers' rates, residential

1 customer rates especially.

2 And I also want it noted that they get a
3 lot of federal dollars, and earlier I heard a young lady,
4 I don't know who she was, but she's trying to blame the
5 fact that they have to pass this increase on because of
6 our federal government, that we need to talk to our
7 federal lawmakers about this.

8 This is a for-profit captive company. We
9 have no choice. They have a captive customer -- customer
10 service area here. And for them to sit there and talk
11 about some small amount of regulation in the Public
12 Service Commission is all they have to answer to.

13 And I asked the question earlier, had
14 they -- had they not -- have they ever received zero
15 dollars when making a request in the past ten years. I'm
16 sure they didn't. They avoided the question. But I'm
17 almost positive they have not ever received not getting
18 nothing. They ask for such outlandish amounts and then
19 they still get something.

20 So the LIHEAP dollars, too, that were part
21 of the economic stimulus package also went to them. Okay?
22 So they got those monies directly as well. So I don't --
23 I don't see any need here for them to justify an
24 18 percent increase at this time or any time in the near
25 future. If anything, I think that they should be trying

1 to do something to create more jobs and revenue and other
2 ways so that our economy can -- you know, our local
3 economies can help survive during this most difficult
4 time.

5 Then the final thing I'd like to say is
6 that we run a volunteer income tax assistance site. We do
7 that as a community service so that people won't have to
8 pay paid tax preparers. And we also provide financial
9 coaching for folks at the end of their -- you know, once
10 their taxes are prepared.

11 And what is really -- what is really
12 concerning to us as well as a nonprofit organization who
13 protect consumers' interests is just how many people have
14 resorted to payday loans and title loan and rent to own
15 type industries. These are nothing but predators on
16 people who are in an already economically challenged
17 situation.

18 And I learned that now the utility
19 companies can use these payday loan stores as payment
20 centers. That is very disturbing as well to me that they
21 are able to -- you know, these same consumers that I'm
22 trying to protect can walk in to make a payment for their
23 utility bill and somebody could be there to offer them one
24 of these outlandish 500 -- and believe me, they're not
25 touting it correctly. They say it's 75 percent interest,

1 but when you look at an annual percentage rate, these are
2 over 500 percent interest.

3 And I really want to challenge -- I don't
4 know whether the Public Service Commission allowed them to
5 do this or what, but somebody needs to definitely look
6 into that as well. I think that is just horrendous, and
7 it just shouldn't be allowed. So that's all I have.

8 (Applause.)

9 CHAIRMAN CLAYTON: Ms. Acree, thank you
10 very much for coming. This isn't your first local public
11 hearing.

12 MS. ACREE: No.

13 CHAIRMAN CLAYTON: I remember you being at
14 the last several as well. So I appreciate you being here
15 again.

16 I wanted to ask first on this meter issue,
17 it may be worthwhile for you to talk to the Staff out
18 front and just make sure if you do have issues with the
19 problems you've been facing with that, at least have them
20 as a resource. I think you've worked with our Staff
21 before, but I would encourage you to do that.

22 What I wanted to ask you, though, Grass
23 Roots Organizing, GRO is the organization, would you
24 consider it an organization that advocates on behalf of
25 all residential customers or does it focus primarily on

1 lower income, fixed income type of customers?

2 MS. ACREE: I think predominantly our base
3 is -- our predominant membership base is low to moderate
4 income folks. I would have to say that we would represent
5 all residential customers. We don't discriminate.

6 CHAIRMAN CLAYTON: Do you -- do you help
7 facilitate in any way with any of the other aid
8 organizations in helping folks identify programs for which
9 they may be eligible, for example, LIHEAP funds, or trying
10 to find weatherization funds that will help someone
11 tighten up their house so the air doesn't blow in? Do you
12 participate in any of those programs or work with them?

13 MS. ACREE: Well, the thing is, is that we
14 predominantly when the organization started was trying to
15 be more of a systemic change organization, and regardless,
16 I mean, when it's hard times, we all do what we can,
17 right? The income tax assistance program is one reason
18 why, you know, we're trying to help our local economy by
19 boosting it by keeping more money here.

20 I would have to say that yes, we have, and
21 more so provided direct service and referrals than what we
22 have accustomed -- we're accustomed to doing, not because,
23 you know, we want to become a direct service social
24 service agency by no means, but I do think that consumers'
25 voices need to be heard, you know, when it comes to

1 lifeline phones, when it comes to weatherization projects
2 and other criterion that exist, when you're looking at any
3 of the stimulus dollars and where they went and what the
4 program's doing, making sure those moneys are trying to
5 reach the people that they're intended, those types of
6 things, yeah.

7 CHAIRMAN CLAYTON: But you're aware of the
8 programs. So if you have someone that comes in and
9 contacts you, you know where to call to hook them up with
10 assistance. I didn't mean that the dollars flowed through
11 GRO, but I mean, if someone calls in and says, I'm having
12 problems with my bill, you know where to send them to get
13 help, is what I'm trying to ask?

14 MS. ACREE: Pretty much we try. There's
15 just not as many helping agencies that are out here, and
16 once you've used it, you've -- you know, that's pretty
17 much it.

18 CHAIRMAN CLAYTON: So you're familiar with
19 them. Basically, I just wanted to make sure of that.

20 MS. ACREE: That is correct.

21 CHAIRMAN CLAYTON: Now, aside from dealing
22 with the current rate increase request that's on the
23 table, what else can be done to assist those clients or
24 those folks that may come to you for assistance? What
25 other -- are there sufficient number of programs? Are

1 they adequately funded? Does Ameren work with you in
2 addressing maybe problematic issues that a customer may be
3 facing, like a shutoff? Are there any other programs or
4 things that we can be doing to facilitate making sure
5 people are being treated right?

6 MS. ACREE: I mean, you know, I think that
7 one thing I've always been a proponent of is a percentage
8 of income payment plan where, you know, the folks that
9 just testified earlier today that are particularly on
10 fixed incomes, they would only -- they would never have to
11 pay a percentage, a certain percentage over, you know,
12 what their income is ever or they would pay lower. I
13 think that would make a lot of sense.

14 I think we also need to just have more
15 emergency assistance programs for folks. GRO is also
16 trying to do more educational activities around energy
17 savings and things. That's where the -- where the people
18 that had a pamphlet, a flier up there.

19 But honestly, I also think that we have to
20 begin to look at how we cannot continue to allow these
21 just one monopoly, you know, to basically -- I mean, they
22 can come here and over and over again keep putting more
23 and more on us. And, you know, thank God we still have
24 the Public Service Commission as some type of regulation,
25 regulator.

1 But I'm just not as confident that with
2 this current economy, I guess, if we don't look at some
3 other measures, and I'm open to looking at other ways, you
4 know, to sit down with folks and come up with solutions
5 for these constituents that and customers that you guys
6 represent.

7 CHAIRMAN CLAYTON: Thank you very much for
8 coming.

9 MS. ACREE: Thank you.

10 JUDGE WOODRUFF: Next name on the list is
11 Chris Williams. Good evening.

12 MR. WILLIAMS: Good evening.

13 JUDGE WOODRUFF: Please raise your right
14 hand.

15 (Witness sworn.)

16 CHRIS WILLIAMS testified as follows:

17 JUDGE WOODRUFF: Tell us your name and
18 spell your last name.

19 MR. WILLIAMS: Chris Williams,
20 W-i-l-l-i-a-m-s.

21 JUDGE WOODRUFF: Thank you. What would you
22 like to tell us?

23 MR. WILLIAMS: It came to my attention that
24 Ameren's going to ask for an 18 percent increase in their
25 rates, and so I did a little checking on my own, and I

1 thought they must really be in big trouble. I mean, if I
2 was running a business and I wanted to give you an almost
3 20 percent increase on what I was charging you for, I
4 would think that I've got some serious issues in my
5 company.

6 What I found as I went -- and I asked the
7 guy a question earlier, and this is a 10Q, which is a
8 report that they file with the Federal Government, so it
9 is true. If it's not, they're going to be in trouble.
10 What I found is, the last three months, their net income
11 is up 43 percent over last year. And they want to ask me
12 to pay 18 more percent on their bill and they're making
13 43 percent more in three months than they did a year ago?

14 (Applause.)

15 And then I start looking at more details in
16 there, and what they're saying half of their increase is
17 for is for fuel. Right here, operating expenses, fuel
18 purchases is 35 percent lower than last year. Explain
19 that to me. You want me to pay 18 percent more for fuel
20 but you're paying 35 percent less? I just don't
21 understand this.

22 18 percent is going to hurt a lot of
23 people. I deal with a lot of -- a lot of people I deal
24 with where I work are senior citizens. They just don't
25 have it. They just don't have it. And at the end of the

1 day, they're going to have to make a choice. Power's not
2 a choice. You can't make a choice. You can't say, oh,
3 well, I'm just going to turn my stuff off. You've got to
4 have power. You've got to have food. So these people
5 might have to make choices with medications. They might
6 have to make choices going to a doctor or not. These
7 people might have to make choice -- they might have to
8 make choices in food even.

9 And I just think it's totally unfair for
10 them to be making this kind of money and asking people to
11 make that kind of sacrifice.

12 (Applause.)

13 And on top of that, what a lot of people
14 don't understand is, you're asking 18 percent of your
15 bill. Well, guess what. Your businesses in town are
16 going to pay 18 percent more. Like the gentleman that
17 first said the hospital's going to pay 18 percent more.
18 The school's going to pay 18 percent more. Your city and
19 local governments are going to pay 18 percent more.

20 Who's going to pay that 18 percent? We
21 are. So in reality, we're going to be paying a lot more
22 than 18 percent, especially when you look at like the
23 city. The only way they're getting 18 percent is charging
24 us more. They're going to raise our taxes. So at the end
25 of the day, we might -- the average citizen might be

1 looking at increases 22, 23 percent. Who knows?

2 And then to come to find out, looking at
3 some of this stuff, their top six executives last year --
4 well, 2008 because they haven't released their annual data
5 yet for 2009. Their chief executive officer made
6 \$5 million. That is a lot of money. Let me find -- their
7 top six executives last year made \$13,641,481 in 2008.
8 And they want me to pay 18 percent more and make cuts in
9 my family's budget? I just think that is totally unfair.

10 (Applause.)

11 That's all I have to say. Thank you.

12 CHAIRMAN CLAYTON: Mr. Williams, I didn't
13 know, do you want to submit those documents that you were
14 holding for the record or --

15 MR. WILLIAMS: I can if you'd like.

16 CHAIRMAN CLAYTON: It's up to you. I don't
17 want to deprive, if you're going to keep them and go to
18 the next hearing or something.

19 MR. WILLIAMS: I can print them again.

20 CHAIRMAN CLAYTON: If you'd like to make
21 them part of the record, we can certainly do that.

22 JUDGE WOODRUFF: I'll just mark the whole
23 packet as Exhibit 5.

24 CHAIRMAN CLAYTON: Great. Thank you.

25 JUDGE WOODRUFF: Marked this exhibit as

1 Exhibit 5. Any objections to its receipt?

2 (No response.)

3 JUDGE WOODRUFF: Hearing none it's
4 received.

5 (EXHIBIT NO. 5 WAS MARKED AND RECEIVED INTO
6 EVIDENCE.)

7 MR. WILLIAMS: For the people that work for
8 Ameren, I've never really had a problem with Ameren, and
9 they're good people that work there. It's just 18 percent
10 is a lot to ask for from people today. Thank you.

11 (Applause.)

12 JUDGE WOODRUFF: The next name on the list
13 is Vaughn Prost. Good evening, Mr. Prost.

14 (Witness sworn.)

15 VAUGHN PROST testified as follows:

16 JUDGE WOODRUFF: Thank you. Would you tell
17 us your name, please.

18 MR. PROST: Vaughn Prost.

19 JUDGE WOODRUFF: Spell it for us.

20 MR. PROST: Vaughn, V-a-u-g-h-n, Prost,
21 P-r-o-s-t.

22 JUDGE WOODRUFF: What would you like to
23 tell us?

24 MR. PROST: Yes. I'd like to address my
25 comments to the Public Service Commission around the

1 economic development and jobs in Missouri, because I think
2 if we look at this 18 percent rate increase, when we look
3 at how do we get to this point, maybe we can back up a
4 little bit and look at economic development in Missouri
5 and jobs and maybe we can understand how we've got
6 ourselves in this particular situation.

7 Early today we heard the lady across over
8 here talk about in 1990 there was the Clean Air Act which
9 was passed by the Federal Government, and the main reason
10 for that was acid rain. There was a lot of sulfur going
11 up in the air. That changed to sulphuric acid and fell on
12 the land and lakes and it started to poison the land and
13 lakes. It was a good law. We needed to correct that acid
14 rain problem.

15 There were two solutions to it. Public
16 Service Commission, Ameren had two ways they could have
17 gone. There was a fork in the road. They decided to
18 either go with low sulfur coal, which they could get in
19 Wyoming, or they could put scrubbers on their plant, like
20 many utilities did, they put scrubbers on their plant and
21 that really takes the sulphur out of the coal that goes up
22 the stack. You can create jobs. Scrubber plants create
23 lots of jobs. There's things created with that.

24 Plus, you would never close the coal -- the
25 coal mine in Moberly in -- near Moberly. I think it's

1 called Huntsville, I believe. That coal mine would have
2 never closed, and many other coal mines wouldn't have
3 closed. Those were all good-paying jobs in the state of
4 Missouri, lots of economic development. It's just not
5 coal mining jobs. As you know, it supports the whole
6 community.

7 We made a choice there. The choice was to
8 go cheap and buy Wyoming coal, and that cost us in
9 economic development terms lots of jobs and money for the
10 state of Missouri. Kind of the same decision we make
11 sometimes in the country when we buy things cheap from
12 China, which hasn't worked very good for the United
13 States. We're not looking at the total impact in making
14 some of our decisions.

15 And so now we're faced with coal price
16 increases, having the rail price increases, running rails
17 back and forth between Wyoming and here, and all those
18 costs have made the railroads rich and it has made the
19 people in Wyoming rich. Wyoming is a very wealthy state
20 because it gets many taxes or royalties from all that coal
21 they ship from Wyoming to Missouri and other states.

22 I learned just in the recent session here
23 that of the \$2 billion that Ameren gets from Missouri
24 ratepayers, I was astounded -- and I guess it's right, I
25 heard it from an Ameren official -- that 900 million of

1 that, 900 million of 2 billion goes for coal and to pay
2 the railroads to bring the coal here. So we're shipping
3 every year \$900 million of our Missouri ratepayers' money
4 to Wyoming or we're sending it to the railroads.

5 They're asking for 142 million more now, so
6 the coal bill will be approximately \$1,042,000,000 every
7 year shipping outside the state of Missouri. That's not
8 good for us. That's not good.

9 So I think we need to look at reinvesting
10 in the state of Missouri wherever we get the opportunity.
11 We can invest in the fuel sources we have here in the
12 state of Missouri. We do have coal. We do have the sun.
13 We do have wind, and we have a biomass source here. If we
14 use the fuel sources we have in the state of Missouri,
15 we're going to create jobs and we're not going to be
16 subject to such rate increase. Plus the economic
17 development will make it much easier for people to pay for
18 any rate increases.

19 So I propose that the Public Service
20 Commission and Ameren take into account when they're
21 looking through these rate cases and whatever, are we
22 really doing the best for the state of Missouri, and
23 having as one of their missions to look at economic
24 development and how it affects the economic development
25 and jobs in the state of Missouri. And I don't think it's

1 very much for your testimony. I want to make sure that I
2 understand your testimony. You mentioned that -- well,
3 should we be looking at least cost fuel? Should that be
4 the focus of the Commission, or should we be paying -- or
5 should the Commission be suggesting higher costs in fuel
6 if it's within the state of Missouri?

7 MR. PROST: I feel that we need to look at
8 on balance of what is best for the state of Missouri, and
9 we have to look at the economic development and jobs
10 portion of it --

11 (Applause.)

12 MR. PROST: -- as well as the rates, as
13 well as the rates, and there's a balance. And what I say
14 with coal as we hear, and I think we've heard reference
15 from one of the AmerenUE officials, is that the
16 restrictions for coal are going to get tighter now and
17 maybe we can't even buy coal from Wyoming. We're going to
18 have to build scrubbers on our plants now anyway 20 years
19 later after we lost the jobs, after all the coal mines
20 have shut. So that's an issue.

21 I guess I'm saying that we have to do it
22 within reason, but we also want to not just look at the
23 lowest cost solution always. We've got to look at the
24 economic development and jobs and weigh that with our rate
25 increase, I guess.

1 CHAIRMAN CLAYTON: Thank you.

2 MR. PROST: Thank you very much.

3 JUDGE WOODRUFF: Mr. Prost --

4 (Applause.)

5 JUDGE WOODRUFF: I was going to say

6 Mr. Prost was the last name on the list. Is there anyone

7 else here who would like to testify that didn't sign up?

8 Yes, ma'am. Please raise your right hand.

9 (Witness sworn.)

10 MAXINE MOORE testified as follows:

11 JUDGE WOODRUFF: Tell us your name, please.

12 MS. MOORE: Maxine Moore, Perry, Missouri.

13 JUDGE WOODRUFF: Spell your name for us,

14 please.

15 MS. MOORE: M-a-x-i-n-e M-o-o-r-e.

16 JUDGE WOODRUFF: Thank you. What would you

17 like to tell us?

18 MS. MOORE: I've only lived in Perry for

19 like eight years. I heard about this hearing. I come

20 into contact with a lot of people that are seniors. I

21 just wonder if the Public Commission, do they know what

22 percentage of the customers are people who are on fixed

23 incomes?

24 And if they do, it's just -- it's just my

25 own calculation, but probably those people that are on

1 fixed incomes, that percentage of Ameren's customers are
2 making somewhere within their fixed income, somewhere
3 between 500 and \$2,000 a month. When you stop and think
4 about that and they already have bills, their 200, 300 and
5 \$400 a month for their utility bill, it's just incredible.
6 It's just incredible to think the percentage of people who
7 are Ameren's customers.

8 And when I was invited to this meeting by
9 phone by the Commission, they said that Ameren had had a
10 14 percent increase in the last four years.

11 CHAIRMAN CLAYTON: Last year.

12 MS. THOMPSON: 18 percent, I mean, added to
13 14 percent that they've had in the last four years?
14 Somebody called that obscene, and it is. When you're
15 talking about -- I have no idea what percentage of people
16 who are on fixed incomes. Are there -- is it 23 percent?
17 Is it 30 percent? What percentage of us seniors are on --
18 are their customers?

19 It's just -- it's just mind boggling to
20 think that they would ask for 18 percent. I've been told
21 that even Wal-Mart, they're lucky to get 15 percent on a
22 product, and they're the biggest retailer in the world.
23 Now, that might not be a true figure, but I've read that
24 in some kind of consumer report or Forbes or some
25 magazine.

1 And I just think the, you know, the Public
2 Utilities Commission should really look into what
3 percentage of the people are going to be paying that
4 18 percent, because I'm real involved with the nutrition
5 center in my little community and Hannibal, Monroe City,
6 Perry, Center, Palmyra, Philadelphia. Those people are
7 all on fixed incomes. You stop and think about that.
8 Somewhere -- their income per month is 500 to \$2,000 a
9 month, and Ameren wants us to pay that increase. That is
10 just terrible, and I hope that you take that into
11 consideration.

12 (Applause.)

13 JUDGE WOODRUFF: Thank you, ma'am. Is
14 there anyone else who would like to testify?

15 MR. BYRAM: Yes, sir, I would.

16 JUDGE WOODRUFF: Come on forward. If you'd
17 please raise your right hand.

18 (Witness sworn.)

19 TONY BYRAM testified as follows:

20 JUDGE WOODRUFF: Thank you. Tell us your
21 name, please.

22 MR. BYRAM: My name is Tony Byram. Last
23 name is B-y-r-a-m.

24 I don't think I'm going to tell you-all
25 anything you haven't heard already tonight. I've looked

1 out here, and Ameren gives good service. They do. They
2 give fine service. And just about four months ago I
3 noticed them going around Mexico. With me being retired
4 now, I get out and about a little bit more. I have the
5 luxury of not having to work, but I've also had the luxury
6 of experiencing a heart attack at age 47 years old. I had
7 a blocked carotid artery, carotid artery stenosis. I died
8 on the table. I too live on a fixed income, as does my
9 wife, as does -- I see a lot of friends out here. A lot
10 of friendly faces I see, a lot of acquaintances.

11 And I'm sorry, but it is. To ask for an
12 18 percent increase in this economy, do your demographics.
13 AmerenUE, do your demographics. The brick plants are
14 gone. You don't have a lot of high-paying jobs around
15 here anymore. And it saddens me, and it makes me just
16 sick to my heart, because what are these people going to
17 do, these older folks? How far -- how much can you
18 squeeze out of a person, other than blood?

19 And that's what you're doing, guys. I
20 mean, you're taking the essentials now and you're billing
21 us for the essentials. We have to have electricity. I
22 myself sleep with oxygen running. Wish I didn't have to,
23 but I do. 53 years old now. A lot of people do that. A
24 lot of people sleep with oxygen, have to have
25 resuscitation units. It's not fair, guys. It's not fair.

1 Everybody -- we bailed out Wall Street.
2 Let's bail out some of the people. Do the demographics in
3 this area. A lot of people are out of jobs. Look at --
4 look at all the gray hair you see here tonight. I don't
5 mean that as -- I meant that as a good point. You're
6 living on fixed incomes just like I am, and you live on --
7 and it's nice. I do budget billing, too, and I do
8 appreciate that, too, by the way. That helps me figure
9 out my bills. A lot easier to figure out.

10 But as we said earlier, as Maxine said
11 earlier, sometimes you can't plan for what's going to come
12 down the pike. What are these people going -- what are
13 these people going to have to sacrifice in the way of
14 essentials now just, I mean, in normal things that we take
15 for granted every day? Are they going to have to cut back
16 on their medicine? I don't know. Maybe they'll have to.
17 Cut back on gas?

18 Well, I know AmerenUE -- I know a lady
19 here, she said, well, we're using it to go for fuel costs
20 and stuff. Well, tell me about it. I go to the store.
21 Go to the store sometime, see what a loaf of bread costs.
22 It's just like a diamond. It's multi-faceted.
23 Everything you do in life will come back around to get
24 you. So if you go to the store and you've got to get in
25 your car, start your car or pay somebody to take you if

1 you don't have the luxury of owning a car, get to the
2 store, pay more money for that food, pay more money for
3 that medicine. Guys, you can only squeeze a person so
4 much, I mean, 'til you hit blood and that's it. That's
5 all you're getting.

6 And it's just not here in Mexico. It's all
7 over. If you get on the computer and look around, it's
8 all over the state of Missouri. I mean, you can't -- you
9 can't do that to people, not in this economic situation.
10 I mean, it's impossible. I mean, you know, if you shoot
11 somebody, you don't say -- they're not supposed to say
12 thank you for shooting me. You don't do that.

13 And that's basically what AmerenUE's doing
14 at us. They've shot us. They're wanting us to reload the
15 gun for them. And I'm sorry, we can't have that here, not
16 in Missouri. There's just too many -- too many bills out
17 there right now. Like I say, I live -- I can't afford it.
18 I'm sorry. You pushed me to the limit. If I can't
19 afford -- and they're asking for an 18 percent increase
20 now and I can't afford my bill now, what am I going to do
21 when you add on that 18 percent, guys? Who's going to pay
22 it then? That's all I got to say.

23 JUDGE WOODRUFF: Thank you, sir. Anyone
24 else like to testify? I don't see anyone else coming
25 forward, so --

1 MR. MELLOTT: Can I add a couple more
2 questions?

3 JUDGE WOODRUFF: We really can't answer
4 questions at this point. If you have questions --

5 MR. MELLOTT: It's not really a question.

6 JUDGE WOODRUFF: You need to come up to the
7 microphone. If you'd tell us your name again.

8 MR. MELLOTT: Eldon Mellott, M-e-l-l-o-t-t.
9 They keep talking about an investor owned --

10 CHAIRMAN CLAYTON: Speak into the mic,
11 Mr. Mellott. We're going to get in trouble for not --

12 MR. MELLOTT: They keep talking about an
13 investor-owned company. So I've gotten lost whether
14 Amerenue is a public utility, a private utility or a
15 private company. And what gets me is they -- AmerenUE
16 says they put in a half a dozen new poles, they've got to
17 spend that money, and then they come to you to get the
18 money to pay for those poles.

19 Well, eventually we end up paying for
20 everything the company owns. So what we're doing, we're
21 paying to build -- to plan the company store. We're
22 paying to buy the construction materials to build the
23 company store. We're paying for the labor and everything
24 to build it. We're paying to stock it and run it. And
25 then, lo and behold, the company store is the only store,

3 And to me, somewhere along the line the
4 RICO Act ought to come into play there some way. The
5 investors invested their money. We paid for everything.
6 The company makes a profit and the investors makes a
7 profit. And that don't make sense to me, because I'd love
8 to own a company where everything was paid for, and that's
9 what they're doing. They're taking no risk in it. We
10 could lay two or three more miles of wire and sell some
11 more electricity and go in and get it paid for. So the
12 consumer basically owns the whole company. Now, how can
13 they get that off?

14 And another thing that I missed a little
15 bit ago was, they had a bunch of Mexicans going around
16 spraying around structures, kill weeds and whatnot. Now,
17 if they was legal, more power to them. They went out and
18 found a job and was working. But they couldn't speak
19 English. So they give them a letter explaining what they
20 was doing to give to the landowners. Well, they couldn't
21 speak English. They couldn't read English. They couldn't
22 understand English, and they're spraying these toxic
23 chemicals, and they got in and sprayed a whole bunch of
24 stuff that they weren't supposed to spray.

25 Now, that to me is on management. They

1 should have had somebody with them that could interpret
2 for them, because then there's no telling what it cost,
3 what they had to pay then to -- for what they sprayed that
4 they weren't supposed to spray and killed.

5 That's about it. It just -- to me, it's
6 mind boggling for them to try to ask for an 18 percent
7 raise. That's almost 20 cents on the dollar. In this day
8 and age, I can't afford it. If I hadn't got some energy
9 assistance this year, I'd have been down the drain. And
10 most of these people on fixed incomes is the same way.
11 So that's about the long and the short of it. I thank you
12 for listening to my babble.

13 JUDGE WOODRUFF: Thank you, Mr. Mellott.
14 Anyone else want to come forward? Good evening, sir.
15 Please raise your right hand.

16 (Witness sworn.)

17 CHAD SPURLING testified as follows:

18 JUDGE WOODRUFF: Would you tell us your
19 name, please.

20 MR. SPURLING: Chad Spurling,
21 S-p-u-r-l-i-n-g.

22 JUDGE WOODRUFF: Okay.

23 MR. SPURLING: I was wanting to echo and
24 extend Mr. Prost's comments earlier. I know approximately
25 five years ago United Electric Coop wanted to build a new

1 generating station in Missouri at Norborne, and in the --
2 in the -- in the process of getting the required state,
3 federal, local permits, that plant ballooned from a
4 \$400 million project to over \$2 million project, and the
5 project was subsequently scratched and dropped. That was
6 lost jobs for Missouri, lost economic opportunities.

7 And irrespective of this rate increase on
8 Ameren's behalf, what I see on the part of the Federal
9 Government, which we talked about the low sulphur coal, on
10 the part of the state government regulations, is a time in
11 the future when if we don't increase our generating
12 capacity as old plants go offline, we're not going to be
13 able to keep the lights on and we're all going to have to
14 pay higher prices anyway at some point, and we're going to
15 have worse service to do it.

16 So I'm more addressing the Commission on
17 that aspect. We have to have economic development in
18 Missouri. We're going to have to have responsible
19 regulation, and we're going to have to increase our
20 generating capacity if we want to develop jobs in the
21 state.

22 As a younger individual, as somebody who
23 produces, who would like to hire, I think it's incumbent
24 upon us to remember that the regulatory decisions we make
25 affect electric rates, affect power availability, are

1 going to affect decisions years down the road. Thank you.

2 JUDGE WOODRUFF: Thank you.

3 CHAIRMAN CLAYTON: Thank you.

4 (Applause.)

5 JUDGE WOODRUFF: Anyone else like to come
6 forward?

7 (No response.)

8 JUDGE WOODRUFF: All right. Well, thank
9 you all for coming out this evening, and with that we are
10 adjourned.

11 CHAIRMAN CLAYTON: I would add, Judge, that
12 if you do have questions or concerns, please take
13 advantage of having the PSC Staff and Office of the Public
14 Counsel and the Ameren folks in the room. Thank you for
15 coming.

16 WHEREUPON, the public hearing was
17 concluded.

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STATE OF MISSOURI

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COUNTY OF COLE

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) ss.

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I, Kellene K. Feddersen, Certified

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Shorthand Reporter with the firm of Midwest Litigation

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Services, do hereby certify that I was personally present

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at the proceedings had in the above-entitled cause at the

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time and place set forth in the caption sheet thereof;

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that I then and there took down in Stenotype the

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proceedings had; and that the foregoing is a full, true

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and correct transcript of such Stenotype notes so made at

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such time and place.

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Given at my office in the City of

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Jefferson, County of Cole, State of Missouri.

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Kellene K. Feddersen, RPR, CSR, CCR

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