

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of Union Electric Company d/b/a)	
AmerenUE for Authority to File Tariffs Increasing)	<u>Case No. ER-2007-0002</u>
Rates for Electric Service Provided to Customers)	Tariff No. YE-2007-0007
In the Company's Missouri Service Area.)	

Prehearing Brief of the Consumers Council of Missouri

COMES NOW the Consumers Council of Missouri (CCM), by and through counsel, and pursuant to the Public Service Commission's (Commission's) September 12, 2006 Order Adopting Procedural Schedule, hereby submits its Prehearing Brief.

CCM supports the December 29, 2006 Overearnings Complaint, filed by the Staff of the Commission (Staff) in this case, calling for an overall rate reduction based on the overwhelming competent and substantial revenue requirement testimony filed thus far in this case. CCM hereby adopts the positions and arguments contained in the AARP Prehearing Brief, filed this same day, urging the Commission to reject AmerenUE's Fuel Adjustment Clause proposal and proposing a just and reasonable rate design for residential customers.

CCM also requests that the Commission require AmerenUE to implement a consumer credit tariff designed to provide meaningful rate credits or refunds to customers who experience a lack of electrical service for over 48 hours as a result of severe outages. Sworn testimony at the many local public hearings in this case

provided overwhelming evidence of customer dissatisfaction with AmerenUE's distribution system reliability and presents the Commission with sufficient evidence to justify mandating a solution that provides consumers with acknowledgment of the inconvenience and cost of being without power for over two days.

The approval of reasonable credits for customers who have suffered without power for more than 48 hours would also provide an appropriate incentive for improving reliability. As opposed to micromanaging regulation, such credits would provide a direct incentive to focus on lessening the extent and duration of future storm outages.

The CCM asks that the Commission order a tariff that models the "Safety Net" program voluntarily approved by affiliates of Pacific Gas & Electric. Details of this program were entered into record of this case at two local public hearings. Transcript Volume 6, pp 63-73 and exhibits 5-8 (University of Missouri-St. Louis); Transcript Volume 11, pp 63-73 and exhibit 2 (Moberly). This testimony further supports the need for the Commission to be clear that the cost of such a rate credit program shall not be passed on to other ratepayers. Otherwise, such a program would lose much of its intended incentive toward greater electric service reliability.

Respectfully submitted,

/s/ John B. Coffman

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been emailed to counsel for each of the parties on the service list for this matter on this 6th day of March 2007.

/s/ John B. Coffman
