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STATE OF MISSOURI

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PUBLIC SERVICE COMMISSION

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TRANSCRIPT OF PROCEEDINGS

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Local Public Hearing

8

January 12, 2010

Jefferson City, Missouri

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Volume 6

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In the Matter of Union Electric)

Company d/b/a AmerenUE's Tariffs)

13

To Increase Its Annual Revenues) Case No. ER-2010-0036

For Electric Service)

14

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MORRIS L. WOODRUFF, Presiding,

16

CHIEF REGULATORY LAW JUDGE.

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ROBERT M. CLAYTON III, Chairman,

JEFF DAVIS,

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KEVIN GUNN,

ROBERT S. KENNEY

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COMMISSIONERS.

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REPORTED BY:

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

2 JUDGE WOODRUFF: Good evening, everyone.

3 My name is Morris Woodruff. I'm the Regulatory Law Judge
4 assigned to this case.

5 AUDIENCE MEMBER: We can't hear you. Raise
6 the volume.

7 JUDGE WOODRUFF: Can you hear me now? Can
8 you hear me now?

9 AUDIENCE MEMBER: Yes.

10 JUDGE WOODRUFF: All right. I guess you
11 have to be very close to it here.

12 My name is Morris Woodruff. I'm the
13 Regulatory Law Judge assigned to preside at the case, and
14 we're here for a local public hearing in Ameren's request
15 for a rate increase. It's case No. ER-2010-0036.

16 To start out today, I'm going to turn it
17 over to our chairman of the Commission, Robert Clayton.

18 CHAIRMAN CLAYTON: Thank you, Judge. I
19 want to introduce myself, also introduce the members of
20 the Commission that are here tonight. First of all, I
21 wanted to welcome each of you who have come out on a very
22 chilly night to raise any concerns or address any issues
23 that you might have with AmerenUE, who is in for a rate
24 increase. We don't have to explain that to you.

25 It's very important that you are here

1 tonight, that you're going to participate in this process.
2 This is, I believe, our fourth of about 14 of these local
3 public hearings that are going to be taking place
4 throughout the footprint of AmerenUE. We appreciate the
5 outpouring of interest. We appreciate taking your time to
6 come in and explain any concerns that you might have.

7 First of all, I wanted to introduce myself.
8 My name is Robert Clayton. I'm Chairman of a five-member
9 Public Service Commission. I wanted to introduce my
10 colleagues. This is Commissioner Jeff Davis, to my right.
11 To his right is Commissioner Kevin Gunn who's here, and to
12 my left is Commissioner Kenney. Our fifth Commissioner is
13 ill and could not be here with us tonight.

14 You can be assured there will be a
15 transcript made from the testimony received tonight. We
16 have a court reporter that's here. We are also webcasting
17 this, so it will be streamed out over the Internet. A
18 transcript will be made of this hearing and it will be
19 placed in the electronic filing system associated with
20 this case.

21 I wanted to point out a couple of real
22 quick things. Because of the number of folks that are
23 showing up at the hearings here, we're doing something a
24 little different. Sometimes people come to ask some
25 questions, are curious about our process, concerned about

1 how we do business or maybe have a specific question about
2 a bill or any reliability issue that you might have. I
3 want to urge you to take advantage of the Public Service
4 Commission's staff who are here. You heard from some of
5 them earlier. I'd like to ask any PSC staff that are
6 still in the room to raise their hand if they could.

7 They've kind of moved to the side because
8 if you do have questions, we'd like to ask you to meet
9 with staff, step outside, and we have another room that's
10 available to work on any issue that you may have, if you
11 have a specific concern about your service at your
12 residence or a reliability issue that you want to bring
13 up. While we are receiving testimony, we urge you to take
14 advantage of that staff. You can come and go as you like.
15 We're going to be here until everyone's had an opportunity
16 to testify.

17 I also would encourage you to take
18 advantage of meeting with the Ameren staff that are here.
19 They have tables out here, if you have questions about
20 reliability. I'm not sure what each of the computers do
21 out there that they brought with them, but if you have
22 specific questions you want to raise with them, take
23 advantage of this opportunity. You do have Ameren folks
24 here. I'd like to ask that the Ameren staff raise their
25 hands as well. They are here as well. So take advantage

1 of that opportunity.

2 As I mentioned, we're going to try to hear
3 from everybody here tonight. There are a lot of people in
4 the room. We'd like to ask just that your comments be as
5 concise as possible. There are going to be people behind
6 you that are also going to be wanting to speak. Some
7 folks may have to get home earlier, but we're here to
8 listen to your testimony.

9 Appreciate you coming out tonight. Thank
10 you.

11 JUDGE WOODRUFF: Thank you, Chairman
12 Clayton.

13 All right. Thank you. I'll just explain
14 the procedure that we're going to follow tonight. I've
15 got a list of names of people here who have signed up to
16 testify, and I'll just call you one by one. We'll ask you
17 to come up to the stand right here. I'll swear you in to
18 tell the truth, just like on TV, and let you give your --
19 make your statement, tell the Commission what you want to
20 tell them, and then we'll move on to the next person.

21 As the Chairman indicated, this is all
22 being transcribed. A transcript will be made so all the
23 Commissioners will be able to review the testimony that's
24 given tonight. And it's very important that only one
25 person at a time testify, one person speak. So we can't

1 have questions coming from out of the audience while the
2 person's testifying.

3 Before we call our first witness, I need to
4 do a little housekeeping here and ask the attorneys who
5 are here for the parties to identify themselves. First of
6 all, is there an attorney here for AmerenUE?

7 MR. BYRNE: Yes, Judge. My name is Tom
8 Byrne. I'm an attorney for AmerenUE. My address is
9 1901 Chouteau Avenue, St. Louis, Missouri 63103.

10 JUDGE WOODRUFF: All right. An attorney
11 for Staff?

12 MR. DOTTHEIM: Yes. Steven Dottheim. I'm
13 the attorney for the Staff that's appearing this evening.
14 Post Office Box 360, Jefferson City, Missouri 65102.

15 JUDGE WOODRUFF: Thank you. Office of the
16 Public Counsel?

17 MR. MILLS: On behalf of the Office of the
18 Public Counsel and the counsel, my name is Lewis Mills.
19 My address is Post Office Box 2230, Jefferson City,
20 Missouri 65102. Thank you.

21 JUDGE WOODRUFF: Thank you. Any other
22 attorneys here for any of the parties?

23 (No response.)

24 JUDGE WOODRUFF: I don't see anyone else.
25 One other thing I want to announce is that we are actually

1 webcasting this, and if you get tired of standing in the
2 back, you can go watch it on TV across the hall. And
3 there are a few chairs up here in front if you want to
4 come sit down.

5 All right. Let's go ahead and call the
6 first witness, then, and that would be Jeanette Clark.

7 MS. CLACK: My last name is Clack, by the
8 way.

9 JUDGE WOODRUFF: Clack. I'm sorry. Would
10 you please raise your right hand and I'll swear you in.

11 (Witness sworn.)

12 JEANETTE CLACK testified as follows:

13 JUDGE WOODRUFF: Thank you. Could you tell
14 us your name and spell your last name for us?

15 MS. CLACK: Jeanette Clack, C-l-a-c-k.

16 JUDGE WOODRUFF: Thank you. And are you an
17 Ameren customer?

18 MS. CLACK: Yes, I am.

19 JUDGE WOODRUFF: All right. What would you
20 like to tell us?

21 MS. CLACK: I am here on behalf of people
22 with disabilities, like myself, and senior citizens who do
23 not receive disability, who are in a financial crisis due
24 to the economy and the increased trash rate. To the
25 majority of people who make significant amount of money,

1 the trash increase in Jefferson City did not affect.
2 People like myself who cannot work any longer due to
3 disabilities and do not draw an income, our budgets are
4 sent into a tailspin just from the trash issue that was
5 just recently passed.

6 We cannot afford any type of increase from
7 any company now. This is simply not the time. The
8 Samaritan Center has significant amount of people and are
9 asking for donations for people to pay their trash bills.
10 It affected our budget tremendously.

11 I think that the Public Service Commission
12 and AmerenUE need to step back from this issue at this
13 time until we recover from the recent financial crises
14 that we have experienced. We cannot afford to have
15 savings accounts or any type of retirement. We cannot
16 make ends meet. We have to give up money that should be
17 going to groceries to pay an increase in our trash bill.
18 I truly feel that this is not fair.

19 I also speak on behalf of those who cannot
20 attend this evening who are the working class. They do
21 not receive raises and have not for years. So all I ask
22 is that everyone jump back and let us recover. Medicare
23 will be bankrupt by the time I reach the age I can draw it
24 because the federal government dipped their hands into it.
25 It's time to stop.

1 That's all I have to say.

2 JUDGE WOODRUFF: Thank you, ma'am. Any of
3 the parties have questions for her? Any of the judges, or
4 excuse me, the Commissioners?

5 CHAIRMAN CLAYTON: No questions, Judge.
6 Thank you for coming, ma'am.

7 MS. CLACK: You're welcome.

8 COMMISSIONER GUNN: Thank you.

9 JUDGE WOODRUFF: Next name on the list is
10 Michael Brownstein, Brownstein. If you'd please raise
11 your right hand.

12 (Witness sworn.)

13 MICHAEL BROWNSTEIN testified as follows:

14 JUDGE WOODRUFF: Could you tell us your
15 name?

16 MR. BROWNSTEIN: My name is Michael
17 Brownstein. Last name is spelled B-r-o-w-n-s-t-e-i-n.

18 JUDGE WOODRUFF: What would you like to
19 tell us?

20 MR. BROWNSTEIN: First, I am an Ameren
21 customer. I did have some research on this after I saw
22 the rate increase. I just want to make a little
23 presentation if that's okay.

24 When Vanderbilt got in front of the
25 audience a hundred years ago and he said to the reporter,

1 the public be damned, that was the only thing that we
2 remember. The second sentence that he said was, I work
3 for my stockholders. And that's fine, you work for your
4 stockholders. But when I'm looking at the AmerenUE
5 paperwork, the amount of compensation that people gets,
6 Mr. Baxter gets a half a million dollars more per year,
7 plus all the bonuses he gets. I mean, I could just run
8 through all of this. He has restricted stock awards of
9 almost a million. He has 11,000 more of other
10 compensation. He has money coming from every direction.

11 And I'm thinking to myself, they want us to
12 take a -- do a rate increase, pay more money of our
13 pockets. I would feel better if he would take a rate
14 decrease and take money out of his pocket and show good
15 faith. That to me makes sense. Let him make a move, too.
16 I will give less -- I will take less compensation, that
17 way we can help out the situation.

18 Furthermore, he claimed that there was a
19 freeze and everything. It was a question when you weren't
20 in the room. According to my data, on December 10, 2009,
21 the human resource committee for the board of directors of
22 AmerenUE Corporation decided to make a bonus program for
23 2010. They may have froze his pay, but his bonus is going
24 to be 60 percent of that rate, which I figured out
25 calculated to be a few hundred thousand dollars in

1 addition.

2 And he's only one of the people from
3 AmerenUE making money. Gary Rainwater, who's executive
4 chairman of the board, is going to pull in five and a half
5 million dollars next year. I would feel better about the
6 rate increase if he would take a rate decrease and take
7 less compensation to help the people of Missouri out.

8 Furthermore, according to my -- according
9 to what I'm seeing over here is AmerenUE is making lots of
10 money. They did better this year than they made in 2007
11 and 2008. We're having a recession, and they're doing
12 better. On the figures that I've actually found show
13 AmerenUE making \$11 million more this year than they did
14 last year.

15 And I want to end with one other thing.
16 Last year they lost -- AmerenUE lost \$1,345,000,000 in
17 investments for the stockholders. I don't think that we
18 are the ones who should take care of that. Now, they're
19 saying that we're not going to pay for that, but everybody
20 in the room knows that when they made a mistake and lose
21 \$1,345,000,000, somehow that cost is going to come onto
22 us. And I don't think it's our fault that they had bad
23 people managing their funds. They could have hired me. I
24 would have shown them how to make some money.

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

1 JUDGE WOODRUFF: Thank you, sir. Any
2 questions from the parties? From the Commissioners?

3 CHAIRMAN CLAYTON: I have no questions.
4 Thank you for coming.

5 JUDGE WOODRUFF: We have a question.

6 COMMISSIONER KENNEY: Thank you for taking
7 the time to come out and speak tonight, Mr. Brownstein.
8 Just one question. What's the document from which you
9 were reading?

10 MR. BROWNSTEIN: I actually have -- this
11 was -- I actually had my son research all this for me and
12 I did it with him. I'll give you a copy. The document on
13 the pay raise comes from -- came from Forbe's evaluation
14 of the five top executives. The bonus option comes from
15 SEC ruling. They had a file on this.

16 There's actually a speech in here by John
17 Wolfe about how much profit they want to make, how much
18 they want to send to shareholders. I don't think it's
19 fair for us to be paying for -- we're regulated, but we
20 should be paying for unregulated things, too. That's all
21 in here. There's an article from the St. Louis newspaper.
22 I can give a copy. I made extras. You want one?

23 JUDGE WOODRUFF: We can take it as an
24 exhibit. If you want to hand that to me, I'll mark it.

25 MR. BROWNSTEIN: Thank you.

1 JUDGE WOODRUFF: What Mr. Brownstein has
2 handed me I'm going to mark as Exhibit 1. Any objections
3 to it coming into evidence?

4 (No response.)

5 JUDGE WOODRUFF: Hearing none, it will be
6 received into evidence.

7 (EXHIBIT NO. 1 WAS MARKED AND RECEIVED INTO
8 EVIDENCE.)

9 JUDGE WOODRUFF: Next name on the list is
10 Reverend Ron Baron, Senior. Is Reverend Baron here?

11 Okay. Next name then is John Marquart.

12 Good evening, sir.

13 MR. MARQUART: Good evening.

14 JUDGE WOODRUFF: Please raise your right
15 hand.

16 (Witness sworn.)

17 JOHN MARQUART testified as follows:

18 JUDGE WOODRUFF: Tell us your name and
19 spell your last name, please.

20 MR. MARQUART: John Marquart,
21 M-a-r-q-u-a-r-t.

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

24 MR. MARQUART: Well, while I agree with
25 several of the comments made that Ameren's request for an

1 18 percent rate increase should not be approved, my
2 comments tonight would be towards how any rate increase
3 would be apportioned among the various classes on this
4 rate increase.

5 There are a number of classes, each with
6 different rate structures, from residential to small and
7 large general service, to small and large primary service,
8 and finally large transmission service. General service
9 customers have consistently paid more towards the cost of
10 service than other classes. Past settlements of rate
11 cases have favored other customer classes by using across
12 the board increases, which I think is what we're doing
13 here, for a major portion of revenue increases.

14 Ameren's own class cost of service
15 testimony shows that the general service continues to pay
16 more. Energy is a substantial cost for small business.

17 AUDIENCE MEMBER: Can't hear.

18 MR. MARQUART: I'm sorry. I apologize.
19 Energy is a substantial cost for small business, and small
20 business drives our economy, particularly employment and
21 new jobs, and as we try to recover from this deep
22 recession.

23 Our company, Schnuck Markets, operates 106
24 stores. Half of those are covered or served by AmerenUE.
25 Each of these is a small business in itself with its own

1 profit and loss statement. The store serves as an
2 important role in the local community, in the food and
3 drug retailing business, but it's also an employer of
4 about 150 people at each store.

5 Food retailing is extremely competitive.
6 They operate on razor thin margins of typically 1 to 2
7 percent of sales, much lower than Ameren's 6 percent, and
8 profit margins of these -- of food retailers are under
9 tremendous pressure from the likes of Wal-Mart, Target,
10 Costco and so forth.

11 Energy is a substantial cost for these
12 businesses, and especially for grocery stores, where it is
13 about 1 to 2 percent of sales. This is because grocery
14 stores require a lot of electricity to keep the food
15 continuously refrigerated or frozen. As a result, they
16 use a lot more energy, lot more electricity per square
17 foot than residences, office buildings or dry good retail
18 shops.

19 Just to give you an example, in August of
20 this last year, our cost for electricity was \$20,762. Our
21 bills ranged for electricity from a low of about \$10,000
22 to 20,000-plus, particularly during the summer. In fact,
23 the grocery store requires twice as much energy as the big
24 box stores like Lowe's, Home Depot, Bass Pro Shop, Kohl's,
25 et cetera. They only require lighting and HVAC, but no

1 refrigeration.

2 Since utility costs for grocery stores are
3 approximately 1 to 2 percent of sales are equal to their
4 profit margins, if electric rates were raised 18 percent,
5 profits could fall 18 percent. This could mean the
6 difference between keeping a store open or having to close
7 it.

8 I respectfully ask at this time the
9 Missouri Public Service Commission should treat general
10 service customers fairly when apportioning any rate
11 increase amongst the various service classes. This is
12 extremely important to all of our business operators.
13 That's it.

14 JUDGE WOODRUFF: Thank you, Mr. Marquart.
15 Any questions for this witness? Thank you, sir.

16 MR. MARQUART: Thank you.

17 JUDGE WOODRUFF: Next name on the list is
18 Nora Conrad. Good evening.

19 MS. CONRAD: Good evening.

20 JUDGE WOODRUFF: Please raise your right
21 hand.

22 (Witness sworn.)

23 NORA CONRAD testified as follows:

24 JUDGE WOODRUFF: Thank you very much.

25 Tell us your name and spell your last name.

1 MS. CONRAD: My name is Nora Conrad, and I
2 use AmerenUE, their electric.

3 I am in the real estate business, rentals,
4 and I rent to the poor, and I see their utility bills
5 which they cannot pay. And when they are late, not only
6 can they not pay it, but Ameren charges them \$50.

7 We can't afford to have this increase in
8 utilities. The poor people cannot pay for it now. What
9 do you think's going to happen when we have the increase?
10 It's also with the people who have lost their jobs. How
11 are they going to pay with an increase? They hardly can
12 get by now.

13 That's all I have to say.

14 JUDGE WOODRUFF: Thank you. Any questions
15 for this witness?

16 CHAIRMAN CLAYTON: Ms. Conrad, thank you
17 very much for coming. I have several questions. You
18 are -- you are a landlord, you own some units that you
19 rent out to folks?

20 MS. CONRAD: Yes, I am.

21 CHAIRMAN CLAYTON: And those are
22 residential units, people live there as opposed to
23 business units?

24 MS. CONRAD: Correct.

25 CHAIRMAN CLAYTON: Okay. How do you deal

1 with the issue of energy efficiency as a landlord in
2 deciding whether or not you're going to invest in, you
3 know, energy efficient appliances or energy efficient
4 equipment that goes in if you're going to redo one of your
5 apartments? How do you view that issue?

6 MS. CONRAD: Eight years ago I bought these
7 properties. I came in from St. Louis, Missouri. I
8 rehabbed all of them. We gutted them and took them from
9 the bottom and brought them up.

10 Now, the ones that I have just bought,
11 because I had a fire and it burned down, so I had to
12 reinvest into another one. I have put all new windows. I
13 have put new furnaces. I take care of my property. These
14 people have a right to have a place to live as good as I
15 do.

16 CHAIRMAN CLAYTON: So when you make those
17 investments and you make those upgrades, you look at
18 energy efficiency and making sure they're quality and
19 keep -- try to keep the electricity bills and heating
20 bills as low as possible? Do you look at that, I guess is
21 what I'm asking, when you make a decision?

22 MS. CONRAD: Oh, yes. In fact, if I find
23 that there's any air leakage coming in to any place, I
24 will buy the tape and I will tape them for them. Like I
25 said, I put new -- I just put new windows into this last

1 something at the bottom?

2 MS. CONRAD: Well, if you got a computer,
3 which I don't happen to have, you would go to
4 ww.fai--fairelectrictyrates.com.

5 COMMISSIONER DAVIS: Okay. And what do you
6 think the purpose of the yellow stickers is?

7 MS. CONRAD: Well, they're against the
8 increase, they told me. I -- when I came in, a person
9 addressed me, and I asked them what they were, and they
10 said, well, we're against the increase. I said, I'm
11 against the increase. So they handed me this yellow
12 sticker and I put it on me.

13 COMMISSIONER DAVIS: Okay. And do you
14 think that if -- did they tell you anything else?

15 MS. CONRAD: No.

16 COMMISSIONER DAVIS: And do you think if
17 enough people would wear the yellow stickers at these
18 hearings, that that could have an effect on the
19 Commission?

20 MS. CONRAD: Oh, yes, I think so. It's
21 against the increase.

22 COMMISSIONER DAVIS: Right.

23 MS. CONRAD: So why wouldn't it have an
24 effect on you people? You know, I listened to the Ameren
25 people talk, and they gave all the reasons why they need

1 the increase. Okay. But they didn't really hear the
2 reasons why we -- and I can't consider myself poor. Okay.
3 Average. Average. Okay. But they really didn't consider
4 the people who cannot afford to have these increases. You
5 know, we're in a recession. Okay. And like she said,
6 everything's going up, you know. And, of course, I'm a
7 senior citizen, and like the lady said, we don't get an
8 increase, but that's -- I don't live off of Social
9 Security.

10 But I just mean, you know, the people that
11 do live off of Social Security and that's all they have,
12 the senior citizens, sometimes they can't even buy food.
13 And sometimes my renters will come at the end of the month
14 and ask me, can you loan me a hundred dollars so I can
15 feed my family? And I will give it to them, and then they
16 pay me back. I get very, very close to my renters, and
17 they are poor.

18 COMMISSIONER DAVIS: Thank you, Ms. Conrad.

19 MS. CONRAD: You're welcome.

20 JUDGE WOODRUFF: One more question.

21 COMMISSIONER GUNN: Ma'am, I'm sorry. I
22 just have a real quick question. Because you're dealing
23 with low income folks, have you ever had any direct
24 experience with any of Ameren's low income assistance
25 programs, or have you ever talked to Ameren on behalf of

1 any of your tenants to try to get assistance with some of
2 these bills?

3 MS. CONRAD: Yeah. I mean, I've gone over
4 to the electric company with my people when they couldn't
5 pay their utilities. I've gone to the water company with
6 my people and they couldn't pay their water bills. Okay.
7 But you're nothing -- you know, I have owned businesses,
8 and you're talking to two classes of people. They don't
9 understand. They can't come down to our level. They
10 don't know how. You know, and we can't go up to their
11 level because we don't understand their lifestyle.

12 You know, their stock has come down, yes,
13 and their interest rates have come down on their stock for
14 people who invest in Ameren. But, you know, we're just
15 two different types of people. I have a son. He's an
16 architect engineer, and he's on their level, but he was
17 raised on my level and he understands the people.

18 COMMISSIONER GUNN: Just as a quick
19 follow-up, your specific experience with Ameren when you
20 went and talked to them on behalf of your tenants looking
21 for some assistance or looking for some adjustment in
22 their bill, were they responsive? Were they not
23 responsive? Was it an easy process? Was it a difficult
24 process? Just a quick summary.

25 MS. CONRAD: When they would go, when my

1 renters would go for assistance, I did not go with them.
2 They went on their own. I just told them where to go,
3 because I -- you know, some things I cannot get involved
4 in, okay, you know.

5 COMMISSIONER GUNN: All right. Thank you
6 very much. I don't have anything else. I appreciate your
7 testimony.

8 MS. CONRAD: All right. Thank you.

9 JUDGE WOODRUFF: Thank you, ma'am. The
10 next name on the list is Debra Lansford. Good
11 evening, ma'am. Please raise your right hand.

12 (Witness sworn.)

13 DEBRA LANSFORD testified as follows:

14 JUDGE WOODRUFF: Tell us your name and
15 spell your last name.

16 MS. LANSFORD: Debra Lansford. Last name
17 is L-a-n-s-f-o-r-d. I'm here to speak on behalf of my
18 former sister-in-law. She's like a sister-in-law. Owns a
19 business here in Jeff City. Has Ameren as their electric
20 company.

21 Looking at the cost increase that has been
22 requested, you're talking roughly a 45 to \$50 a month
23 minimum increase to your average small business owner.
24 When the customers are already hard pressed to spend
25 money, as they are right now, when you have an increase,

1 they have it, too. They have it at their home.
2 Therefore, they're going to pay their bills versus go out
3 and spend what they might have had previously to go buy
4 some of the extra things that their family would like to
5 have.

6 Therefore, when we grant rate increases to
7 a company that's already showing profits to the degree
8 that Ameren has shown in the last three years, you're
9 cutting your small businesses out of your community, and
10 they are the lifeblood of a community. AmerenUE doesn't
11 support all of the employees in the Jefferson City area.
12 Those are supported and are working for your small to
13 middle class companies.

14 With no additional income to your senior
15 citizens, your disability, you know, Social Security
16 recipients, whether they are dependents, retirees, Social
17 Security Disability, they do not get a disability
18 increase, a cost of living this year. For the entire year
19 of 2010, they will be living on what they received in
20 2009.

21 So if our cost goes up on electric 40 to
22 \$50 a month, they don't go out and spend that at the
23 grocery store, clothing, whatever the small business owner
24 offers in the community, and eventually what you're going
25 to do is you're going to drive the small businesses

1 completely under.

2 The business community would like to see
3 realistic increases. If they need an increase, then grant
4 it, but when they are reporting the type of profit margins
5 that they have shown last year and the year before, we
6 don't see that they are justified in asking for an
7 increase.

8 Thank you.

9 JUDGE WOODRUFF: Questions?

10 CHAIRMAN CLAYTON: Ms. Lansford, just one
11 real quick question. I don't know if you know the answer
12 to this since you're speaking for your sister or
13 sister-in-law; is that correct? Do you know if Ameren is
14 doing anything or enough to help businesses address
15 reducing their usage, energy efficiency issues? Do they
16 do anything or are they doing enough or do you know?

17 MS. LANSFORD: Okay. I do know from my
18 sister-in-law, former, that they don't really offer a lot
19 of suggestions what you can do to minimize electric uses.
20 I know that she is a photographer in the Jefferson City
21 area, has been for over 23 years, Linda's Studio, very
22 well known.

23 She keeps her electric use to a bare
24 minimum. She keeps her furnace turned down to where it is
25 just moderately comfortable. It's sitting at 68 degrees

1 in the studio. In the summer, we try to keep it around
2 72. That way it's not overly hot, but it's not unbearably
3 cold either. She doesn't leave lights on that doesn't
4 need to be on. And that's not recommendations coming from
5 the company.

6 CHAIRMAN CLAYTON: But you think she would
7 be interested in getting more help in trying to find ways
8 to save money on her utilities?

9 MS. LANSFORD: I'm sure all of your
10 businesses would be interested if the company would put
11 forth the information to all businesses, not just --

12 CHAIRMAN CLAYTON: She took one of my
13 pictures. She did some pictures.

14 MS. LANSFORD: She's done probably
15 90 percent of the community at one time or another.

16 CHAIRMAN CLAYTON: She made me have mine
17 taken outside to save energy. I didn't know it at the
18 time. Anyway, thank you for coming.

19 MS. LANSFORD: You're welcome.

20 JUDGE WOODRUFF: Thank you, ma'am.

21 Next name on the list is Will Dietzel or
22 Dietzel.

23 MR. DIETZEL: I'm Will Dietzel, and I'd
24 like to bring this up and show you.

25 JUDGE WOODRUFF: First please raise your

1 right hand.

2 (Witness sworn.)

3 WILL DIETZEL testified as follows:

4 JUDGE WOODRUFF: Thank you very much.

5 Spell your last name for us, please.

6 MR. DIETZEL: D-i-e-t-z-e-l.

7 JUDGE WOODRUFF: Thank you.

8 MR. DIETZEL: I'd like for you-all to look
9 at the process of global change, and so this is climate
10 change. We're getting a lot of climate change at this
11 time, and that is a piece of petrified redwood. And what
12 I want to develop is, we have climate change that happens
13 all the time. The base there is -- you won't hurt it to
14 touch it. Go ahead and pass it around, if you would,
15 please.

16 It is petrified redwood. And the
17 interesting thing about it, it come from the fluorescent
18 fossil beds, and it was not the fluorescent fossil beds
19 around Missouri, but it was the fluorescent fossil beds in
20 Colorado, 30 miles to the west of Pike's Peak, 14,110 feet
21 in elevation. And that was dug in 1960 from the
22 fluorescent fossil beds and identified by professors from
23 Penn State. And it was fashioned there so it would make a
24 bookend.

25 The point that I want to make is that

1 global climate change happens all the time. It happens
2 every day. And we take a snapshot sometime during the
3 year of the second of the four seasons and we take one
4 snapshot and we'll say, well, we have wintertime in
5 Missouri, and we can build everything around the cold
6 winter. We take another snapshot in August, and that's
7 the only information we have, we make the assumption that
8 everything is like August.

9 And so we are looking at the tip of the
10 iceberg on changes and what the cost of electricity, gas,
11 anything that is energy that we will use, this is only the
12 tip of it. We've got czars and czars and czars and more
13 czars than Russia has ever had in their existence, and the
14 stroke of a pen, everyone in this room and your future
15 generations and unborn generations are going to pay more.

16 And so who has any questions for me before
17 I sit down?

18 JUDGE WOODRUFF: Anyone have any questions
19 for Mr. Dietzel?

20 COMMISSIONER GUNN: No questions. Thank
21 you.

22 JUDGE WOODRUFF: Thank you, sir.

23 Next name on the list is Dawn Jenkins.

24 Ms. Jenkins here? Good evening, ma'am.

25 MS. JENKINS: Good evening.

1 JUDGE WOODRUFF: Would you please raise
2 your right hand.

3 (Witness sworn.)

4 DAWN JENKINS testified as follows:

5 JUDGE WOODRUFF: Would you tell us your
6 name and spell your last name.

7 MS. JENKINS: Dawn Jenkins, J-e-n-k-i-n-s.

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

10 MS. JENKINS: My sister and I live together
11 in a house that was built in the '50s. The outside walls
12 are brick. The inside walls are right next to the outside
13 walls. There are original windows. The house leaks
14 badly. My landlord is a very nice man. He is struggling
15 economically himself, but he has put in central air and a
16 new furnace and a new roof in the last five years.

17 But I have had difficulty paying my bill
18 occasionally. I've seen my rates go up continuously.
19 I've been in the same house for ten years now. I also --
20 I'm curious as to what happens to the Dollar More program.
21 I know that I can ask them, and I will. I'll go across
22 the hall.

23 But I have called Ameren when I was in
24 need, and they have referred me to the Samaritan Center.
25 And the Samaritan Center receives not only funds from

1 Ameren but also funds from most of the local churches, and
2 yet they never have any funds to loan out because I don't
3 get there fast enough.

4 I attempted to have my house winterized
5 this year with -- through the community action people, and
6 I went through all the whole process of application and
7 everything, and was told finally that my house is
8 ineligible for winterization because it was winterized ten
9 years ago. There's no sign of that. It must have been
10 done right before I moved in. There's never been a sign
11 of it. And they only winterize every 15 years.

12 Therefore, if Ameren is granted this rate
13 increase, and my sister and I, neither one get any kind of
14 a cost of living increase from our disability programs,
15 we're going to be -- we're already on a very, very tight
16 budget, and we're going to -- we're not going to be able
17 to make ends meet, basically, if Ameren gets this rate
18 increase.

19 I'd also, if you wouldn't mind, like to
20 speak about my son-in-law and my daughter. They have a
21 handicapped child who is 18 months old, and they own their
22 house, but they have not had a furnace, a working furnace
23 for two years now because they can't afford to do all of
24 the renovations that are necessary. They heat with space
25 heaters, and it keeps the house adequately warm, but not

1 warm enough for their 18-month-old daughter.

2 And my son-in-law is out of work. He has
3 been for more than six months now. He goes out looking
4 every day, but just recently he started college classes.
5 He still goes out looking for a job every day.

6 This rate increase would have a devastating
7 effect on my daughter's family because my daughter cannot
8 work because of her handicapped child, and my son-in-law
9 cannot find work. They're living off of his student loans
10 right now.

11 That's all I have to say.

12 JUDGE WOODRUFF: Thank you, ma'am. Any
13 questions for Ms. Jenkins?

14 CHAIRMAN CLAYTON: Ma'am, I just -- I would
15 encourage you, if you go out, grab one of the PSC staff
16 members. There are a number of things that may be able to
17 help in your situation. Obviously these details are very
18 challenging, and I would urge you to meet with our staff
19 to see if there is anything that's available out there
20 that may be assistance either to you or to the rest of
21 your family.

22 MS. JENKINS: Thank you.

23 CHAIRMAN CLAYTON: Thank you.

24 JUDGE WOODRUFF: Commissioner Davis.

25 COMMISSIONER DAVIS: Ms. Jenkins, can I ask

1 you two quick questions?

2 MS. JENKINS: Yes, sir.

3 COMMISSIONER DAVIS: Thank you. I notice
4 you've got a yellow sticker on your shirt --

5 MS. JENKINS: Yes, sir.

6 COMMISSIONER DAVIS: -- is that correct?
7 And why do you think they gave you those
8 stickers?

9 MS. JENKINS: To show support for their
10 organization.

11 COMMISSIONER DAVIS: Okay. And do you
12 think that if enough people wear the stickers, that they
13 can influence the Commission?

14 MS. JENKINS: No. I don't think that's
15 their intention.

16 COMMISSIONER DAVIS: Okay. What do you
17 think their intention is?

18 MS. JENKINS: To show support for each
19 other. All of us who are wearing the yellow stickers,
20 it's to show support for each other.

21 COMMISSIONER DAVIS: Okay. Thank you,
22 ma'am.

23 JUDGE WOODRUFF: Thank you, Ms. Jenkins.

24 Next name on the list is Ed Glascock. Good
25 evening, sir. Please raise your right hand.

1 (Witness sworn.)

2 ED GLASCOCK testified as follows:

3 JUDGE WOODRUFF: Tell us your name and
4 spell your last name.

5 MR. GLASCOCK: My name is Ed Glascock.
6 Last name spelled G-l-a-s-c-o-c-k.

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

9 MR. GLASCOCK: Okay. I've been here in
10 this community since 1992. I'm middle income, I'd say,
11 warehouse manager for Matrix Packaging. Even though I'm
12 making a good living, I have five boys as well, not all of
13 them doing so well, and a lot of our money has to help our
14 children, as well as, I'm sure, many of these people, same
15 way. So even if you're in the middle income, even maybe
16 on the upper scale, you're still helping many family
17 members who are not as fortunate.

18 These hikes, the way I see it, with AB&B
19 recently being hit with layoffs, Johnson's Control closed
20 down, Matrix has a hiring freeze, Modine experienced the
21 same. They're slightly recovering, but only because they
22 closed another plant. Our community alone with Columbia,
23 Missouri, they were hit several companies, too. I think
24 they had 140 people who were unemployed on one layoff
25 alone, and the name of the business escapes me.

1 The point is, though, unemployment's not
2 going up as far as their benefits. You're limited on how
3 long you can draw unemployment. I know that because of my
4 children, some of them going through this. I just see
5 this hike as being a little bit premature, asking for such
6 a high hike. Nobody wants our electric company to go
7 under. We all like electricity, as well we do water and
8 sewer and everything else, but we don't want to have to do
9 nothing but sit in our home on our toilets with
10 electricity.

11 So what I'm saying is that they also need
12 to be experienced -- and just like the banks, the
13 bailouts, I mean, doesn't that just ring a bell with
14 everybody, how the Citicorp Banks and all them took
15 advantage of all the help and the government handouts and
16 then they turned right around and rewarded all their high
17 executives with very high unfair bonuses. It's
18 outrageous.

19 I know some salaries, I guess, based on the
20 education and what they've gone through, how they've
21 helped the company, may somewhat justify what they're
22 making. But on the other hand, there should be a limit,
23 period, on how well anybody -- or how well anybody needs
24 to live at the expense of others.

25 My opinion, and I assume someone else

1 shares it, is that maybe we need to dig a little deeper
2 and see how well they're cutting their own costs
3 internally before we just benefit on -- or us take a loss
4 at their benefit without their looking internally. Even
5 the company I work for, we use a great deal of electricity
6 manufacturing plastic bottles. I can only imagine right
7 now, we're already asking of all of our employees to work
8 more than what one person should probably be able to do.
9 They haven't gotten a raise for a couple years based on
10 the economy.

11 I'm sure many people out here haven't
12 experienced the raises as well. I have many friends that
13 still work for the state department, Department of
14 Revenue. When they got a raise, their insurance actually
15 went up higher than their raise, and so they actually in
16 turn experienced a loss.

17 This, too, is another loss. I don't know
18 how many losses that we can pass on to our community
19 before people just move, and maybe they'll find another
20 electric company that doesn't try to rob our pocketbooks,
21 then in a sense maybe some other electric company not so
22 greedy would come in and will move back.

23 My point is, look internally. Show us that
24 you're making some fair cuts. Don't be greedy, and then
25 we're willing to help a little. I think there could be a

1 give and take, but my gosh, the numbers you're throwing at
2 me is higher than any raise that I've ever gotten, and
3 I've worked since I was 15, and I'm no spring chicken
4 still.

5 So that's all I've got to say. I know
6 everybody else has got things to say, and that's it.

7 JUDGE WOODRUFF: Thank you, Mr. Glascock.
8 Questions?

9 CHAIRMAN CLAYTON: I have no questions.
10 Thanks.

11 JUDGE WOODRUFF: Next name on the list is
12 Leonard Steinman. Please raise your right hand.

13 (Witness sworn.)

14 LEONARD STEINMAN testified as follows:

15 JUDGE WOODRUFF: Thank you. What would you
16 like to -- tell us your name and spell your last name.

17 MR. STEINMAN: Leonard Steinman,
18 S-t-e-i-n-m-a-n, and I'm a UE customer and shareholder.
19 The sheer reason why I'm a shareholder, everybody in here,
20 including you, are shareholders in AmerenUE because if we
21 didn't pay our bills, they wouldn't have no stock.

22 The other factor is, I'm very ashamed of
23 you, the five of you. You come in here. There's an
24 American flag there. My country earned that flag to be
25 respected. Where's the Pledge of Allegiance at when you

1 come in here to begin with?

2 No. 2, I'm a stockholder in all five of you
3 because the \$14 they want to charge extra on my bill,
4 you're going to get \$1.20 towards the state, the federal
5 government, the city government and the county, and they
6 don't know what to do with it.

7 I've been watching them take this money and
8 run with it, split it here, split it there, and then when
9 they get basically to a point that their eight years is
10 done at House of Representatives, State Senator, city
11 councilman, mayor, that they profiteer off of this after
12 the fact, and I'm getting tired of it.

13 That's the reason -- and I'm not
14 grandstanding. This is the reason why I've tried running
15 for office because I'm not one of the good old boys and I
16 don't belong in their society.

17 But you need to think that that \$1.20 on
18 that \$14, that's \$15.20. I'm not one of the poor factors
19 like most of these people are. I see it on a daily basis
20 in the county, in the city, in the state. I worked down
21 there at AmerenUE when they was building the nuclear power
22 plant. I watched the waste. I watched them take rebar
23 that was six inches in size, cutting it up in 18-inch
24 pieces that cost \$475 a stick, having three guys making
25 \$42 an hour cutting it up so they could say that they

1 weren't making no money.

2 I seen it up in Washington state when I
3 worked for Washington Public Power Supply System after
4 they got their \$26 a month increase on everybody in
5 Washington state, which they have not ever stopped, but
6 they did not finish the other three plants they were
7 building.

8 I went towards the Public Service
9 Commission last year. I was asked in our State Capitol
10 that I was not elected to go in and talk to you people in
11 there. So I went around and lobbied without a lobbyist
12 license in the state -- in the State Capitol to every
13 House of Representatives and every State Senator stating
14 that if they passed the bill that UE would build this
15 nuclear power plant because six years prior to when they
16 was asking for the rate increase then and the permission
17 to build the nuclear power plant, they've had that
18 property set up to be a nuclear power plant before Three
19 Mile Island ever happened.

20 After Three Mile Island, there's not been a
21 nuclear power plant built in the United States. I don't
22 think there will ever be a nuclear power plant built in
23 the United States. And I'm not against nuclear power.
24 I've been raised nuclear power all my life.

25 I'm for wind power. I'm very much for wind

1 power. I've seen wind power all over the country because
2 I was a long-haul truck driver for years. I understand
3 it. I understand the oil. I understand the coal.

4 But when you come to a place like this and
5 you're wearing a \$195 pair of shoes and you're
6 representing yourself that you're not making no income,
7 that's pretty bad. Thank you.

8 JUDGE WOODRUFF: Thanks. Any questions for
9 Mr. Steinman? Thank you, sir.

10 Next name on the list is Jeff Holzem. Good
11 evening, sir.

12 MR. HOLZEM: Good evening.

13 JUDGE WOODRUFF: Please raise your right
14 hand.

15 (Witness sworn.)

16 JEFF HOLZEM testified as follows:

17 JUDGE WOODRUFF: Thank you. Spell your
18 last name for us.

19 MR. HOLZEM: H-o-l-z-e-m.

20 JUDGE WOODRUFF: Thank you.

21 MR. HOLZEM: I'd like to just kind of
22 reiterate some of the points that have already been made.
23 I'm speaking for myself, an Ameren customer. My parents
24 are also Ameren customers, and they are retired, living on
25 Social Security, and they stress whenever bills go up, and

1 this is going to be a huge increase for them and going to
2 make them experience some stress.

3 I think that, as other people have said, I
4 think the company should do more to share in the pain of
5 this increase. I think we should consider the amount
6 that's being given and think hard about how much they
7 really should participate in it themselves when they're
8 paying the kind of executive salaries and compensation
9 that they are paying, given people on Social Security
10 fixed income get no raises. Many people who are employed
11 get none. I think we need to just balance it out between
12 the company and the shareholders, the Customers.

13 A couple things I'd like to stress also. I
14 wonder if the Commission's looking into, and perhaps you
15 guys should just take an action item to do that, are they
16 trying to recover some of the cost of the planning and
17 design of the other nuclear plant at Callaway? Is that
18 affecting this increase in some fashion?

19 The thing I'd like to ask you to consider
20 is, what's going to be the impact on the economy? You've
21 heard the gentleman speak about Schnuck's, a current
22 business, and the lady spoke about another current
23 business. What about new businesses coming into the
24 state? What will the climate be with an 18 percent rate
25 increase on the table? How many companies would consider

4 And I guess another thing I'd like to ask
5 you to look into is, one of the statements in the brochure
6 we received was higher finance costs. That struck me as
7 being a bit odd in this period of what I consider to be
8 very low interest rates. Is that truly a factor?

15 That's all I have. Thank you.

18 Next name on the list is Mike Walter. Good
19 evening, sir. Please raise your right hand.

21 MIKE WALTER testified as follows:

24 MR. WALTER: Mike Walter, W-a-l-t-e-r.

1 tell us?

2 MR. WALTER: First, I'd like to introduce
3 myself. I am the business manager of the International
4 Brotherhood of Electrical Workers, Local 1439. I have
5 been in the utility business now for 31 years. I worked
6 for AmerenUE for 16 years. I've been in the union office
7 for 15 years.

8 Since 1945, Local 1439 has represented most
9 of the outside physical workers for the Ameren Missouri
10 property. At this time I have approximately 900 members
11 that I represent that work for Ameren. Those range from
12 anywhere from the linemen to fleet mechanics, janitors,
13 storeroom people, relay technicians, substation mechanics,
14 et cetera, et cetera. So I have a wide gamut of employees
15 that I represent.

16 We also have contracts with Atmos Energy,
17 Entergy Arkansas and Alliant in Iowa, just to give you
18 some understanding of my perspective of what's going on
19 with this rate case as well as many others that are going
20 on across the country.

21 First, and I'm going to be as brief as
22 possible, but I think it is important to recognize where
23 this industry is and where it's been and why we're in the
24 situation we're in today. In 1992 the threat of
25 deregulation I think has had a serious impact and part of

1 the reason we're here today. Utility companies reduced
2 their staffing levels by 40 to 50 percent. Utility
3 companies went to what I referred to as a risk management.
4 Utility companies extended maintenance schedules. Utility
5 companies extended life of equipment, wires, et cetera,
6 transformers and the like. Utility companies discontinued
7 training programs. And with all this, there is -- the
8 basic logic is there is no addition by subtraction. But
9 this is what I believe the public and everybody drove us
10 to.

11 This in total combination has had a drastic
12 impact on the electric utility industry, and I'll go on,
13 try to be more particular about this rate case. And I
14 think this -- the combination of all the things that have
15 transpired in the last 15, 17 years has caused our Public
16 Service Commission to be very skeptical, cautious and
17 strict in relating to the rate increases and profits and
18 returns on investments of Ameren and many other utilities
19 here in Missouri.

20 In my opinion, the utility companies have
21 gone to more of a budget dictating the work versus the
22 work dictating the budgets, and that's been a change in
23 philosophy, and I do believe some of that goes back to the
24 whole direction of deregulation.

25 And Ameren is no different as an

1 investor-owned utility than any other utility that I'm
2 experiencing, I have relations with or as I see across the
3 country. It's just the trend, and it's -- many things
4 drove us to where we're at today.

5 In Missouri, the Commission has improved
6 reliability. I think the Commission should take credit
7 for that. The mandated inspections, the mandated
8 replacement of equipment by virtue of these inspections,
9 the mandated tree trimming, it has all done a very good
10 job.

11 This has made a drastic improvement, but
12 we're not done yet. We have a lot more improvement.
13 There is areas for improvement, and we must get there. We
14 must continue to mandate and expect improvement. This
15 will take improved staffing, training and much more
16 capital spending by Ameren.

17 As I see all other utilities and receive
18 reports from my international office in Washington, D.C.,
19 utilities across the nation are truly in a financial state
20 that causes very serious concern. We should be concerned
21 with this, and although you have to be very, I guess,
22 cautious and very particular about looking at the figures
23 because it's a very complex business, we as 1439 and my
24 international office do not believe that the majority of
25 these investor-owned utilities are crying wolf. There is

1 a serious concern, and it needs to be seriously
2 considered.

3 As far as Ameren goes, I think the proof to
4 me was when they announced the reduction in their
5 dividend. This certainly was not an easy decision and one
6 that was probably the last resort, and certainly many
7 other utilities who are asking for the same rate increases
8 are -- have not reduced their dividends. So they've
9 basically gone to the simplest measure as rate increases
10 versus going to also the other balance in all this is the
11 stockholders.

12 I am very proud to represent Ameren
13 workers. We are well-trained, and we're committed to
14 safe, reliable service. I truly cannot say enough about
15 the dedication and the work that our members do for Ameren
16 and for the customers. I'm proud to say that we are a
17 significant reason that the company is able to provide one
18 of the absolute lowest rates in this country, and also, as
19 I understand it, our ratings for reliability are going up.

20 I do say our because I'm not employee of
21 Ameren. I am an employee of the union, but we do have a
22 partnership and we take great interest in the customers
23 and the reliability. And I want to emphasize reliability
24 and safety because this is -- this is very big concern to
25 our local and our members that we can provide reliable and

1 safe electricity.

2 Ameren deserves some credit in this area
3 because they have surpassed every utility that I deal with
4 as well as what I'm seeing throughout the region, and I'm
5 talking about through the entire midwest, from Canada down
6 all the way to the Gulf. I do not know another utility
7 that has spent as much money and effort to address the
8 issue of understaffed overhead linemen.

9 And as most of the customers and ratepayers
10 here think of Ameren and what we do out there, the linemen
11 are always out front. But the fact of the matter is, the
12 whole industry is seriously in need of trained linemen.
13 We're very, very -- we became -- it became very drastic,
14 and it is still drastic, but Ameren is investing and
15 they're continuing to commit to invest in apprentice
16 programs and training programs which not only is in the
17 right direction for the economy, but it addresses the
18 needs in this industry that have been neglected for many
19 years.

20 But again, I want to emphasize, it's not
21 just linemen. There's many other areas of the utility
22 business that are in the same need, that we have the same
23 needs. We need more relay technicians. These are jobs
24 that take a minimum of seven years training to be up to
25 speed to be able to go to the nuclear power plant or any

1 substation and be able to properly troubleshoot and make
2 the proper connections, corrections, repairs that are
3 needed to keep everybody's service reliable.

4 So this is a huge commitment and a huge
5 cost, but it's not enough. Again, there needs to be more.
6 We need to do more training and address what we see in the
7 future as the Smart Grid. We can't wait until the Smart
8 Grid is here to start training people. We need to start
9 preparing ourselves for that, and that's -- that's another
10 thing that I think is very important to think about is,
11 not today, but the future.

12 I'm not going to go into any more detail
13 about the Smart Grid or anything else, but I think in
14 general those things need to be considered by the
15 Commission.

16 I've seen a change in management, at
17 Ameren's philosophy of management. I think, as I talked
18 about the budgets running the work instead of the works
19 running the budgets, I'm starting to see that we're taking
20 a little different look at that. I think that's all in
21 the best interests of the customers.

22 I do think the Commission needs to provide
23 Ameren with the necessary resources it will take to put
24 this company and the customers and the highest quartile
25 when it comes to safe and reliable service and continuing

1 to bring it to customers at the lowest rates in the
2 country. We have been doing something right for over 60
3 years now as the employees and the management of this
4 company, and we've been doing it for many years, and I
5 think sometimes that's overlooked. We do have the lowest
6 rates. We do have reliable -- we do bring a reliable safe
7 service to the customers. And when you look across the
8 country, I think we do have something to be proud of.

9 As a local union with the company, we
10 always have our differences. We will always continue to
11 have our differences, but I believe at this point in time,
12 as we look at the economy and the situation with the
13 utilities, we do -- have developed some type of a
14 partnership here that we believe the Public Service
15 Commission should consider and continue to allow us to try
16 to be the best that we can be. It's very important to us
17 to be able to say that we are the best. So we do have an
18 investment in this ourselves.

19 With that, I will close by saying that we
20 do think there is merit for a rate increase; however,
21 whether it's 18 percent or 9 percent or wherever we land
22 in the middle, there is certainly some merit for some type
23 of increase or we're not going to be able to continue to
24 make up what we've lost in the last 17 years.

25 With that, I'd like to also thank you for

1 providing the opportunity not only to myself but to all
2 the people in this room for being able to sit in on this
3 forum and express our differences and concerns. Thank
4 you.

5 JUDGE WOODRUFF: Thank you, Mr. Walter.
6 Questions for Mr. Walter?

7 COMMISSIONER DAVIS: Mr. Walter, how are
8 you this evening?

9 MR. WALTER: Not bad.

10 COMMISSIONER DAVIS: Okay. Now, just to be
11 clear, IBEW represents the linemen, correct?

12 MR. WALTER: Yes.

13 COMMISSIONER DAVIS: Okay. So not the tree
14 trimmers or --

15 MR. WALTER: IBEW Local 2 represents tree
16 trimmers, but I do not represent tree trimmers.

17 COMMISSIONER DAVIS: So you don't represent
18 tree trimmers, but IBEW Local 2 does?

19 MR. WALTER: Certainly.

20 COMMISSIONER DAVIS: So you represent the
21 linemen?

22 MR. WALTER: Most of the linemen in
23 Missouri.

24 COMMISSIONER DAVIS: Most of the linemen in
25 Missouri. Are you familiar with the ice storm that Ameren

1 had in southeast Missouri back in February?

2 MR. WALTER: Very familiar.

3 COMMISSIONER DAVIS: To the best of your
4 knowledge, were all the costs incurred by Ameren prudently
5 incurred?

6 MR. WALTER: Prudently incurred? I think
7 they were, yes. I mean, to the best of my knowledge, yes.

8 COMMISSIONER DAVIS: Would you be concerned
9 that if the Staff of the Missouri Public Service
10 Commission or the Missouri Industrial Energy Consumers
11 such as Anheuser Busch and several other companies started
12 asking this Commission to make an adjustment, a downward
13 adjustment whereby Ameren may not be able to recover all
14 those costs, would you be concerned that that might have a
15 chilling effect on storm restoration efforts in the
16 future?

17 MR. WALTER: I think that is certainly a
18 possibility. I think that to restore the power to that
19 very devastated area and to restore power to those people
20 in seven to ten days was remarkable. I do not think that
21 there was any resources at all held back by Ameren. There
22 were -- there were coops in that area, I don't know if
23 they've still recovered. People were out of power for 20
24 and 30 days.

25 That was -- that was a huge effort and

1 something that Ameren should be proud of. And just as I
2 see some things that are probably in my opinion not quite
3 right, to spend over \$80 million to get whatever it was,
4 135,000 customers back online, which everybody here in
5 Jeff City is paying some of that, too, in their rate base,
6 they have to wait 18 or 24 months to recover that
7 \$80 million. I do think that's also an injustice. I
8 think we need to figure out a way to have a little quicker
9 recovery on those capital spendings.

10 COMMISSIONER DAVIS: And Mr. Walter, the
11 Commission a year or two ago enacted some rules,
12 vegetation management, infrastructure inspection. Do you
13 have an opinion as to how those rules are working? Have
14 they helped, hurt?

15 MR. WALTER: Tremendous assistance.
16 Tremendous difference in reliability. The tree trimming,
17 in my opinion, and I do have a close relationship to
18 Local 2, tree trimming has been very significant as far as
19 reliability goes.

20 COMMISSIONER DAVIS: Okay. Thank you,
21 Mr. Walter.

22 MR. WALTER: Thank you.

23 JUDGE WOODRUFF: Thank you, Mr. Walter.
24 You can step down. Next name on the list is Troy
25 Winniger. Mr. Winniger here?

1 Move on to the next name, then. James
2 Penfold. Good evening, sir. Please raise your right
3 hand.

4 (Witness sworn.)

5 JAMES PENFOLD testified as follows:

6 JUDGE WOODRUFF: Thank you. And would you
7 state your name and spell your last name.

8 MR. PENFOLD: My name is James Penfold.
9 The last name is spelled P-e-n-f-o-l-d.

10 I want to indicate that I'm speaking as an
11 individual and as a customer for AmerenUE. I also want to
12 indicate that I am speaking against the granting of the
13 full 18 percent rate increase for Ameren.

14 I can understand and accept AmerenUE's
15 seeking a rate increase for allowable expenses to cover
16 system integrity, reliability improvements, and also to
17 cover their increases and longer term average increases in
18 their fuel cost. I think these costs and these -- the
19 making investments and these types of things makes sense
20 in poor economic times or normal economic times. And I
21 think in particular system integrity and reliability is a
22 good decision on the part of the company. It gives them
23 short-term benefits and long-term benefits.

24 Others have commented on the current
25 economic situation. We have 9 to 10 percent unemployment.

1 We have underemployment. We have employed people who are
2 not receiving salary increases. And I think we are going
3 to be looking at most of our fixed income individuals
4 receiving no cost of living increases at least for the
5 coming year.

6 We do have a recession in place, and I
7 believe that the Commission should disallow any portion of
8 the AmerenUE rate increase request which relates to the
9 current economic situation. I do not believe that the
10 AmerenUE customers should be responsible for paying for
11 dividend levels for shareholders. I think shareholders
12 assume a responsibility and they assume the risk and the
13 decreases that may occur during periods of recession and
14 during economic problem periods.

15 I also think that Ameren's situation about
16 not making enough profit, for instance, with off-system
17 sales and so on probably is a direct effect and direct
18 result of the current economic situation, and I'm not
19 certain that the company should be insulated against the
20 difficult economic times by its current ratepayers and
21 customers.

22 Thank you. Those are the comments I have.

23 JUDGE WOODRUFF: Thank you. Any questions
24 for Mr. Penfold?

25 CHAIRMAN CLAYTON: Thank you for coming.

1 JUDGE WOODRUFF: Next name on the list is
2 Perry Coy or Kay. Okay. I don't see anyone coming
3 forward.

4 Next name then is Ken Volmert. Good
5 evening.

6 MR. VOLMERT: Good evening.

7 JUDGE WOODRUFF: Please raise your right
8 hand.

9 (Witness sworn.)

10 KEN VOLMERT testified as follows:

11 JUDGE WOODRUFF: Tell us your name and
12 spell your last name, please.

13 MR. VOLMERT: My name is Ken Volmert, V as
14 in Victor o-l-m-e-r-t.

15 JUDGE WOODRUFF: What would you like to
16 tell us?

17 MR. VOLMERT: Good evening, Mr. Chairman,
18 Hearing Officer, members of the Public Service Commission.
19 I have been a resident of Jeff City since December 1986
20 and have been an AmerenUE electric customer since December
21 of '86 and a natural gas customer of theirs since August
22 of '87.

23 I'm not a professional public speaker, but
24 I will try to curtail what my prepared statements were on
25 the basis of what's already been said and time limitations

1 and such.

2 On March 1st, 2009, our electric rates in
3 Jefferson City were increased approximately 9 percent.
4 That affected the winter billing months of October through
5 May. On June 1st, 2009, we felt the effect of that
6 increase in our electric rates for the summer billing
7 months of June through September, which also increased by
8 9 percent.

9 We're here again tonight discussing a
10 proposal for an 18 percent electricity rate increase less
11 than two years from the last most recent rate increase.

12 In an undated letter I received from Ameren
13 in late 2009, the company indicated that it would be
14 filing for this most recent rate increase on the basis of
15 our continued reliability investments, and I quote, rising
16 net cost for fuel, and federal and state requirements for
17 renewable energy and cleaner air.

18 I'm also here tonight to express my
19 opposition to an 18 percent electrical rate increase, and
20 I would like to address my perception, if you'd allow me
21 to, of the utility company's rationale for this increase.

22 The first I saw of the handout the Public
23 Service Commission gave us tonight upon our entrance into
24 the lobby was the first that I had seen that, you know,
25 this return on equity, this ROE, which has been used

1 interchangeably with return on investment, and again,
2 that's the first that I saw of that, and I also expressed
3 my opposition to the Public Service taking on the
4 responsibility of trying to determine what Ameren's rate
5 of return or rate of return on equity, return on
6 investment, whatever this figure is, you know, in this
7 rate determination.

8 At the beginning of the question and answer
9 session, the Public Service Commission, I think Staff
10 indicated that they were maintaining an open mind to this
11 rate increase, and yet in this handout it appears as if
12 they've already rendered a preliminary decision and that
13 they were shooting for \$200 million of this recommended
14 \$400 million increase.

15 You know, it's probably not hard to realize
16 that this is about half percent of what -- half,
17 50 percent of what Ameren has requested, and I would just
18 simply ask that the Public Service Commission try to
19 really make a quantitative analysis of the -- of the basis
20 for Ameren's recommendation as opposed to try to arbitrate
21 or mediate or average out this request, which is kind of
22 what I fear might happen. If it's justified, so it be,
23 but, I mean, let the numbers speak for themselves.

24 The first issue, and again, as a
25 residential customer, they indicated the reliability

1 investment, and I know that -- I believe that, even though
2 the letter doesn't say so, I believe that this is being
3 referred to now as the Power On project. This involves
4 predominantly placing overhead power transmission lines
5 underground and trimming trees over lines which remain
6 overhead.

7 My personal experience with this particular
8 underground project has not been good. I am in
9 correspondence with Ameren on my particular personal
10 issue. I don't really want to belabor that. But I
11 think -- I mean, I did lose power in the November 30th on
12 or abouts 2007 ice storm. I did lose power at that time
13 for a couple of days, and that was predominantly due to
14 large softwood type trees, such as sycamore trees that
15 were down in the creek that my hilltop property overlooks.

16 You can basically get on Google Satellite
17 imagery and you can see these very -- now, sycamores tend
18 to grow very tall. They don't receive much light down in
19 the creek. They have ample water. They grow fast. They
20 grow tall. These are the trees that were toppled during
21 this ice storm and not the hardwoods and things that are
22 being trimmed in the upper portion of these service areas.
23 Yet these underground lines are really impacting these
24 hundred-year-old oak trees on my property that basically
25 aren't responsible for the power outage.

1 The reason that I bought this property is,
2 a lot of the reason was because of these huge oak trees.
3 They're beautiful. You can't -- I mean, you can't grow
4 one of these things in two or three lifetimes.

5 Ameren requested an easement, more easement
6 from me at that time, and I -- I didn't grant an
7 additional easement because they couldn't tell me exactly
8 where that easement would lie on my property, and also
9 because other overhead power lines would still be present
10 on the property in the form of telephone lines and cable
11 lines.

12 Also, not only did they want to ingress and
13 egress over their easement, but they also wanted to
14 together -- and I quote this, together with the right at
15 any time and from time to time to trim and cut down any
16 and all brush, saplings, trees and overhanging branches
17 and remove same and/or rocks or other obstructions upon,
18 over and under said easement area and the premises of the
19 grantor, which was proposed to be me, adjoining the same
20 which in grantee's judgment interfere with the exercise
21 and enjoyment of the grantee's rights hereunder.

22 I didn't sign that easement primarily
23 because they could, you know, on the strict reading of
24 that language remove my house if it was in the way of
25 their power lines and what have you. And another reason

1 was because it was -- it was left on my doorstep and was
2 made out in both my name and my ex-wife's name who I've
3 been divorced from for six, seven, eight years and who had
4 quit claimed this property to me at that time.

5 And then the Power On thing, I'm wondering
6 now whether a lot of this money that is being expended by
7 Ameren, I mean, could have been -- as the years have gone
8 on, have they deferred this expenditure to right now and
9 expect a rate increase now when maybe we were expecting
10 those easements to be maintained all along so that an ice
11 storm wouldn't result in such a catastrophic loss of
12 electrical power. That was just one of my thoughts.

13 Not only that, finally, and I'll get off
14 that subject, on November 20th of last year, my -- my
15 neighbor that I adjoin, the power line was drilled in
16 between him and I. Apparently that line hit his -- that
17 main line excavation horizontal drilling disrupted his
18 underground lateral. We both have underground laterals.
19 He lost a leg or a phase of power, and my -- my lawn
20 remains dug up to this day.

21 They started drilling January 12th of '09,
22 and my -- and my land is still -- they have a ten-foot
23 existing easement which they were working on, but the
24 property that they disrupted on my lot is about 40 feet
25 from where the power line was laid. So 10 foot easements

1 and 40 foot of work in that. I'm working with them on
2 that.

3 The second thing that Ameren cited in the
4 letter to us residential customers was that the rising net
5 cost for fuel. I mean, we understand that propane --
6 excuse me -- natural gas did indeed spike in the middle of
7 calendar year 2008. That spike was relatively short lived
8 and, in fact, subsided pretty much before the winter
9 heating season of 2008-2009, yet our rates, I mean, they
10 only went down to about 75 percent of what they had peaked
11 at even though commercial natural gas rates were down to
12 about 25 percent of what they peaked at. So I just wanted
13 to throw that out.

14 I also understand that the cost of
15 electricity very closely mirrors natural gas costs for a
16 number of different reasons, one of which is that natural
17 gas is used to fire intermediate load generation plants
18 such as combined cycle plants that use gas-fired turbines
19 both for their mechanical power output as well as their
20 thermal power output to add to the power supplied by base
21 load plants such as coal and nuclear power plants.

22 So I'm not really sure what they refer to
23 when they're saying rising net cost for fuel. That was a
24 fairly quick spike.

25 When I got on the Public Service Commission

1 website and there seemed to be some information supplied
2 by AmerenUE, I think it was Mr. Steve Kidwell, discussing
3 federal and -- federal and state requirements for cleaner
4 air. He indicated to rules known as CAMR and CAIR as the,
5 quote, federal and state requirements for cleaner air.

6 My understanding is that the Clean Air
7 Mercury Rule, which is this CAMR acronym, that was drafted
8 by EPA to regulate mercury emissions from large utilities
9 has been vacated by the federal court system, I think the
10 U.S. Court of Appeals in the Washington District. This
11 has the effect of vacating the state CAMR rule as well.

12 Additionally, section -- a certain Section
13 643.055, RSMo, prevents the State from being more
14 stringent or implementing regulations sooner than the
15 federal government does with respect to air quality
16 regulations in Missouri. So the State per se really
17 doesn't have additional regulations over and above what
18 the federal government is proposing.

19 But again, CAMR has been vacated, my
20 understanding, permanently or semi-permanently at this
21 time.

22 He also referenced the Clean Air Interstate
23 Rule. It is my understanding that this rule was to be
24 implemented in two phases, Phase 1 and Phase 2. Phase 1
25 began in 2009 and ends in 2014. The CAIR Phase 1 rule

1 should already be being complied with by the utility
2 companies in the state of Missouri. So that deals with
3 CAIR Phase 1. I think that's a thing in the past, and
4 hopefully that 2009 increase dealt with that.

5 Also, on December 23rd, 2008, the U.S.
6 Court of Appeals for the D.C. Circuit remanded to EPA
7 without vacating that rule itself, and it allowed CAIR
8 Phase 2 to remain in effect until it is replaced by a rule
9 that corrects the flaws found by that court in the
10 existing CAIR Phase 2 rule. EPA was given no deadline for
11 the replacement rule, and this replacement has not yet
12 been proposed. So we don't know what that rule is going
13 to look like.

14 Those were the three reasons they gave for
15 an increase in our little letter. Then also, I mean, on
16 your web -- on the website it also talked about this
17 predicted cost versus historic cost. I somewhat
18 understand that in that, you know, there is a time lag for
19 them to recover these costs.

20 All I'd like to say on that is that we can
21 accurately account for actual historic costs and prices of
22 fuel, et cetera, et cetera, but nobody can predict the
23 future, and, you know, if so, they really ought to be
24 playing the stock market very heavily if they can do that.

25 And again, if -- what I'm thinking is, if

1 we continue to raise rates on the basis of predictions,
2 will we continue to have a multitude of all of these
3 adjustments and things which have made it extremely
4 complicated to understand your electric bill. And again,
5 I've asked questions. I mean, I ask questions every time
6 there are new costs and rates and changes and -- and
7 purchased gas allowances and fuel adjustment clauses and
8 et cetera, et cetera, and looked at all the riders that
9 are effective in the areas.

10 And so I saw on the website that Ameren
11 wants to add yet another deal to try to track
12 environmental costs. I would just request that some
13 independent agency look at that or board can review that
14 and show that that accurately reflects their true
15 environmental costs so that we as a public are not misled
16 about that.

17 I also saw on the website that Ameren wants
18 to raise our fixed cost for electricity. At one time --
19 in about the time of middle 2004, we were paying a fixed
20 cost of 10 -- well, no, \$9 per month for gas. And I know
21 this issue is about electricity and not natural gas, but
22 we had a fixed cost of \$9 per month. That was raised to
23 -- it was raised to \$15 a month and was wholly reflected
24 on my May 7, 2007 bill.

25 What that means is it costs me \$180 a year

1 to stay connected to the natural gas service connection at
2 my house regardless of whether I used any natural gas or
3 not. This means that even if I conserve my natural gas
4 usage to the point of zero, it still costs me \$180 a year.

5 That is -- I mean, basically, if you look
6 at the effect that had on me, that fixed cost represented
7 46 percent of my total natural gas cost for the year of
8 2009. In other words, that \$180, I only used -- my usage
9 charge was 213.75, and so that fixed cost represented 46
10 percent of my total natural gas cost. If you looked at
11 the effect that that had, I could be buying propane out on
12 the open market cheaper than what I could be buying
13 natural gas from AmerenUE.

14 And, therefore, when you look at the impact
15 of raising the fixed cost for electricity, keep this in
16 mind, that we're trying -- we are going to try to save
17 electricity, and I'm sure everybody here has tried to save
18 electricity, but if this fixed cost is raised so high, you
19 know, even if we do everything we can to save our usage,
20 we're still paying a large amount of money just to stay
21 connected to the grid.

22 You know, and then the other thing, the
23 last thing that I have to say, this 18 percent increase is
24 really not discussed in the letter we received, but it
25 seems to talk about the fact that this is 40 percent below

1 the national average. I mean, there's a lot of things in
2 the Midwestern United States and in mid Missouri that's
3 40 percent below the national average. I mean, a home in
4 southern California, one bedroom condo costs \$600,000, and
5 in the midwest you might get that for 80 to \$100,000. So
6 I don't know that that's a fair comparison.

7 They also talk about their rates being
8 approximately 20 percent below other investor-owned
9 utilities in the state. Now, that seems to be a figure
10 that's coincidentally very close to this 18 percent that
11 they are seeking. I don't know that that is also a fair
12 comparison because this may -- they may -- I mean, I think
13 we're comparing against people that supply electricity in
14 rural areas where there's a very low population density
15 and the cost of delivering power and maintaining lines
16 because there's, you know, comparatively very few people
17 per square mile versus in St. Louis where there's a whole
18 bunch of energy consumption in a very small area.

19 So the only reason I wanted to bring that
20 up is because that 20 percent is very close to the
21 18 percent, and I don't really have any other numbers that
22 I'm able to calculate and crunch to try to figure out what
23 exactly this 18 percent increase, you know, that they're
24 asking for is attributable to.

25 Again, I'm sorry. There's one last thing.

1 My understanding is that in 2009 there was a massive
2 energy usage decline, and I know that we had a cooler than
3 average summer in 2009. But my understanding is that some
4 electric utilities in the state of Missouri experienced a
5 negative demand growth in 2009 for the first time in their
6 history.

7 My understanding is that this is possibly
8 due to reduced industrial demand because of, you know,
9 productivity, but also because of the loss of jobs, such
10 as Johnson Controls here in Jefferson City that had
11 200-plus employees and was a large industrial user, and a
12 whole bunch of other reduced industrial usage.

13 And my understanding is that this may have
14 an impact to the effect of actually lowering the wholesale
15 rate of electricity generally expressed in dollars per
16 megawatt hour to maybe as low as 25 percent of what they
17 currently are or have been in the recent -- in the recent
18 past.

19 So those are the points I wanted to make,
20 and I intend to formulate those comments in a little bit
21 clearer and concise manner when I submit them in writing.
22 I'm not exactly sure when my deadline is for that.

23 CHAIRMAN CLAYTON: What is the deadline?

24 JUDGE WOODRUFF: There is no deadline.

25 Right up to the time the rate case is issued, you can

1 still go ahead and submit the comments through the
2 Commission's electronic filing system, or just mail it to
3 us.

4 MR. VOLMERT: I thank you all for your
5 time.

6 CHAIRMAN CLAYTON: Mr. Volmert, I want to
7 ask one question. You mentioned you were having some
8 difficulties with Ameren regarding your property and some
9 activities there. I wanted to encourage you to maybe step
10 out and meet with our staff and maybe --

11 MR. VOLMERT: I've met with them. I've met
12 with their contractors. I'm in current -- yeah. This is
13 not the first time that -- you know, I'm not springing
14 this on them now. They know me.

15 CHAIRMAN CLAYTON: Is that true? I'm sure
16 it's the case. Thank you very much for your testimony.
17 Appreciate you coming.

18 JUDGE WOODRUFF: The next name on the list
19 is Terry Swinger. Good evening, sir.

20 REPRESENTATIVE SWINGER: Good evening, your
21 Honor.

22 JUDGE WOODRUFF: Please raise your right
23 hand.

24 (Witness sworn.)

25 REPRESENTATIVE TERRY SWINGER testified as follows:

1 JUDGE WOODRUFF: Thank you very much. Tell
2 us your name and spell it for us.

3 REPRESENTATIVE SWINGER: Your Honor, I'm
4 Terry Swinger. That's S-w-i-n-g-e-r. I'm a State
5 Representative, District 162, which is the three most
6 southeastern counties in the state of Missouri, all of
7 Pemiscot County and southern thirds of New Madrid and
8 Dunklin.

9 And a lot of the things that I was going to
10 say has already been covered. We have a disproportionate
11 number of very low income people that live in my district,
12 and it would be a real burden upon them to have any kind
13 of rate increase, quite frankly. But I saw someplace
14 where it said like 50 cents a day, that was at the
15 18 percent, and that would be \$15 a month, or go from 80
16 to \$95 on a bill or 80 to 90 if it were ratcheted down to
17 the 10 percent.

18 And for some people that would be very
19 difficult, and your Honor, that's been expressed better
20 than I could do it by previous folks that have testified
21 tonight.

22 The second thing I'd like to talk about is
23 the hospital we have in Pemiscot County, and I do
24 appreciate you taking these hearings all over the state,
25 and I would have been in Hayti, and I appreciate you

1 coming there, but I was here in the Legislature last week
2 when you had that hearing.

3 And that hospital is one of the few
4 publicly owned hospitals left in the state of Missouri,
5 and they have a \$26 million a year payroll, and they have
6 550 employees, and they are so challenged now that they're
7 in fear of closing that facility. And they pay \$225,000 a
8 year in utilities, and an 18 percent increase would be an
9 additional 40,000 for them, and if it's half that, it
10 would be 20,000, which would be very difficult for them
11 because they're looking for every way they can to save on
12 their funds.

13 We have people that can't get health care
14 services anywhere else because they are a publicly owned
15 facility, and there's been other extenuating circumstances
16 with rate decreases from the Medicaid program over the
17 past few years with the decrease in the level of poverty
18 rate at which folks are reimbursed that have those kind of
19 financial challenges.

20 And thirdly, just outside of my district,
21 many, many people that work at the Noranda plant or that
22 live in my district, and a rate increase would be
23 difficult for them. They have a \$140 million a year
24 electricity bill, and any kind of rate increase would be
25 difficult for them.

1 When we had the horrific ice storm back in
2 the early part of '09, so many of their pots went down.
3 And to their credit, instead of letting those people go,
4 they let them stay there and they got in there with the
5 jackhammers and sledgehammers and they beat that
6 solidified product out of those pots where they could get
7 it operating again. And they are to be commended for
8 that, and they finally got it to full production again,
9 and they're committed to keeping their 900 employees they
10 have now.

11 However, at \$140 million a year utility
12 rate and an \$82 million a year payroll, if they had a 40
13 percent increase, that would be \$26 million. That's a
14 third of their payroll. And then we might be in a
15 situation where you'd be going from 900 employees down to
16 600 employees, or at half that rate we would be losing 150
17 employees, which again would be very devastating to our
18 area.

19 I would like to say that we have had
20 electricity and we haven't had electricity. We like it a
21 whole lot better when we do have it, because on April the
22 2nd of '06 we had a devastating tornado come through our
23 area on a Sunday night, and it just absolutely wiped out
24 everything in town.

25 And I would like to say kudos to Mr. Walter

1 and the linemen. They did a magnificent job. It was
2 something to watch, because they came in, they were so
3 well trained. I mean, there would be like five different
4 utility trucks going down a street and they had their
5 different jobs in order in such a way they take down
6 poles, put them up. The next crew would attach the lines.
7 The next one would put power to them. And it was -- it
8 was an absolutely marvelous operation that they did.

9 And then when we had this ice storm back
10 about a year ago, Caruthersville got up to speed a lot
11 faster than anybody else did because they had already
12 planned it out and they knew exactly what to do because
13 three years before that they had -- they had already done
14 this. So they just did a marvelous job, and the worst in
15 Mother Nature sometimes brings out the best in human
16 nature, and those linemen came in there and they worked
17 hard and they just did a marvelous job, and people were so
18 appreciative of that.

19 And having operated three small businesses
20 myself for the last 40-something years, I can appreciate
21 when people have challenges. However, we are facing such
22 challenges with the revenues that are coming into the
23 state. We're down something like right at the moment here
24 10 percent in revenue reductions. We're having to curtail
25 many things, and we don't want to do that. Nobody wants

1 to curtail services from the State, but that's going to be
2 a reality in the Legislature this year.

3 And for that -- for those reasons, your
4 Honor and Commissioners, I would hope that if you did have
5 to allow any kind of increase, you would make it as
6 minimal as possible. Thank you, sir. Appreciate it.

7 JUDGE WOODRUFF: Thank you, sir. Questions
8 for Representative Swinger?

9 CHAIRMAN CLAYTON: Representative, we just
10 wanted to thank you for coming out. Sorry that the
11 meeting for southeast Missouri got scheduled when you were
12 up here in Jeff City. We appreciate you coming out and
13 sharing your thoughts with us. Those are very important.

14 REPRESENTATIVE SWINGER: Thank you so much.
15 And we appreciate you having these meetings so we can have
16 input so the citizens of the state can understand these
17 things better.

18 COMMISSIONER DAVIS: Good evening,
19 Representative Swinger.

20 REPRESENTATIVE SWINGER: Good evening,
21 Commissioner. Good to see you.

22 COMMISSIONER DAVIS: Okay. So is it fair
23 to say that you were pleased with the quality of service
24 or restoration efforts after the ice storm and after the
25 tornado?

1 REPRESENTATIVE SWINGER: Phenomenal. What
2 they did after the tornado was -- to me, it was almost
3 like watching a wonderful movie. I mean, the quality of
4 service they came, the way they came in, the way they -- I
5 mean, they were so kind and polite and cordial. Did
6 everything they could. Worked 18 hours a day, some of
7 these folks did, 14 to 18 hours a day.

8 Then when the ice storm came along, Ameren
9 got their job done quicker than what I think they thought
10 they would. But, unfortunately, our elect coop went down.
11 I did fly over it. I mean, it looked like dominos had
12 fallen because the entire system that it took 70-something
13 years to build went down in three days, and with -- I
14 know, like, Pemiscot-Dunklin Electric had something like
15 20 linemen, and they had a thousand working on the
16 situation. Many Ameren employees came to do that. And a
17 system that took 70-some years to build, went down in
18 three days, they put back up in about 18 days .

19 They're good citizens. They're good
20 corporate citizens. I appreciate them so much. I just
21 hope there's some way that, for the other reasons that I
22 mentioned, we wouldn't have to have as hefty a rate
23 increase as what we're talking about.

24 COMMISSIONER DAVIS: When we were down at
25 the local public hearing in Hayti, there was -- there was

1 some discussion about AmerenUE donating a bucket truck to
2 the city of Steele and to the city of Hayti to share, and
3 are you okay with that?

4 REPRESENTATIVE SWINGER: I am absolutely
5 okay with that, Commissioner, and I can't say enough
6 positives about how they handled that situation. I mean,
7 it was in the -- well, the last one, the ice storm was in
8 the winter when people, it was very -- it could have been
9 very hazardous, and they just did a marvelous job getting
10 folks back up to speed. But still I hope there's some way
11 that we don't have to have quite as high a rate increase.

12 COMMISSIONER DAVIS: And I understand.
13 Now, there aren't many -- there aren't many factory jobs
14 left in southeast Missouri, are there?

15 REPRESENTATIVE SWINGER: It is unreal. I
16 saw some statistics the other day. In 1960 in Pemiscot
17 County there were 46,000 people. Caruthersville had a
18 population of 86,043 (sic). In the 19-- I mean in the
19 2000 census, Caruthersville was down to 6,760. Pemiscot
20 County was 19,000-something. It's an unbelievable
21 attrition.

22 The factory jobs, we've had all kinds of
23 them close, several of them. Actually, we have the
24 hospital that I mentioned, the shipyard, the casino, and
25 that's -- that's the only major employers that we have

1 right in the district I'm in. Noranda is just out of it,
2 but I have a lot of their employees in my district.

3 COMMISSIONER DAVIS: Right. Is it fair to
4 say that Noranda is one of the hubs of the economy?

5 REPRESENTATIVE SWINGER: I've heard it said
6 that Noranda floats all the economic ships in southeast
7 Missouri. They are vital to us. It is very important for
8 us to keep them and keep them healthy because it -- when
9 they lose jobs up there, it's just very difficult because,
10 as you said, there's not very many manufacturing jobs
11 left. Brown Shoes has left. Telson's has left. We've
12 had many, many factories close.

13 COMMISSIONER DAVIS: Right. And have they
14 met with you and given you the impression that rate
15 increases especially hard on them?

16 REPRESENTATIVE SWINGER: Yes, sir.

17 COMMISSIONER DAVIS: Okay.

18 REPRESENTATIVE SWINGER: Yes, sir. They
19 say -- I try to stay in contact with all my constituencies
20 in the area. I listen to everybody, and I try to be
21 sensitive to what they're doing. And it would be
22 difficult for us to lose more jobs from any entity that we
23 have, whether it's a business that employs two people or
24 Noranda that employs 900.

25 COMMISSIONER DAVIS: Representative

1 Swinger, my memory's a little fuzzy. I didn't bring the
2 papers with me. Did you know that Noranda bought a couple
3 of other businesses last year?

4 REPRESENTATIVE SWINGER: No, sir.

5 COMMISSIONER DAVIS: So you wouldn't -- you
6 wouldn't know if they spent a couple hundred million
7 dollars buying a controlling interest in a bauxite mine or
8 anything else?

9 REPRESENTATIVE SWINGER: No, sir. I just
10 know that they do provide a lot of jobs for us in the
11 area, and it would be very difficult for us to lose any of
12 them, and they -- I would think they had to have had a
13 pretty tough year last year because they had so much of
14 their production go down.

15 COMMISSIONER DAVIS: Right. You know,
16 Noranda is now owned by the Apollo Group. Did you know
17 that?

18 REPRESENTATIVE SWINGER: Well, I think when
19 I was there when the Governor was announcing the
20 initiative a couple months ago, that I heard that name.

21 COMMISSIONER DAVIS: Okay. And do you know
22 who Leon Black is?

23 REPRESENTATIVE SWINGER: No, sir.

24 COMMISSIONER DAVIS: He's the -- I think
25 he's the CEO of the Apollo Group. Do you know that back

1 in December he spent \$47 million on a chalk drawing? Did
2 you know that?

3 REPRESENTATIVE SWINGER: No, sir.

4 COMMISSIONER DAVIS: Don't you think it's
5 kind of hard to plead poverty when your CEO of your parent
6 company is out there spending \$47 million on a chalk
7 drawing even if it is by a world renowned artist like
8 Raphael?

9 REPRESENTATIVE SWINGER: Well,
10 Commissioner, I don't know about that, but I know that the
11 people that I've met from Noranda are very concerned and
12 very dedicated and want to do the best things that they
13 can for their -- for their employees, and I -- I've seen
14 that commitment.

15 COMMISSIONER DAVIS: Well, that's good.
16 All right. Thank you very much, sir.

17 REPRESENTATIVE SWINGER: Thank you,
18 Commissioner.

19 COMMISSIONER GUNN: Representative, I just
20 have a couple questions. Thank you very much for
21 testifying.

22 REPRESENTATIVE SWINGER: Thank you, sir.
23 Thank you for allowing me to.

24 COMMISSIONER GUNN: Have you noticed an
25 increase in requests for assistance from your office with

1 electrical bills or other issues? Do people call you if
2 they get behind?

3 REPRESENTATIVE SWINGER: We have -- we do
4 have calls. I have my legislative assistant here. Could
5 I defer to her?

6 LEGISLATIVE ASSISTANT: We have had some,
7 yes.

8 REPRESENTATIVE SWINGER: We have had calls.
9 I thought she might have a better handle on that. And I'm
10 familiar with the LIHEAP program and some of the other
11 programs do help a lot. But we do get calls and requests,
12 but I just don't know the numbers. She would know better.

13 COMMISSIONER GUNN: Absolutely. Do you --
14 do you deal directly with Ameren or do you -- when a call
15 would come in, do you deal directly with them for
16 assistance or do you refer them out to other community
17 groups or other state agencies that are helpful?

18 REPRESENTATIVE SWINGER: Both.

19 COMMISSIONER GUNN: Has your experience --
20 when you've dealt directly with Ameren, how has that
21 experience been?

22 REPRESENTATIVE SWINGER: It's been
23 positive.

24 COMMISSIONER GUNN: They've been helpful?

25 REPRESENTATIVE SWINGER: Yes, sir, they

1 have. I have -- sir, I have nothing negative to say about
2 Ameren. I'm just hoping that -- I've already seen where
3 you folks are thinking about maybe reducing that rate to
4 somewhere between 9 and 10 percent, and I'm very
5 appreciative of that. I hope there's a possibility it can
6 be reduced even further for the constituencies that I
7 have.

8 COMMISSIONER GUNN: Thank you,
9 Representative. I don't have any other questions.

10 REPRESENTATIVE SWINGER: Thank you, sir.
11 Appreciate it.

12 JUDGE WOODRUFF: Thank you, sir.

13 REPRESENTATIVE SWINGER: Thank you, your
14 Honor.

15 JUDGE WOODRUFF: Next name on the list is
16 Irl Scissors. Good evening, sir. Please raise your right
17 hand.

18 (Witness sworn.)

19 IRL SCISSORS testified as follows:

20 JUDGE WOODRUFF: State your name and spell
21 it for us, please.

22 MR. SCISSORS: Irl Scissors, I-r-l,
23 S-c-i-s-s-o-r-s.

24 JUDGE WOODRUFF: What would you like to
25 tell us?

1 MR. SCISSORS: I am up here. I am -- in
2 full disclosure. I am an Ameren customer both in
3 St. Louis and rental of my office in Jefferson City. I'm
4 also the executive director of Missourians for Balanced
5 Energy -- Missourians for a Balanced Energy Future, and
6 I'm up here just to share with you-all that Ameren -- and
7 I really do not want to sound like an Ameren cheerleader.
8 My group works with Ameren, but they also work with a lot
9 of hard-working individuals, small businesses, labor
10 individuals, retirees, farmers.

11 And we all are looking for a balanced
12 energy portfolio in Missouri, which would include other
13 resources such as wind, solar, natural gas, a variety of
14 different resources, not just coal, which is predominantly
15 our energy resource in Missouri. And that -- that is the
16 primary reason why we have such inexpensive electricity
17 rates in Missouri.

18 I know these are very trying times, and I
19 know the unemployment rate was mentioned here many times
20 tonight. Well, I just want to let you-all know that these
21 types of rate increases not only save jobs, but they
22 create new jobs.

23 Now, I have complete faith in you-all that
24 will you figure out what the best formula is to preserve
25 the jobs that are at stake here. Ameren is a Missouri

1 corporation. They employ thousands of Missouri citizens.
2 They reinvest in their company. They reinvest with their
3 employee plans. They provide good benefits to many, many
4 citizens of this state, and those are working families
5 just like a lot of folks here. So I encourage you-all to
6 be thinking about those folks and their future as you
7 debate this rate increase.

8 JUDGE WOODRUFF: Thank you, sir. Questions
9 for Mr. Scissors? Thank you, sir.

10 Next name on the list is Bernie Rademan.

11 Good evening, sir. Please raise your right hand.

12 (Witness sworn.)

13 BERNIE RADEMAN testified as follows:

14 JUDGE WOODRUFF: State your name and spell
15 it for us, please.

16 MR. RADEMAN: Bernie Rademan,
17 R-a-d-e-m-a-n.

18 JUDGE WOODRUFF: Thank you.

19 MR. RADEMAN: I got here a little late.
20 I'm not familiar. Are you-all with the Public Service
21 Commission?

22 JUDGE WOODRUFF: Yes.

23 MR. RADEMAN: I'm in sales. Sales right
24 now, I don't care hardly whatever you're selling is slow,
25 and especially in the food and beverage industry and a lot

1 of restaurants. I work in the Lake area a lot, and those
2 people are suffering. Plus, the people's income goes
3 down, they don't go out and eat and do the things they
4 normally do in the past. So everybody's suffering from
5 that right now.

6 My utilities with natural gas and
7 electricity, give or take according to how cold it is, how
8 hot it is, up and down, 250, 300, 350 a month. And a lot
9 of times with my income with this increase, it seems like
10 I'd be spending one check out of the four I get a month to
11 cover the utilities, and to me, you know, you can't do
12 that. And I wouldn't see how some of the elderly people
13 can even cope with something like this 18 percent you're
14 talking about. So it's hard on everybody right now, you
15 know.

16 I've known in the past just politically
17 Ameren I think's involved in contributions, whether it be
18 to certain parties or whatever. I remember a governor
19 running one time and I read in the paper where millions --
20 or this one politician was running for governorship and
21 there was millions donated through AmerenUE to this
22 person.

23 And I don't understand that, why. I mean,
24 they're in the natural gas and electricity business,
25 utility business. What are they doing in the Capitol up

1 there and trying to solicit and get somebody on their
2 side? What do they spend on lobbyists? I mean, to me,
3 there's no way to track that. It's probably unbelievable
4 money spent on that. We all see how the lobbyists play in
5 the political system even in Washington, D.C. and
6 everything and how that affects us. So I don't understand
7 that or their reasoning or if it's -- if it's right that
8 they do that.

9 The poor management at Johnson Shut Ins on
10 the lake that the dam that collapsed down there, I'm sure
11 there's some way that they're trying to capture back money
12 from us to help pay for that. And it's a terrible
13 disaster and something has to be done about it, but I
14 mean, is it our fault? Do we really have to, you know, be
15 responsible for something that they've done like that? So
16 I think that's something that needs to be considered, too,
17 and are they really being truths full about that end of
18 it.

19 I know this is about electricity, but
20 natural gas I understand now is very, very plentiful.
21 Midwest is a very large area to be tapped for natural gas.
22 And I keep reading and hearing how the United States has
23 tremendous supplies of natural gas and how that they could
24 use that to create electricity, and their costs I would
25 think would have to be down on that if the supply is there

1 and is plentiful. And also coal, coal is plentiful, and
2 it's there to be used also.

3 And their profits in the last five years
4 would probably shock all of us in this room, not only what
5 the company made but individuals, CEOs, people in
6 different positions, what they make and what they take
7 home, and how the rest of us try to make and balance our
8 income to pay bills and what it would be like to have that
9 type of money in the bank or in the checking account that
10 you wouldn't have to worry about even paying a utility
11 bill.

12 And just even think about the future
13 generations, the jobs out there, how they're going to pay
14 their bills. It's just -- it scares me to think about it.
15 Also, 10 percent unemployment. I don't see any jobs
16 coming in. Millions of homes being repossessed by the
17 banks. People can't make their house payments anymore and
18 they're losing their homes.

19 So I don't know how the whole system works
20 a lot of times, but I like to see competition.
21 Competition is good. In sales you got competition, and I
22 don't understand why, whether it be utilities or garbage
23 dis-- garbage companies, sanitary companies and cable,
24 that there's not competition brought in to compete and to
25 give service and to give a person a choice of who can give

1 the best price or best service to the customer and let the
2 customer make the decision.

3 But I appreciate you letting me have this
4 time to give you my feelings on the whole thing.

5 JUDGE WOODRUFF: Questions for Mr. Rademan?

6 CHAIRMAN CLAYTON: Mr. Rademan, I don't
7 have any questions. Thank you very much for coming.

8 COMMISSIONER GUNN: Thank you, sir.

9 JUDGE WOODRUFF: Thank you. Next name on
10 the list is Virginia, I believe it's Bolton.

11 All right. Margery Dampf. All right.

12 Move on then to --

13 AUDIENCE MEMBER: She's coming.

14 JUDGE WOODRUFF: I'm sorry. Good evening,
15 ma'am. If you'd please raise your right hand.

16 (Witness sworn.)

17 MARGERY DAMPF testified as follows:

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

20 MS. DAMPF: My name is Margery Dampf,
21 D-a-m-p-f. I'm a widow, about 15 years. My husband's
22 people from both his mother and father's side are from the
23 whole area. He's probably related to half the town.

24 One thing I have for you, maybe you can
25 conduct this a little more efficiently if you would have

1 limited the amount of time people could speak, then more
2 people would not have left before they could express an
3 opinion.

4 I've also wondered, how many women do you
5 have on your commission, if any? And are any of the
6 widows included or retired people or people that maybe
7 could add some interest to what we're trying to do here?

8 I wondered what defeats or lowers the
9 increase in what you're trying to do with the increase in
10 the -- the 18 percent. What would lower that or what
11 would -- you know, what would -- what do people do to help
12 you to figure out where the percentage is? Are you asking
13 for 18 percent and hope to get 6? I don't know. A lot of
14 times it works that way when you're bargaining with
15 people.

16 What needs to be done to convince you or
17 help you to lower the rate increase? Maybe it could have
18 taken three of you on this board instead of four. That
19 would have eliminated some extra salaries or something
20 like that.

21 And I think, too, if we could have had a
22 time limit on the speaking, you might have had maybe
23 another couple of ideas from someone else who maybe had to
24 leave sooner.

25 I think if you would look around the room

1 as to how most of the people are dressed, we're the little
2 people, and -- and yet we're the majority of who will be
3 paying some of these things and these increases.

4 Maybe you could look into the fact that
5 maybe you could, with the people that are getting fired
6 and people needing jobs, maybe you could cut down on some
7 of your people that you're working with. Maybe some of
8 them could work an extra hour, and then -- I don't know
9 how it could work, but maybe there would be some way
10 you-all could figure out some way to do something to maybe
11 get this increase lower.

12 Do you want to ask me any questions?

13 CHAIRMAN CLAYTON: Ms. Dampf, I don't have
14 any questions. I wanted to just comment on limiting time.
15 We struggled with how best to operate the local public
16 hearings, and we've gone back and forth about starting off
17 saying no one can go over three or five minutes. We've
18 talked about letting people go on forever. We had
19 challenges in St. Charles, and I think we just kind of
20 work through as best we can, and sometimes people go
21 longer. Sometimes they're short.

22 I think generally we try to let everyone
23 chime in, and we're sorry that maybe some people leave and
24 don't comment. They can still certainly comment by
25 sending us a letter and -- or sending us a note through

1 the electronic system, that sort of thing. You can still
2 participate even if you don't stick around.

3 I also wanted to let you know, we are a
4 five-male Commission right now. We did have a woman on
5 the Commission. She was -- she retired. Served two full
6 terms on the Commission, and blame him.

7 MS. DAMPF: What or who is it that defeats
8 this or lowers the increase? Are you the group, or is it
9 the -- I mean, who is it that's going to be the final one
10 that we really need to talk to?

11 CHAIRMAN CLAYTON: We are, Ms. Dampf. I
12 really can't answer that many questions. We have staff
13 that can answer those questions. But this is the body
14 that will be hearing the evidence in the evidentiary case
15 that comes before us in March, and we are the Commission,
16 and the Commission will make the final decision.

17 MS. DAMPF: So what do we have to do to
18 convince you or what do we do? Do we need to get out and
19 go house to house? Do we need to get petitions signed?
20 What do we need to do to say maybe let's try this for
21 10 percent? You're saying you may be, but for a positive
22 thing, what do we need to do?

23 CHAIRMAN CLAYTON: I would urge you to meet
24 with our Public Service Commission Staff and ask that
25 question of them because I can't give you an answer to

1 that.

2 COMMISSIONER GUNN: I would also recommend
3 that the Office of the Public Counsel, which represents
4 the public in our proceedings, Lewis Mills is the Public
5 Counsel, and he's right behind you, ma'am, and he'll be
6 happy to answer some of those questions as well. Because
7 he -- we're in a position unfortunately where the
8 procedure doesn't allow us to answer these types of
9 questions. But our staff and the Office of the Public
10 Counsel will be happy to discuss it with you and give you
11 a better idea about how our process works.

12 MS. DAMPF: Okay. Thank you.

13 JUDGE WOODRUFF: Next name on the list is
14 John Kosash. Good evening, sir. If you would please
15 raise your right hand.

16 (Witness sworn.)

17 JOHN KOSASH testified as follows:

18 JUDGE WOODRUFF: Thank you. State your
19 name and spell the last name for us.

20 MR. KOSASH: My name is John Kosash,
21 J-o-h-n, K-o-s-a-s-h. I am here along my classmate
22 Douglas Williams, and we are students at the University of
23 Missouri.

24 The City of Columbia purchases 92 percent
25 of its power from plants across Missouri. 40 percent

1 is -- is purchased directly from Ameren. The Energy
2 Information Administration estimated that the average cost
3 of -- sorry -- of a kilowatt hour is 7 cents in Missouri.

4 Recently the city council of Columbia
5 approved an approximate 7 percent increase in its
6 residential rates. The current cost for residential
7 utility rates is as follows: For the summer season, the
8 first 750 kilowatts is 9.275 cents. For the next 1,200 --
9 for the next 1,250, it is 12.637 cents, and -- and
10 anything after that is 13.642 cents. For the fall and the
11 winter season, the first 750 kilowatt hours is 9.275
12 cents, and all remaining kilowatt hours is 10.764 cents.

13 Columbia is paying more than the state
14 average, and according to this chart here, they will still
15 be paying more than the 8.3 cents of the average
16 residential rate.

17 I am interested as a student paying
18 tuition, rent and utilities, how will this 18 percent
19 increase affect the citizens of Columbia and also the --
20 the surrounding cities?

21 This -- this is a rate increase that will
22 stretch the budgets of -- of students and parents from
23 across Missouri at a time when most cannot afford it. And
24 from there, I'd be happy to answer any questions to my
25 capability.

1 CHAIRMAN CLAYTON: I have no questions.

2 Thanks for coming.

3 COMMISSIONER GUNN: Thank you.

4 JUDGE WOODRUFF: Next name on the list is
5 Denise Stepp. I don't see anyone coming forward. Albert
6 Hayes. Donna Garber. Eric West. Good evening, Mr. West.

7 MR. WEST: Good evening.

8 JUDGE WOODRUFF: Please raise your right
9 hand.

10 (Witness sworn.)

11 ERIC WEST testified as follows:

12 JUDGE WOODRUFF: Thank you. And state your
13 name, please.

14 MR. WEST: Eric West, W-e-s-t.

15 JUDGE WOODRUFF: Thank you. What would you
16 like to tell us?

17 MR. WEST: I'm here to speak for the
18 Missouri Apartment Association and also the Mid Missouri
19 Apartment Association, which is a local association here
20 in Missouri.

21 JUDGE WOODRUFF: Get a little bit closer to
22 the microphone.

23 MR. WEST: The Missouri Apartment
24 Association and the Mid Missouri Apartment Association,
25 which is a local association here in Jefferson City. And

1 I don't want to reiterate all the previous testimony about
2 the economy. We all know about the economy right now.
3 Everybody knows about the recession, unemployment and
4 proposed tax increases, other things going up.

5 The rental market is very soft right now
6 also, and people are having trouble paying their bills,
7 all bills, food, medicine, drugs, health care and housing
8 costs. So if there's one thing that they don't need at
9 this time right now is a huge increase in utility costs.

10 People are moving back home, doubling up,
11 trying to make ends meet, and it just seems unconscionable
12 that -- what business could compete and stay in business
13 if they tried to raise their rates by 18 percent? It
14 seems unheard of.

15 So I would encourage you-all to take a good
16 hard look at the increase they're asking for, and that
17 several people have mentioned you may be considering a
18 rate increase about half that. I would encourage you to
19 do that for the people that rent, own and live in the
20 state of Missouri that are serviced by AmerenUE.

21 JUDGE WOODRUFF: Thank you, sir.

22 MR. WEST: Thank you.

23 JUDGE WOODRUFF: Any questions for

24 Mr. West?

25 CHAIRMAN CLAYTON: I have no questions.

1 Thank you for coming.

2 COMMISSIONER GUNN: Thank you, sir.

3 JUDGE WOODRUFF: Next name on the list is
4 Jim Nichols. Good evening, sir. If you'd please raise
5 your right hand.

6 (Witness sworn.)

7 JIM NICHOLS testified as follows:

8 JUDGE WOODRUFF: Thank you very much. And
9 state your name, please.

10 MR. NICHOLS: Jim Nichols, N-i-c-h-o-l-s.

11 JUDGE WOODRUFF: Thank you. What would you
12 like to tell us?

13 MR. NICHOLS: The first thing I would like
14 to do is I would like to thank you, Judge and Mr. Chairman
15 and Commissioners, and Ameren, for allowing us to have
16 this meeting. I think there are a lot of countries in the
17 world where this would not have happened.

18 I've got a couple of things I'd like to say
19 that are very good about Ameren and a couple of cautions
20 that I have. Two winters ago I found out what it was like
21 to throw the switch and not have the lights come on. We
22 couldn't cook. We couldn't shower. And in the six
23 days -- and I just live in the west edge of Jeff City -- I
24 saw Ameren Electric put a nearly superhuman effort into
25 getting the electricity back to my house. They reset

1 poles. They reset line transformers. They reset
2 distribution transformers. And I saw men and equipment
3 out on the street all day every day. So from the service
4 end, I think they do a fantastic job.

5 What I'm a little more concerned about is
6 the financial and the political end of the company. I
7 would very much like to see Ameren grow and thrive.
8 That's the purpose of any corporation is to satisfy its
9 stockholders and make a profit for the company and the
10 shareholders and employees.

11 I personally from an electrical engineering
12 background would like to see another nuclear plant, maybe
13 more than one in Missouri. I'd very much like to see that
14 because I think the day is going to come where if we don't
15 have nukes online, we're not going to have electricity
16 period. That's just my personal opinion.

17 I'd like to see a more efficient grid. I'd
18 like to see more efficient transformers. And a company
19 has to have money to do that. So, you know, and I think
20 Ameren makes those investments.

21 I do think, however, that what we're
22 looking at now, I think in days past or years past when
23 rate increases or changes went through, I think they were
24 an inconvenience for people. I think people didn't like
25 them, but I think they bit the bullet and I think they

1 paid the increase or they came up here and griped until
2 you guys reduced the increase or whatever.

3 I think that is not true anymore. I think
4 the American social scene has changed tremendously in the
5 past 15 years. I see a lot of very highly paid executives
6 versus many, many people that are making under \$20,000
7 now, and I think the ratio of that -- those types of
8 peoples are about 200 to 1.

9 And I think the person public in general is
10 becoming so disillusioned with their government and so
11 disillusioned with large corporations who have more of a
12 profit margin on their mind than they do the well-being of
13 their citizens, and sometimes even their own employees,
14 that the public at large may come to life and force social
15 changes that none of us want to see.

16 If that happens, I think -- I think there
17 will be Americans, millions that will lose their homes and
18 not ever buy another home. I think there are people here
19 that will never be able to buy another new car, and I
20 think there are people that will struggle to eat. And I
21 think there's an awful lot of those folks in this room
22 tonight, and I'm sure that you fellows know of an awful
23 lot more of them than I do.

24 I think large corporations in general tend
25 to get a little more interested in their profit motive as

1 they increase in size, and I think sometimes that becomes
2 an issue in their dealings with the public. I think they
3 can be more interested in what they make than who they
4 serve.

5 And if you-all have noticed at, like, the
6 G12 meetings in Belgium and England and some of the other
7 places where they have those large scale riots where
8 people -- they're anti-corporate people, and the reason
9 they're anti-corporate people is because they've seen so
10 much greed and mis-- and they have so much mistrust for
11 large companies.

12 I'm not saying one bad thing about Ameren
13 here in that vein, but what I'm saying is the vehicle is
14 there for that to happen.

15 I think Ameren could make some very good
16 faith moves if they're going to insist on this increase.
17 I think their executives could take maybe an 18 percent
18 decrease for a while, just until this economy recovers.
19 And truthfully, I don't have a great deal of faith that
20 our economy is going to recover. I think we may have to
21 hit some floor before we reinstitute the basic American
22 principles of freedom in small business.

23 I don't see anything happening. I ran a
24 small business for 21 years, and during that time I saw
25 the regulatory environment in which I had to exist stiffen

1 to the point that I could -- I just couldn't stand it
2 anymore. I finally had to retire.

3 But I'm also enthusiastic about the new
4 young people I see out on the street who are so
5 enthusiastic about starting their one horse or two horse
6 and one computer business, and I have a lot of faith that
7 we as Americans have a tremendous amount of ingenuity.

8 But I think you should make no mistake
9 about the fact that this rate increase, especially if it
10 goes through at what's being proposed or even half of
11 that, this time is going to hurt, and it's going to hurt
12 really bad.

13 When I was growing up during the long years
14 that -- I grew up through the '50s and '60s, and I saw
15 decade after decade go by and nothing much changed and
16 every business that started succeeded and people didn't
17 lie to each other and we all -- we didn't mistrust
18 government and all those things.

19 During all those years, our consumer
20 expenses, our electric, our telephone bill, our water bill
21 was an incidental expense. It wasn't -- it didn't rival
22 our car payment. It didn't rival our, maybe for some
23 folks, our mortgage payment, but it's getting up there
24 now.

25 And I think as these costs that we have no

1 control over continue to increase, I think you're going to
2 see more and more people that are going to fall into the
3 category of the poor and going to need public assistance.
4 Either that or they're not going to survive, or they're
5 going to move to other countries where everybody tells
6 them they can live like a king in Mexico and those kinds
7 of things.

8 I think we're -- I think kind of we're in
9 for it. So I think we've had an awful lot of a good thing
10 for a long time, and I think we ought to be really
11 careful, each of us as Americans, as to what we do to
12 support our fellow Americans. Thank you.

13 JUDGE WOODRUFF: Thank you, sir. Any
14 questions for Mr. Nichols?

15 All right. Next name on the list is Vaughn
16 Prost. Good evening, sir.

17 MR. PROST: Good evening.

18 JUDGE WOODRUFF: Would you raise your right
19 hand.

20 (Witness sworn.)

21 VAUGHN PROST testified as follows:

22 JUDGE WOODRUFF: Thank you. Can you tell
23 us your name and spell it for us?

24 MR. PROST: Yes. My name is Vaughn Prost.
25 Vaughn is V-a-u-g-h-n. Prost, P-r-o-s-t. Good evening.

100

9 So what is driving this increase I'm
10 assuming is just they're passing on the cost of what
11 they're paying for coal. At least that's what it says
12 here. It says about half the increase is coming from fuel
13 increases.

14 So my point is, if half the increase, which
15 is \$200 million, is coming from the coal increase, and
16 that's just the increase, what is their total coal bill
17 that AmerenUE is paying? How much hundreds of millions of
18 dollars of we sending to Wyoming to invest in coal -- in
19 coal mines in Wyoming?

20 So, I mean, if it's truly that, it's a huge
21 amount of money. Of the \$2 billion Ameren takes in in
22 rate increases, how much are we sending outside the state
23 of Missouri? How much are we investing in Wyoming or in
24 the western states?

25 So my point is, if we're going to invest

1 and we're going to see these rate increases and there's
2 nothing that really Ameren can do -- I mean, the price of
3 coal is what the price is. They're just paying what the
4 price of coal is. They're just going to be tacking it on.
5 So how many of these 18 percent or 10 percent rate
6 increases are there going to be on an annual basis if they
7 raise the price of coal?

8 So that's what we're going to be seeing in
9 the long run. I mean, there's nothing -- we have to buy
10 the coal. We have 85 percent of our power coming from
11 coal-powered power. There's no way that we can stop that
12 rate increase. It's going to go up and up and up.

13 So my point is for the Commission to look
14 at how can we invest in energy in the state of Missouri,
15 and if we're going to pay a rate increase, I'd rather pay
16 for jobs created here in the state of Missouri. I'd
17 rather pay for people working here and making wages in the
18 state of Missouri than paying for coal miners in Wyoming
19 or some other state.

20 Let's create the jobs here, and there's
21 ways that we can do that. We have energy here in the
22 state of Missouri we can use. There's biomass. There's
23 wind. There's solar. There's energy efficiency. This is
24 where we need to be investing. We're going to slow down
25 this curve of 10 percent increases from coal from now on

1 'til the end of time potentially because AmerenUE can't
2 control the price of coal.

3 We can control what we do with the money we
4 invest. We don't have to send it outside the state.
5 Let's invest it here in the state of Missouri. I mean, as
6 we talked about the unemployment rate, talked about how
7 difficult it is here. If we keep the money here in the
8 state of Missouri, it's going to benefit the citizens of
9 the state of Missouri. If we've got to pay a little
10 higher rate for our utilities, okay, we can, but at least
11 we have jobs here and we're creating some economic
12 development in the state of Missouri.

13 So those are my points I wanted to make.
14 Thank you for the opportunity.

15 JUDGE WOODRUFF: Questions for Mr. Prost?

16 CHAIRMAN CLAYTON: No questions. Thank you
17 for coming.

18 MR. PROST: Thank you.

19 JUDGE WOODRUFF: Next name on the list is
20 Theresa Sullivan. Theresa Sullivan?

21 All right. Cyrus Dashtaki. Good evening,
22 sir.

23 MR. DASHTAKI: Good evening.

24 JUDGE WOODRUFF: Please raise your right
25 hand.

1 (Witness sworn.)

2 CYRUS DASHTAKI testified as follows:

3 JUDGE WOODRUFF: State your name and spell
4 it for us.

5 MR. DASHTAKI: Sure. Cyrus Dashtaki,
6 C-y-r-u-s, D-a-s-h-t-a-k-i.

7 Good evening, Mr. Chairman and fellow
8 Commissioners. I first want to say, I have to give
9 AmerenUE some major thanks. Their linemen, their customer
10 peoples, the people that work for that corporation work
11 very hard. They're hard workers, and they deserve our
12 respect and they deserve decent pay for their services.

13 I also want to say thank you to the people
14 that are standing back behind me that represent Ameren
15 because they're here doing their job, but I must
16 respectfully disagree with their position on this rate
17 increase.

18 What's missing from the discussion here
19 this evening is people, and it's hard-working people, the
20 consumers, the people that have Ameren as their electrical
21 provider, those are the people that are going to bear the
22 brunt of this increase, the people that are sitting at
23 their kitchen tables right now deciding whether they're
24 going to be able to pay this month's bills, heck, if
25 they're going to be able to pay next month's bills.

1 Mrs. Dampf who earlier testified, the widow on a fixed
2 income, \$15 additional a month she's going to have to come
3 out of her pocket for an increase.

4 The key to Ameren's piece about this, and
5 I've read their post-hearing brief on their interim rates.
6 On the first page they state, and I quote, AmerenUE --
7 this is preventing AmerenUE from recovering its cost of
8 equity by systematically preventing it from having a
9 reasonable opportunity to earn a fair return on its
10 investments.

11 How many people in this audience, ladies
12 and gentlemen, would like to see their 401K from last
13 year, their investments and have a fair return on it from
14 last year? None of them. I didn't. I would want nothing
15 more to have a fair return on my investments. But all
16 these people in this audience, ladies and gentlemen, are
17 here because they're tightening their belt. We know we're
18 in a tough economic period. And they are sitting here
19 today because they care. They're at home, they're
20 tightening their belts. We're figuring out how we're
21 going to be able to best spend what we have.

22 Ameren should do the same thing. In fact,
23 Ameren should put its resources to innovation in the next
24 generation of energy rather than asking the citizens of
25 this state and its consumers to pay for an increase in

1 their electricity -- excuse me, in their electrical rates.

2 AmerenUE is the sole provider of
3 electricity in the city of Jefferson. It is the sole
4 provider for gas, natural gas in the city of Jefferson.
5 It has a monopoly. It's the only game in town. So they
6 ask for this interim rate increase. Where does it end?
7 What happens when electrical rates go up again? Are they
8 going to come ask for another one?

9 Less than nine months ago this body granted
10 them an increase to the tune of \$163 million. Here they
11 are, nine months later, asking the same body for an
12 increase on the backs of the citizens of the state of
13 Missouri for a \$402 million increase. Where does it end,
14 Commissioners?

15 And I ask you when you go back and if you
16 hear the evidence and you're in your deliberations, you
17 think about the people that aren't here today. You think
18 about the people that are sitting at their kitchen table
19 figuring out how they're going to pay for their electrical
20 rates.

21 And we're lucky that this Commission is
22 doing a service for the citizens of the state of Missouri,
23 that they don't turn off the electrical service in cold
24 weather periods, and I thank you for that, and the
25 citizens of the state of Missouri thank you for that. But

1 when March and April come around, Ameren's knocking on the
2 door and there goes the switch.

3 In sum, to grant any increase at all would
4 be a disservice for struggling Missouri families and an
5 injustice to consumers. Consider the hard-working
6 Missourians that are not here tonight at the end of your
7 deliberations. Thank you.

8 JUDGE WOODRUFF: Questions for
9 Mr. Dashtaki?

10 COMMISSIONER DAVIS: I've got some.
11 Mr. Dashtaki, you're an attorney, aren't you?

12 MR. DASHTAKI: Yes. I'm here in my
13 individual capacity.

14 COMMISSIONER DAVIS: Where are you
15 employed?

16 MR. DASHTAKI: Missouri Attorney General's
17 Office.

18 COMMISSIONER DAVIS: And are you here to
19 urge us in your capacity as a private citizen not to
20 follow the law?

21 MR. DASHTAKI: Sir, I'm here in my
22 individual capacity to encourage this body to take into
23 consideration all facts and all evidence prior to making
24 its deliberative answer to this hearing.

25 COMMISSIONER DAVIS: You said all facts and

1 all evidence. Does that include the law?

2 MR. DASHTAKI: Of course, sir.

3 COMMISSIONER DAVIS: So you still want us
4 to follow the law?

5 MR. DASHTAKI: Anything but -- you should
6 always follow the law, Mr. Chairman.

7 COMMISSIONER DAVIS: All right. Thank you,
8 Mr. Dashtaki.

9 MR. DASHTAKI: Thank you, Commissioner.

10 JUDGE WOODRUFF: Thank you, sir.

11 We have two more names on the list here.

12 Next one is Warren Wood. Please raise your right hand.

13 (Witness sworn.)

14 WARREN WOOD testified as follows:

15 JUDGE WOODRUFF: Tell us your name, please.

16 MR. WOOD: Warren Wood. Thank you for this
17 opportunity to comment on the rate case filed by AmerenUE.
18 I'm a licensed engineer with about 25 years experience in
19 power system planning, design, construction, operation and
20 regulation, and I'm the director of the Missouri Energy
21 Development Association. MEDA is an energy policy group.
22 Its memberships includes investor-owned electric, natural
23 gas and water utilities and the municipal utilities that
24 serve most of the state of Missouri. AmerenUE is one of
25 my members.

1 Some of MEDA's most recent energy policy
2 efforts have been to support construction of Callaway 2
3 and to get some changes made to the federal carbon cap and
4 trade legislation on behalf of Missourians. I'm
5 testifying this evening as someone who has heard the radio
6 ads against the rate increase and felt that it was
7 important to say some things about electricity in general
8 and this rate case.

9 The testimony of the public in the rate
10 case hearings over the last year, not just AmerenUE's,
11 showed that this is a difficult time for many people. It
12 seems that everywhere we look prices are going up. In a
13 recent flier from my water company they've announced a
14 14 percent water increase in my rates, and they explain in
15 detail why the increase was needed. I understand why they
16 needed it. I support it. They provide me continuous
17 access to water that's of high quality.

18 In the Rural Missouri magazine I get from
19 the cooperative, they regularly explain why electric rates
20 are going up as much as they have in recent years. It
21 comes down to more expensive fuel, expensive emissions
22 equipment and maintenance on existing power plants,
23 construction of new plants and other investments to
24 maintain reliability of my electricity.

25 While I'm not a fan of these increases, I

1 see them as a necessary part of receiving reliable
2 electric service, something I place a great deal of value
3 in with our computers, the TVs and all the appliances that
4 we've become ever more dependent on.

5 After reading through some of the filings
6 in this case, the same factors that are driving up the
7 electric rates for coops are impacting AmerenUE. Some of
8 these major factors have previously been noted, increases
9 in fuel costs, reductions in revenues from selling power
10 to other states that their customers -- when their
11 customers don't need it. These revenues have helped to
12 keep AmerenUE's rates to its customers and coop rates low
13 for years, but the current market for these out-of-state
14 sales has dropped off. And also paying for investments to
15 provide reliable service to customers.

16 Many of the people that testified at this
17 hearing are understandably concerned about the proposed
18 18 percent increase in electric rates. So how do
19 Missouri's and AmerenUE's rates compare to what others are
20 paying for electricity?

21 Well, according to U.S. Department of
22 Energy, Missouri's residential customers pay about the
23 ninth lowest electric rates in the nation. I can burden
24 you with all the information you've previously heard on
25 how they compare to national averages or even averages

1 passed by the House last year, this legislation could
2 cause electric bills in Missouri to go up between 220 and
3 \$380 per household by 2020, and these rate increases won't
4 be doing anything to improve your quality of service.

5 Thank you for this opportunity to comment
6 this evening. I welcome any questions.

7 JUDGE WOODRUFF: Thank you. Questions for
8 Mr. Wood?

9 CHAIRMAN CLAYTON. Thank you, sir.

10 JUDGE WOODRUFF: Last name on the list is
11 Sy Kesel. Good evening, sir. And if you'd please raise
12 your right hand.

13 (Witness sworn.)

14 SYLVESTER KESEL testified as follows:

15 JUDGE WOODRUFF: Tell us your name and
16 spell it for us.

17 MR. KESEL: Sylvester Kesel,
18 S-y-l-v-e-s-t-e-r, Kesel.

19 I guess to start out with, I've been a
20 small electrical contractor for 30 years. I've been
21 through some pretty lean times, and in those times my
22 take-home pay was reduced. I went longer periods of
23 replacing tools and trucks. I learned to buy materials
24 more aggressively to lower the cost and shop around. And
25 some way I should like to see how Ameren is taking steps

1 of that sort to reduce their costs before they ask for
2 this increase.

3 Another question I have, we heard from the
4 local union rep about the good work Ameren does training
5 their people and keeping their equipment up and whatnot,
6 and I applaud that. But my question is, what is the local
7 union doing to increase productivity and reduce the cost
8 in that way?

9 I think this is more than just a burden for
10 the people who are paying these prices. I think that both
11 sides of the company, Ameren, should be absorbing some of
12 the costs involved in -- in their operation.

13 The other thing I would like to point out
14 is, we heard from a Mr. Penfold a while back. I should
15 like to say that I pretty much agree with everything that
16 he said. I think he had some very valid points. We have
17 people in the small town that I come from, ladies who are
18 widows who exist solely on Social Security. This last
19 January their Medicare costs went up 15 percent. Now
20 we're asking them to absorb, if they get the whole thing,
21 an 18 percent increase in their electrical bill, along
22 with possibly fuel surcharges and environmental
23 surcharges.

24 I understand that a company to stay in
25 business must make a profit. I don't know any year in the

1 business that I was in or am still in where I paid myself
2 some of the bonuses that I hear are being paid by Ameren.
3 I understand you reward good people. I understand that in
4 lean times those rewards, especially bonuses, should be
5 nil or very small. The basic salary that these people
6 make I'm sure are adequate to support them during the
7 year.

8 The high percentages of increases that
9 these Social Security ladies are being asked to absorb
10 will not allow that Social Security to sustain them. Not
11 only that, you have people making minimum wage jobs who,
12 if these increases are passed on, will be forced from
13 maybe supporting themselves on minimum wage jobs to
14 welfare, food stamps, Medicaid, whatever.

15 So this thing is not just a rate increase
16 for AmerenUE. It's going to fan out over the whole system
17 and affect a great many people in some very negative ways.
18 I understand they need an increase of some amount. I
19 certainly don't approve or think I approve of 18 percent.

20 I know that I have to make a certain amount
21 of profit for me to stay in business, but in this time
22 right now, we have bid jobs and didn't get them when our
23 profit margin was 2 percent. So it's tough all over, not
24 just for Ameren. And my cost as a businessman is going to
25 go up. If I can't get a job at a 2 percent margin, paying

1 18 percent increase in electrical rates to run my tools,
2 to run my shop, then where are we at?

3 So there's been a lot of very valid
4 statements made tonight on both sides of this thing, but I
5 think one of your biggest considerations should be what
6 have the people of Ameren done to increase their
7 productivity, to shop for cheaper materials? Cheaper
8 materials does not necessarily mean less quality material.
9 You can find salesmen out there who are willing to forego
10 a percent or two on their commission to be able to get a
11 sale. Let's see that some of those things are happening
12 before you grant this rate increase.

13 And I appreciate your time.

14 JUDGE WOODRUFF: Thank you, sir. Any
15 questions for Mr. Kesel? Thank you, sir.

16 That was the last name on the list. Is
17 there anyone else here who didn't get a chance to sign the
18 list? The gentleman right here, come forward. Good
19 evening, sir. If you'd please raise your right hand.

20 (Witness sworn.)

21 TOM MENTZER testified as follows:

22 JUDGE WOODRUFF: What is your name?

23 MR. MENTZER: Tom Mentzer, M-e-n-t-z-e-r,
24 T-o-m.

25 Ameren is asking for 18 percent. Inflation

1 is zero to 2. Two to three times inflation would be 4 to
2 6, which is quite ample for any business in today's
3 economy to operate. My fear is that the Commission will
4 be -- will grant a 9 to 10 and then make a broadcast about
5 how much they saved the consumer.

6 And finally, yes, I am wearing the yellow
7 sticker, and I do feel that public opinion should
8 influence the Public Service Commission. Unfortunately,
9 what I saw tonight was by virtue of the questions asked
10 and the body language, that public opinion really doesn't
11 mean anything. That was just the aura that came from
12 everything.

13 And with that, I thank you for the
14 opportunity to express my opinion.

15 JUDGE WOODRUFF: Thank you. Any questions?
16 Thank you.

17 Anyone else out there who would like a
18 chance to testify? I don't see anybody else. Any final
19 comments or questions from the Commissioners?

20 Mr. Dottheim.

21 MR. DOTTHEIM: Good evening. I'd like to
22 just briefly address an item, an organization that seems
23 to have made itself an issue.

24 JUDGE WOODRUFF: First of all, you better
25 identify yourself for the record.

1 MR. DOTTHEIM: Yes. I'm Steve Dottheim.
2 I'm an attorney with the Missouri Public Service
3 Commission. I represent the Staff.

4 The organization Fair Electricity Rates
5 Action Fund, FERAf, seems to have made itself an issue to
6 some extent in these proceedings. They seem to be
7 omnipresent at the local public hearings and in the
8 Staff's efforts to carry out its responsibilities at the
9 local public hearings.

10 At one of the local public hearings last
11 week, Commissioner Davis had some questions for
12 representatives from FERAf and some individuals from FERAf
13 were named. I don't believe their names were spelled for
14 the record, what have you. For purposes of clarity, for
15 the record, the two individuals named were Marco Guido and
16 Travis Levitt. And through the wonders of the Internet, I
17 believe I've located the organization with which they are
18 associated and have copied some pages from that website.

19 The organization is Hilltop Public
20 Solutions, a consulting firm, which identifies FERAf as
21 one of its clients and identifies Marco Guido, M-a-r-c-o,
22 G-u-i-d-o, and Travis Levitt, T-r-a-v-i-s, L-e-v-i-t-t, as
23 being associated with Hilltop Public Solutions. And I'd
24 like to have these pages marked as an exhibit.

25 JUDGE WOODRUFF: All right.

1 MR. DOTTHEIM: And I have copies for the
2 Commissioners.

3 JUDGE WOODRUFF: It will be Exhibit No. 2.
4 Exhibit No. 2 has been offered. Are there any objections
5 to its receipt?

6 MR. MILLS: Judge, I don't have a copy of
7 the exhibit. I haven't seen it. I may have objections.
8 I'd like to have you reserve ruling until I have time to
9 read it and perhaps say something later.

10 JUDGE WOODRUFF: Very well. We'll reserve
11 ruling. That was Mr. Mills for the Office of the Public
12 Counsel has requested that we reserve our ruling. We'll
13 do so.

14 Mr. Dottheim, anything else?

15 MR. DOTTHEIM: I have nothing further --

16 JUDGE WOODRUFF: Okay.

17 MR. DOTTHEIM: -- at this time. Frankly,
18 if the Staff encounters any further, shall we say,
19 difficulties in dealing with FERAf at the local public
20 hearings, the Staff may seek to address that with the
21 Commissioners in the context of local public hearings on
22 the record. We are attempting to deal with the -- with
23 that situation with representatives of FERAf at this time.

24 JUDGE WOODRUFF: All right. Thank you.

25 And Mr. Mills, I'll give you a week to raise objection if

1 you like.

2 COMMISSIONER DAVIS: Judge, can I --
3 Mr. Dottheim, have you been outside the room tonight, this
4 room?

5 MR. DOTTHEIM: Not since the -- not since
6 5:30.

7 COMMISSIONER DAVIS: When you came in at
8 5:30, did you see the people in the yellow FERAFF shirts?

9 MR. DOTTHEIM: Yes.

10 COMMISSIONER DAVIS: Do you recall how many
11 of them there were?

12 MR. DOTTHEIM: I would say it was greater
13 than five, less than ten maybe. It may have been upwards
14 of ten people. I didn't count the number of people.

15 COMMISSIONER DAVIS: Okay. Do you know
16 what they were doing?

17 MR. DOTTHEIM: They were -- they were
18 manning a table that seemed to have literature. There was
19 one individual who was standing at the head of the stairs
20 who seemed to be speaking with people if people came up
21 the stairs from the third floor.

22 It's my understanding that they initially
23 tried to set up a table at the very entrance to the third
24 floor. There's some tables that are down there from the
25 old Coffee House Cafe that used to be put outside of the

1 Governor's Office Building. And the FERAf people
2 requested to move up to the fourth floor where there was a
3 table for them.

4 The issues in the past that the Staff has
5 had to address with FERAf has been of the nature of
6 placement of a table with their literature and their
7 standing and greeting people or soliciting people as they
8 came in to the local public hearings --

9 COMMISSIONER DAVIS: Okay.

10 MR. DOTTHEIM: -- and other issues, which
11 the Staff is attempting to deal with with representatives
12 of FERAf.

13 COMMISSIONER DAVIS: Okay. Thank you,
14 Judge. I do have some questions of Mr. Mills before we
15 leave here.

16 JUDGE WOODRUFF: All right. Thank you,
17 Mr. Dottheim.

18 Mr. Mills, if you'd come forward.

19 COMMISSIONER DAVIS: Good evening,
20 Mr. Mills.

21 MR. MILLS: Good evening.

22 COMMISSIONER DAVIS: Are you a member of
23 FERAf?

24 MR. MILLS: I'm not. Never have been.

25 COMMISSIONER DAVIS: Never have been?

1 MR. MILLS: No.

2 COMMISSIONER DAVIS: So not even when they
3 were an unincorporated association opposing the
4 legislation over in the Capitol in 2009?

5 MR. MILLS: No.

6 COMMISSIONER DAVIS: Are you aware that
7 there are newspaper articles that imply that you are a
8 member?

9 MR. MILLS: There was an article in the
10 Southeast Missourian that incorrectly identified the
11 Office of the Public Counsel as a member of FERAF. I
12 asked them to run a correction and they did so, at least
13 on the online version. I don't get the paper version of
14 the Southeast Missourian. I don't know whether they did
15 correct that on paper, but I asked them to do that as
16 well.

17 COMMISSIONER DAVIS: Do you know anyone who
18 has an office at 210 East High Street?

19 MR. MILLS: 210 East High Street?

20 COMMISSIONER DAVIS: 210 East High Street.

21 MR. MILLS: No. Perhaps -- is that where
22 Hendren and Andrae is and Brydon Swearengen? Not Brydon
23 Swearengen. They're Capitol. Bryan Cave, is that where
24 you're going?

25 COMMISSIONER DAVIS: I don't believe so.

1 MR. MILLS: I don't know.

2 COMMISSIONER DAVIS: 210 East High Street
3 is where some of the FERAf employees indicated their place
4 of work in Jefferson City was there at the local public
5 hearing in Hayti.

6 MR. MILLS: I'm not -- no. I don't know of
7 anybody --

8 COMMISSIONER DAVIS: You've never been
9 there?

10 MR. MILLS: I may have. I'm not -- I'm
11 trying to picture what the building is or even exactly
12 where it is.

13 COMMISSIONER DAVIS: Okay.

14 MR. MILLS: I'm sorry I can't help you on
15 that.

16 COMMISSIONER DAVIS: That's okay. Do you
17 know who the directors of FERAf are?

18 MR. MILLS: I believe it's Greg Keller, is
19 the only person I know that's involved in FERAf. I think
20 the executive director.

21 COMMISSIONER DAVIS: Okay. So do you have
22 any communications with Greg Keller?

23 MR. MILLS: I spoke with him at a local
24 public hearing in St. Charles briefly.

25 COMMISSIONER DAVIS: Okay. Thank you,

1 Mr. Mills. No further questions.

2 JUDGE WOODRUFF: Any other final comments
3 from any of the Commissioners?

4 All right. Then we are adjourned. Thank
5 you all for coming.

6 WHEREUPON, the public hearing was
7 concluded.

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1 C E R T I F I C A T E

2 STATE OF MISSOURI)
3) ss.
4 COUNTY OF COLE)

5 I, Kellene K. Feddersen, Certified
6 Shorthand Reporter with the firm of Midwest Litigation
7 Services, do hereby certify that I was personally present
8 at the proceedings had in the above-entitled cause at the
9 time and place set forth in the caption sheet thereof;
10 that I then and there took down in Stenotype the
11 proceedings had; and that the foregoing is a full, true
12 and correct transcript of such Stenotype notes so made at
13 such time and place.

14 Given at my office in the City of
15 Jefferson, County of Cole, State of Missouri.

16 _____
17 Kellene K. Feddersen, RPR, CSR, CCR
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