



For more information, contact
Alberta Slavin – 314-727-0222

Consumers Council of Missouri: “Is the PSC a division of AmerenUE?”

Saint Louis, MO, September 7, 2006 -The Consumers Council of Missouri today took a strong stand against the electric fuel surcharge proposal being considered by the Missouri Public Service Commission, saying the concept has been unfairly and heavily influenced by the electric industry, particularly AmerenUE.

SB 179 became law this year, giving the PSC the option of adopting such a surcharge, even though the Missouri Supreme Court had struck down such surcharges in 1979. Today is the deadline for comments on the PSC’s proposed surcharge.

“Looks like the fox has been in the hen house”, said Alberta Slavin of the Consumers Council. “I am concerned that the PSC Chairman, Jeff Davis, may have made up his mind to adopt this fuel adjustment, long before holding public hearings. He even ensured passage of the law in the Missouri Legislature by walking it through the process.”

“The proposed rules seem to be getting worse and worse.” said John Coffman, an attorney for the Consumers Council. A new amendment being proposed by the PSC would grant each electric utility the right to “veto” any fuel adjustment clause adopted by the PSC if the utility does not find it ‘acceptable’. “It makes one wonder who is the regulator and who is the regulated in our state,”

- more-

Consumers Council

Add one

Coffman pointed out that when SB 179 passed the Legislature, proponents claimed no surcharge would be approved by the PSC without rules that incorporated consumer protection. Although consumer advocates have met with utility representatives and the PSC Commissioners for more than a year, no significant consumer protections have been added.

In a new development, AmerenUE has proposed that the rules be prematurely adopted in the context of its pending rate case. "AmerenUE is now asking the PSC to prejudge the rules before the rulemaking process has completed." Slavin said, "If the PSC agrees to fast track these rules, it will really look like they are in bed with the utilities that they are supposed to be regulating." Alberta Slavin is a former chair of the Public Service Commission and has long been a consumer advocate.

"The PSC's mission is to provide an efficient regulatory process that is responsive to all parties and to perform duties ethically and professionally," Slavin said. "If the PSC allows implementation of the fuel surcharge before the rules are written or before the end of its own process, I am convinced that they are no longer working to protect consumers but instead are a division of AmerenUE."

The Consumers Council of Missouri is calling on the PSC to vote against implementation of the Fuel Adjustment Clause for electric utilities at its rulemaking hearing on Thursday.

- end -