

**STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION**

Illinois Commerce Commission)	
On its own motion)	
)	Docket No. 07-0291
Consideration of the federal standard on fuel sources)	
in Section 1251 of the Energy Policy Act of 2005.)	

REPLY COMMENTS OF THE AMEREN ILLINOIS UTILITIES

Central Illinois Light Company d/b/a AmerenCILCO, Central Illinois Public Service Company d/b/a AmerenCIPS and Illinois Power Company d/b/a AmerenIP (the “Ameren Illinois Utilities”) hereby submit their comments in response to the initial comments filed by the parties to the above-captioned proceeding.

On July 9, 2007, MidAmerican Energy Company (“Mid-American”), Commonwealth Edison Company (“ComEd”), Staff of the Illinois Commerce Commission (“Staff” and “Commission,” respectively), and the Ameren Illinois Utilities filed initial comments responsive to the directive of the Administrative Law Judge (“ALJ”) for the parties to address the following topics:

- whether the federal source standard is applicable to Commonwealth Edison Company, Ameren Illinois Utilities, and Mid-American Energy Company;
- the utilities’ initial position on applying or not applying that standard;
- whether the utilities have incentives to follow this standard;
- the public policies regarding this standard;
- whether there are comparable standards that affect the utilities.

The topics set forth above are pertinent to the Commission’s May 2, 2007 order initiating this docket according to the Energy Policy Act of 2005 (“EPAct”), which mandated state

regulatory agencies to consider through public hearings whether to adopt several different federal standards for electric utilities within their regulatory jurisdiction. (Initiating Order, p. 1 (citing 16 USCS § 2621).) The Commission initiated this Docket to determine whether to adopt a standard that requires jurisdictional utilities to “...develop a plan to minimize dependence on 1 fuel source and to ensure that the electric energy it sells to consumers is generated using a diverse range of fuels and technologies, including renewable technologies.” *Id.* (citing 16 USCS § 2621(d)(12)).

The parties generally agree that the Commission should decline to adopt a fuel source standard for jurisdictional utilities. In addition to the Ameren Illinois Utilities Verified Initial Comments, and in general response to Staff’s comments regarding an applicable state standard, the Ameren Illinois Utilities note that both houses of the Illinois General Assembly have now approved legislation implementing a recently announced multi-party agreement concerning electric procurement and rate relief. *See* S.B. 1592, House Amendments 5 & 6.¹ The Governor has publicly stated that he will sign this bill into law. The legislation makes significant changes in the system by which major Illinois utilities procure energy, including implementation of a renewable portfolio standard. By this legislation, the General Assembly has taken procurement decisions regarding renewables out of the hands of the utilities.

For this reason, and for all of the reasons stated in the Ameren Illinois Utilities’ Verified Initial Comments, the Commission should enter an order rejecting implementation of a federal fuel source standard at this time.

¹ Legislative action by both houses is reflected on the General Assembly’s official web site at the URL: <http://www.ilga.gov/legislation/BillStatus.asp?DocNum=1592&GAID=9&DocTypeID=SB&LegId=29675&SessionID=51&GA=95>.

Dated: July 30, 2007

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CERTIFICATE OF SERVICE

I, Laura M. Earl, certify that on July 30, 2007, I served a copy of the foregoing Reply Comments of the Ameren Illinois Utilities by electronic mail to the individuals on the Commission's Service List for Docket 07-0291.

/s/ Laura M. Earl

Laura M. Earl
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