

STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION

TRI-COUNTY ELECTRIC)	
COOPERATIVE, INC.,)	
)	
Complainant,)	
)	
vs.)	Case No. 05-0767
)	
ILLINOIS POWER COMPANY, d/b/a)	
AMEREN IP,)	
)	
Respondent.)	

AFFIDAVIT IN SUPPORT OF MOTION FOR SUMMARY JUDGMENT
BY TRI-COUNTY ELECTRIC COOPERATIVE, INC.

MARCIA K. SCOTT on oath first duly sworn states as follows:

1. She is an adult under no disability and if sworn as a witness could competently testify to the following matters in the above cause.

2. Affiant is the General Manager of Tri-County Electric Cooperative, Inc. and has held that position from 1996 to the present time. Prior thereto, Affiant worked as a system analyst/programmer for Tri-County Electric Cooperative, Inc. from 1980 through 1996. Affiant's educational background consists of a high school diploma and an associate's degree in computer science earned in 1980 from Kaskaskia College. Affiant was a member of the Mt. Vernon Economic Development Commission from 1997 through 2005. Affiant just recently completed a term as a member of the National Legislative Resolutions Committee and the National Issues Committee of the National Rural Electric Cooperative Association (NRECA). Affiant is also a member of the Manager's Association and Legal and Government Relations Committee of the

Association of Illinois Electric Cooperatives (AIEC). Affiant serves on the Board of Directors of the RSI/Illinois Cooperative Workers' Compensation Group and in various capacities with various community activities.

3. As the General Manger of Tri-County Electric Cooperative, Inc. (Tri-County), Affiant is the keeper of all of the records, including business records of Tri-County. As such, Affiant has direct control and supervision over all of Tri-County's records pertaining to membership, electrical service records, all accounts of members and consumers of Tri-County, all records of construction, maintenance, upkeep, upgrade, and retirement of electric distribution facilities of Tri-County as well as all the records concerning the planning and engineering activities of Tri-County.

4. Attached hereto as Exhibit 1 is a true and accurate copy of the Service Area Agreement between Tri-County and Illinois Power Company now known as Illinois Power Company dba AmerenIP (IP) dated March 18, 1968 which Service Area Agreement (Agreement) was approved by an Order entered by the Illinois Commerce Commission (Commission) on July 3, 1968.

5. Pursuant to the Agreement, certain territory located in the following described property to wit: Sections 4, 5, 6, 7, 8 and 9 of Township 1 North and Sections 20, 29, 30, 31 and 32 of Township 2 North, all of Range 2 East of the Third P.M., Marion County, Illinois, has been designated as the exclusive service territory of either Tri-County or IP. The respective territories of Tri-County and IP are marked by boundaries shown on the maps attached to the aforesaid agreement and reproduced on the map identified as Exhibit 3 attached hereto.

6. A map which was prepared from the business records of Tri-County under the

direction and supervision of Affiant is attached hereto as Exhibit 2 which map shows the location of the Citation Oil & Gas Corporation gas plant in relationship to distribution lines of Tri-County. The electric distribution lines of Tri-County are identified on the attached Exhibit 2 as follows:

A. Tri-County existing three phase line originally constructed June 1939 as a single phase line and subsequently upgraded on November 30, 1948 as a three phase line is marked in blue on Exhibit 2 and is located on the immediate south side of the Citation gas plant.

B. Tri-County three phase line built to serve a gas scrubber for Energy West, Inc. on February 28, 1986 and retired December 1997 is marked in yellow on the attached Exhibit 2 and was located immediately west of the Citation gas plant.

C. Tri-County single phase line constructed December 29, 1998 and still in service providing electric service to the Citation office complex is marked in green on the Exhibit 2 and is located immediately west of the gas plant site.

7. Attached hereto as Exhibit 3 is a map prepared under the direction and supervision of Affiant from the business and engineering records of Tri-County showing the territorial boundary lines between Tri-County and IP with respect to the Citation gas plant and the locations of eight Citation gas compressor sites which are at issue in Count II of Tri-County's Amended Complaint. All but gas compressor site number 6 are located in the service territory designated by the Service Area Agreement as Tri-County's exclusive electric service. The Citation gas plant is located in the territory designated by the Service Area Agreement as the exclusive service territory of Tri-County. The map shown as Exhibit 3 depicts the location of Tri-County's three phase line in black and located 200 to 250 feet south of the Citation gas plant.

8. Citation Oil & Gas Corporation is a member of Tri-County receiving electric service from Tri-County at its office complex immediately west of and adjacent to the Citation gas plant. Attached hereto as Exhibit 4 is a true and accurate copy of the membership application of Citation Oil & Gas Corporation dated December 10, 1998 and accepted by Tri-County. The electric service to the Citation office complex was connected on December 29, 1998 and Tri-County has continued to provide electric service to Citation at the office complex continuously from that date to the current time.

9. On or about February 18, 2005, Dennis Ivers, Director of Engineering for Tri-County received a phone call from Clyde Finch, production engineer of Citation in which Citation requested electric service from Tri-County for the gas plant with a 1,500 KW transformer and delivery voltage of 277/480 volts.

10. On February 18, 2005, Bradley Grubb, project engineer for Tri-County met with Michael Garden, electrical supervisor of Citation, at the Citation gas plant site during which Citation representatives explained what Citation desired with respect to electric service at the site. On March 10, 2005, Bradley Grubb of Tri-County met again with Michael Garden, Electrical Supervisor for Citation, and Clyde Finch, Production Engineer for Citation at the Citation gas plant location and discussed the amount of KW connected load for the gas plant along with discussions regarding the electrical facilities needed, including the need for distribution lines and transformers to provide electric service to the gas plant. At that meeting, the Citation representatives advised Bradley Grubb that the KW connected load for the Citation gas plant would be 566 KW.

11. Affiant as General Manager of Tri-County has received numerous documents

provided by IP to Tri-County during discovery conducted in this docket. Among those documents presented are the following:

A. Monday, March 7, 2005 - Michael Tatlock, Engineer for IP told Clyde Finch, Production Engineer for Citation that IP could not provide electric service to the gas plant without Tri-County's consent since it was located in Tri-County's service territory. Michael Tatlock told Clyde Finch that Citation would have to move the plant between one-fourth and one-half mile north in order to locate the gas plant in IP's service territory.

B. Wednesday, March 9, 2005, Michael Tatlock, Engineer for IP, advised Conrad Siudyla of IP that Citation had through Clyde Finch advised that the gas plant would require a 1,500 KV transformer with actual demand not to exceed 750 KW peak plant operation and that Michael Tatlock had advised Clyde Finch that IP could not provide electric service to the gas plant without Tri-County's consent because it was located in Tri-County service territory.

C. Monday, April 25, 2005, Michael Tatlock Engineer of IP communicated with Conrad Siudyla of IP that Citation would need to move the gas plant approximately one-fourth mile to one-half mile north of its site in order to place the plant in IP's service territory.

D. Tuesday, April 26, 2005, Conrad Siudyla of IP advised Todd Masten of IP about the Citation gas plant and that Tri-County had the right to serve the load and further, if Citation extends its distribution line to the new load, it would violate IP's service area agreement with Tri-County.

E. Tuesday, June 21, 2005, a telephone conference call was conducted between Jeff Lewis and Edward J. Pearson, both Production Engineers of Citation and Conrad Siudyla, Michael Tatlock and Todd Masten, all of AmerenIP regarding the Citation gas plant and its

location in Tri-County's service territory. In the course of the phone conversation, Citation was advised that it could not extend IP's service to the gas plant without Tri-County's permission and IP acknowledged that Tri-County will view the connection of electric service to the gas plant as a new point of delivery.

F. Wednesday, June 22, 2005, a meeting was held at the headquarters of Tri-County during which Marcia Scott, Affiant herein, and Bradley Grubb, Project Engineer of Tri-County met with Jeff Lewis, Area Production Engineer, and Edward J. Pearson, Production Engineer, both of Citation during which Citation requested Tri-County to allow Citation to build its own distribution lines to the gas plant to which Tri-County refused its consent.

G. On July 5, 2005, Marcia Scott Affiant herein and representatives of Citation and IP met at the Tri-County headquarter. Those present were Jeff Lewis, Area Production Engineer, and Edward J. Pearson, Production Engineer, both of Citation, Bradley Grubb, Project Engineer, Dennis Ivers, Director of Engineering, and Marcia Scott, General Manager, all of Tri-County, and Todd Masten, Ameren Regulatory Specialist, and Michael Tatlock, AmerenIP District Engineer, both of AmerenIP. During the conversation, both Todd Masten and Michael Tatlock of IP acknowledged that the gas plant as then located was in Tri-County's service territory and Tri-County had the right to provide the electric service to the gas plant.

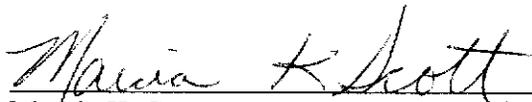
H. On July 14, 2005, Affiant received a phone call from Todd Masten of AmerenIP advising Affiant that IP had changed its position and would seek the right to provide electric service to the Citation gas plant. The foregoing documented communications were produced by IP in discovery, all of which are true and accurate copies as produced and attached as group Exhibit 5.

12. Attached hereto as Exhibit 6 is a map produced to Tri-County by Citation Oil & Gas Corporation (Citation) at the time of Tri-County's inspection of the Citation gas plant and gas compressor sites on October 16, 2006. The Citation map shows the location of the Citation distribution line that was rebuilt and constructed (shown as a dotted line as "Option 2" on the map) by Citation to bring IP's electricity to the service connection point for the gas plant.

13. Tri-County has always been and is currently willing to provide all of the electric service necessary to the Citation gas plant and each of the seven gas compressors used to feed the gas plant which are located in Tri-County's service territory. Tri-County's three phase line adjacent to the gas plant which is served by Tri-County's Salem substation is adequate to provide such service. Tri-County's Salem substation is adjacent to IP's Texas substation (See the map marked Exhibit 3).

14. Affiant further states that during the time that Affiant has been General Manager of Tri-County, Tri-County has always, pursuant to proper engineering practice, considered a "new point of delivery" of electric service to be that point where electric service is taken from a distribution line and the voltage is reduced down from distribution voltage to a voltage acceptable for use by the customer's motors and equipment on the customer's premises.

Further Affiant sayeth not.



Marcia K. Scott

Subscribed and Sworn to before me

this 27th day of March, 2008.



Notary Public



EXHIBIT 1

SERVICE AREA AGREEMENT BETWEEN
ILLINOIS POWER COMPANY AND
TRI-COUNTY ELECTRIC COOPERATIVE, INC.

AGREEMENT entered into as of the 18th day of MARCH, 1968
between ILLINOIS POWER COMPANY, an Illinois corporation (Illinois Power)
and TRI-COUNTY ELECTRIC COOPERATIVE, INC., an Illinois not-for-profit
corporation (Tri-County).

Illinois Power and Tri-County have existing electric facilities
and are providing electric service to consumers in an area comprised of
parts of Jefferson, Marion, and Washington Counties, Illinois. In order
to avoid duplication of facilities and to minimize disputes which may
result in inconvenience and diminished efficiency of electric service to
the public, Illinois Power and Tri-County, each being an "Electric Supplier"
as that term is defined in the Electric Supplier Act, approved July 2, 1965,
do enter into this Agreement for the purpose of defining and delineating,
as between themselves, service areas in which each is to provide electric
service.

In consideration of the mutual covenants and undertakings
herein contained, Illinois Power and Tri-County AGREE as follows:

Section 1. (a) "Party" as used herein refers to one of the
parties to this Agreement.

(b) "Existing customer" as used herein means a
customer who is receiving electric service on the effective date hereof.

(c) "New customer" as used herein means any person,
corporation, or entity, including an existing customer, who applies for a
different electric service classification or electric service at a point of
delivery which is idle or not energized on the effective date of this
Agreement.

(d) "Existing point of delivery" as used herein means
an electric service connection which is in existence and energized on the
effective date hereof. Any modification of such electric service connection
after the effective date hereof by which an additional phase or phases of
electric current are added to the connection, shall be deemed to create a
new point of delivery.

(c) "Large-line corridor" as used herein means an area one-quarter of a mile in width on ~~each side~~ of the center line of a 34.5 Kv or higher voltage electric line, which electric line was energized on July 2, 1965 and owned by a party hereto or subject to use or operation pursuant to a contract between said party and the owner thereof, and which electric line, by virtue of the terms of this Agreement, is not located within a Service Area of the party who has said rights of ownership or operation.

(f) "High voltage line" as used herein means an electric line having a voltage of 34.5 Kv or higher.

(g) "Effective date" as used herein means the date of the approval of this Agreement by the Illinois Commerce Commission.

Section 2. Illinois Power and Tri-County hereby establish territorial boundary lines delineating the Service Areas (the Service Area or Areas) of each party. The territorial boundary lines and the respective Service Areas are shown on the maps attached hereto and marked Exhibits 1 through 3 and incorporated herein by reference. Exhibits 1 through 3 show the location of the electric lines which each party owns including the 34.5 Kv or higher voltage electric lines which each party owns or is entitled to use or operate and are prima facie evidence of the location of such lines.

Section 3. (a) Except as otherwise provided in or permitted by this Section and Sections 4 and 7 of this Agreement, each party shall have the exclusive right to serve all customers whose points of delivery are located within its Service Areas and neither party shall serve a new customer within the Service Areas of the other party.

(b) Each party shall have the right to continue to serve all of its existing customers and all of its existing points of delivery which are located within a Service Area of the other party on the effective date.

(c) A new customer whose point of delivery is or would be located within a "large line corridor" and whose demand within the 12 months following the construction period is estimated, based upon the application of accepted engineering practices, to be 100 kilowatts or more if the high voltage line is 34.5 Kv, 250 kilowatts or more if such line is 69 Kv, and 500 kilowatts or more if such line is in excess of 69 Kv, shall be served by the party owning or entitled to operate from the high voltage line; provided, however, that where the party in whose Service Area the

Large line corridor is located also has a high voltage line within one-quarter of a mile of the high voltage line in the large line corridor, the party whose high voltage line was first installed shall provide electric service to any customer whose demand within 12 months following the construction period is estimated as aforesaid to exceed 100 kilowatts. For the purposes of applying Sub-paragraph 3(c), all high voltage lines shall be deemed to have the same voltage characteristics, location and rights which said lines had on July 2, 1965, even though said line or lines are subsequently rebuilt, relocated or operated at a different voltage.

(d) A party who receives a written application for electric service from a new customer whose demand within the 12 months following the construction period is estimated, based upon the application of accepted engineering practices, to exceed 1,500 Kw, and whose point of delivery would not be located within a large line corridor, shall, within 10 days, notify the other party of such request. The parties shall, within 30 days thereafter, seek to determine which party shall provide the proposed electric service and, in such connection, shall be guided by the provisions of the Electric Supplier Act approved July 2, 1965. If the parties are unable to make such determination, either party may initiate proceedings under the Electric Supplier Act for the purpose of having such determination made by the Illinois Commerce Commission.

Section 4. (a) If any territory in a Service Area of either party shall, after the effective date, be annexed to a municipality in which the other party holds an electric franchise in effect on the date of such annexation, the territorial boundary line delineating Service Areas provided for in Section 2 shall not apply to any new customers in such annexed territory. Within thirty days after the date of such annexation, the parties shall seek to determine which party shall provide electric service to any such new customers, and, in that connection, shall be guided by the provisions of the Electric Supplier Act approved July 2, 1965, and the general principle that the Service Areas as determined in this Agreement shall continue to be Service Areas of the respective parties. If the parties are unable to make such determination, either party may initiate proceedings under the Electric Supplier Act for the purpose of having such determination made by the Illinois Commerce Commission.

(b) The parties shall not oppose by official action each other's efforts to secure authorization to provide electric service, which either may be required to obtain from any incorporated municipality under the provisions of the Electric Supplier Act, approved July 2, 1965, for any annexed area assigned by any amendment to this Agreement or for any annexed area which the Illinois Commerce Commission determines that either party is entitled to serve.

Section 5. Either party may construct new lines and may maintain, operate, renew and replace existing electric facilities in the Service Areas of the other party. New construction shall not establish a large line corridor or corridors, nor alter or affect the right of either party to provide electric service to any new customer. Each party shall cooperate with the other party in obtaining rights of way and construction clearances for new lines through its Service Area.

Section 6. The parties undertake to furnish reasonable and adequate service to the customers each is or may be entitled to serve under this Agreement, provided that this undertaking is solely for the benefit of the respective customers and is intended to be enforced in accordance with the provisions of Section 9 of the Electric Supplier Act approved July 2, 1965, by Tri-County's customers and is intended to be enforced in accordance with the Public Utilities Act by Illinois Power's customers.

Section 7. If either party should request the other to furnish electric service to a customer who the requesting party is entitled to serve by virtue of this Agreement and the other party does render such service, this Agreement shall not thereby be voided but shall otherwise remain in full force and effect.

Section 8. Any agreement between the parties which is made pursuant to the provisions of Sections 3, 4 or 7 shall be in the form of an amendment to this Agreement and shall be made subject to the approval of the Illinois Commerce Commission.

Section 9. Illinois Power and Tri-County shall jointly submit this Agreement to the Illinois Commerce Commission for its approval. On the date of approval by the Commission, this Agreement shall become effective and shall continue in full force and effect until or unless it is amended or rescinded by a written agreement and such amendment or rescission is approved by the Illinois Commerce Commission.

Section 10. This agreement shall be executed in four counterparts, each of which shall constitute an original.

Section 11. The obligations and rights of this Agreement shall be binding upon and shall inure to the benefit of the assigns or successors of the parties.

IN WITNESS WHEREOF, each party has caused this Agreement to be executed and its corporate seal to be affixed by its duly authorized officers, as of the day and year first above written.

ILLINOIS POWER COMPANY

By *A. G. Menden*
Chairman of the Finance Committee

ATTEST:

A. Wick
Secretary

(SEAL)

TRI-COUNTY ELECTRIC COOPERATIVE, INC.

By *W. L. ...*
President

ATTEST:

D. E. ...
Secretary

(SEAL)



100% THREE PHASE LINE BUILT
TO SERVE GAS SCRUBBER FOR
ENERCHIM WEST INC.
INSTALLED 2-28-86 RETIRED 12-97

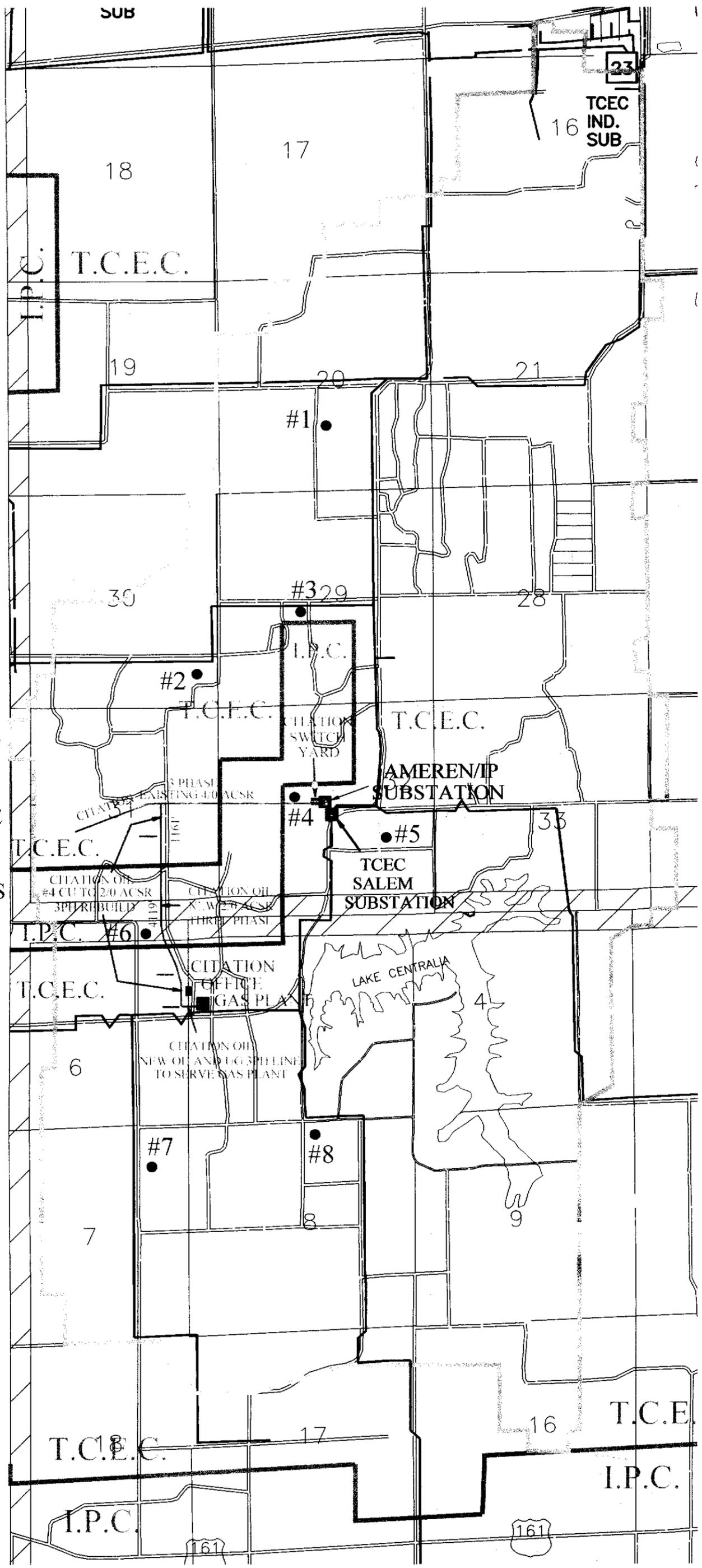
100% EXISTING THREE PHASE LINE
ORIGINALLY INSTALLED IN 1930

T.
2
N.

T.
1
N.

APPROXIMATE
BOUNDARIES
SHOWN FOR
REFERENCE

- IP-TCEC
NORMAL
BOUNDARY LINES
- TCEC EXISTING
THREE PHASE LINE
- CITATION
THREE PHASE LINE
- NEW GAS
COMPRESSOR SITES



APPLICATION FOR MEMBERSHIP AND AGREEMENT FOR PURCHASE OF ELECTRIC SERVICE

1. The undersigned (hereinafter called the "Applicant") hereby applies for membership in and agrees to purchase electric power from Tri-County Electric Cooperative, Inc. (hereinafter called the "Cooperative") upon the following terms and conditions.

2. Location 15-6 G Account 43725 Line E Pole 30 C Lease _____
Well _____ W. O. 30272 Phase 1 Voltage 120/240 KVA Inst. _____ Max. KVA _____
Rate 1 Rate Sch. _____ Ma. Min. # 16.50 Cons. Dep. # 130.00

3. Continuity of Service - The Seller shall use reasonable diligence to provide a constant and uninterrupted supply of electric power and energy; but if such supply shall fail or be interrupted, or become defective through act of God, or the public enemy, or by accident, strikes, labor troubles, or by action of the elements, or inability to secure rights-of-way, or other permits needed, or for any other cause beyond the reasonable control of the Cooperative, the Cooperative shall not be liable therefor.

4. Term - This agreement shall become effective on the date of this application and shall remain in effect for _____ years following the start of the initial billing period and thereafter until terminated by either party giving the other _____ months notice in writing.

5. Succession - This agreement shall be binding upon and inure to the benefit of the successors, legal representatives and assigns of the respective parties hereto.

6. Liability - The Applicant, by becoming a member, assumes no personal liability or responsibility for any debts or liabilities of the Cooperative and it is expressly understood that his property can not be attached for any debts or liabilities of said Cooperative.

7. Acceptance of this application by Cooperative shall:
a) Constitute a contract for electric service between Applicant and Cooperative which shall continue in force for _____ years following the start of the initial billing period (subject to termination of membership) and thereafter until cancelled by either party giving the other _____ months notice in writing.
b) Constitute an acceptance of Applicant to membership in the Cooperative with such rights and liabilities as are specified in the By-laws of the Cooperative, provided however, that said membership shall terminate when Applicant ceases to purchase electric power from the Cooperative at the location designated, and said membership shall terminate in any other manner set forth in the By-laws of the Cooperative or such rules and regulations as are adopted from time to time by the Board of Directors.

Applicant CITATION OIL & GAS Address 8223 Willow Place South Phone 548-1823
Suite 250
Houston, TX 77070

By: _____ Date 12-10-98 Tri-County Electric Cooperative

Soc. Sec. #: 165 57 4977 By: [Signature]

Original Message

From: Tatlock, Michael W

Sent: Wednesday, March 09, 2005 4:00 PM

To: Studyla, Conrad

Cc: Masten, Barry Todd; Bauza, Kelly Ray

Subject: Citation Oil- 1500 mva transformer installation for New Gas Plant - Green St Rd and Hoots Chapel Rd NE of Centralia

Conrad,

I have looked further into the territory issue between AmerenIP and Tri-County Electric as requested.

The information faxed to me by Clyde Finch on Monday indicates that they plan to construct a new Gas Processing plant on the North Side of Green Street Road and the east side of Hoots Chapel Rd- This location is across the road from their office building which is currently fed by Tri-County Electric Co-op out of Mt. Vernon.

By my estimation this is Raccoon Twp of Marion County Township 1 N and Range 2 E. and is in the NE corner of section 5 of that twp.

Clyde indicated that they would be requesting a 1500 kva transformer but the actual demand would only be approx 750 kw at peak plant operation.

I have checked the boundary maps and find that all of section 5 and the East half of section 6 of Raccoon Twp is Tri - County territory both for the under 1500 kw loads and the over 1500 kw loads.

I advised Clyde that he would need to request service from Tri-County because the plant will be located in their territory- He said that tri-county had said the same thing but he had called to make sure that was the opinion of AmerenIP because he preferred to be served by Ameren IP.

He asked if they could run their own line from their substation that we feed in the vicinity and bypass Tri-County. I told him I could not authorize that and that he would have to ask Tri-County about allowing that to happen.

Clyde Finch can be reached at
CITATION OIL & GAS CORPORATION
3501 South Lakeside Dr.
Oklahoma, City OK 73179

7/17/2006

From: Tatlock, Michael W [MTatlock@ameren.com]
Sent: Tuesday, April 19, 2005 2:07 PM
To: Siudyla, Conrad
Cc: Tatlock, Michael W; Sikma, Terese A; Barbre, Frank D
Subject: FW: Citation Oil- 1500 mva transformer installation for New Gas Plant - Green St Rd and Hoots Chapel Rd NE of Centralia

Conrad,

This was the original note- nothing has changed- I told Clyde again that if he wanted to feed their new load from their existing distribution and bypass Tri-County he would have to make sure that arrangement was ok with Tri-county.

He faxed me the load breakdown today and I told him I would make sure the load addition would not overload our substation transformer and get back to him.

He had some questions about rates so I referred him your direction.

Mike t.

From: Tatlock, Michael W [MTatlock@ameren.com]
Sent: Tuesday, April 19, 2005 3:18 PM
To: Siudyla, Conrad
Cc: Tatlock, Michael W
Subject: Citation Oil

Conrad,

I tried to call you phone but the message said it was being checked for trouble just now.

In order to be more definite on how far he needs to move the plant to get into our territory I would need them to send me a marked up page from the plat book that indicates exactly where the plant is planned.

He sent me a rough sketch with no measurements that showed which side of the road this was on and I put that together with the information that I have in the plat book that indicates what property they own in Raccoon Twp to make the determination that it was in Tri- County Territory.

thanks

Message

Page 1 of 2

Cindy Stocker

From: Tatlock, Michael W [MTatlock@ameren.com]
Sent: Monday, April 25, 2005 4:05 PM
To: Siudyla, Conrad
Cc: Tatlock, Michael W
Subject: RE: Citation Oil- 1500 mva transformer installation for New Gas Plant - Green St Rd and Hoots Chapel Rd NE of Centralia

I received the location info from Clyde at the end of last week.

He said the new plant would be in the SE ¼ of the NE ¼ of Section 6 of Raccoon Twp- This confirms for me that the location I had been looking at is the right location and also that they would have to move the plant approx. ¼ mile to the north for it to be in Ameren IP territory at the current load level they are projecting (under 1500 kw) .

Can you pass this along to Clyde ? I would be glad to meet him or a representative out there is they want to explore this further. thanks

Cindy Stocker

From: Siudyla, Conrad [CSiudyla@ameren.com]
Sent: Tuesday, April 26, 2005 9:40 AM
To: Masten, Barry Todd
Cc: Tatlock, Michael W
Subject: Citation; fyi

Mike and I spoke with Clyde Finch of Citation a few minutes ago to review our position on the proposed 800 kW load to be located in Tri-County Territory. We advised:

- 1) Tri-County has the right to serve this load.
- 2) If Citation extends their distribution lines (supplied from AmerenIP's point of delivery) to the new load it would violate our agreement with Tri-County. AmerenIP would not support this arrangement (could go as far as having a cease and assist order issue to prevent Citation from installing the line).
- 3) Citation needs to contact Tri-County to discuss options.

Citation is investigating the cost associated with extending their distribution lines. If the cost to extend the distribution lines is sufficiently high, they may drop the idea of supplying the new load from their distribution.

From: Siudyla, Conrad [CSiudyla@ameren.com]
Sent: Tuesday, June 21, 2005 10:49 AM
To: Tatlock, Michael W; Bauza, Kelly Ray; Masten, Barry Todd; Blackburn, Brian Wesley
Subject: Citation, plan to build new 750 KVA gas plant in Tri-County territory

Jeff Lewis and Ed Pearson, of Citation, called to review AmerenIP's position on electric service to the gas plant. Previously we advised Citation that the gas plant site is in Tri-County territory and AmerenIP has no right to serve the load. Service request would need to be submitted to Tri-County.

Citation wants to serve the gas plant from AmerenIP's existing SC24 service by extending their distribution lines across the Tri-County - AmerenIP boundary. Advised Jeff that we would not allow this unless Tri-County agreed to the arrangement.

Jeff indicated the project would go forward only if Citation could supply the plant from the AmerenIP existing service. Apparently Tri-County's rates are almost double AmerenIP's SC24. Jeff and Ed were made aware of pending post 2006 rate redesign.

Citation has a meeting scheduled with Tri-County tomorrow. They wanted to meet with AmerenIP prior to the Tri-County meeting to confirm our position. With Mike on vacation, I told them a meeting with us would not be possible.

After some discussion, we came to conclusion that meeting with AmerenIP at this time is not as important as meeting with Tri-County and getting their input. Jeff did not know if Tri-County was aware of Citation's desire to extend their lines across the boundary. Tri-County may still be viewing this as a request for a new point of delivery. The impact that electric price will have on the project's viability may also be important to Tri-County.

Jeff wanted to know what steps Citation could take if Tri-County does not agree to allow extension of Citation's lines into Tri-County's territory. Believe this could go the Illinois Commerce Commission.

Jeff will advise of the outcome of their meeting with Tri-County.

