

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION

TRI-COUNTY ELECTRIC )  
COOPERATIVE, INC. )  
 )  
Complainant, )  
 )  
v. )  
 )  
ILLINOIS POWER COMPANY, )  
d/b/a/ AMERENIP, )  
 )  
Respondent. )

Case No. 05-0767

ILLINOIS  
COMMERCE COMMISSION  
2009 NOV -6 P 3:24 JMS  
CHIEF CLERK'S OFFICE

**PREPARED DIRECT TESTIMONY OF B. TODD MASTEN, CPA,  
ILLINOIS POWER COMPANY d/b/a AMERENIP, IN SUPPORT OF  
ILLINOIS POWER COMPANY d/b/a AMERENIP**

- 1 Q: Please state your name.
- 2 A: Barry Todd Masten.
- 3 Q: Are you employed?
- 4 A: Yes.
- 5 Q: By whom?
- 6 A: AmerenCILCO.
- 7 Q: What position do you hold at AmerenCILCO?
- 8 A: I am a wholesale delivery and service area consultant. My focus is on regulatory
- 9 policy and rates.
- 10 Q: Where is your office located?
- 11 A: Springfield, Illinois.
- 12 Q: Please briefly describe your educational background.

1 A: I earned an associate of science in accounting from Lincoln Land Community  
2 College and a bachelor of science in accounting from the University of Illinois,  
3 Springfield.

4 Q: Do you hold any licenses or certifications?

5 A: Yes. I am a certified public accountant in the State of Illinois.

6 Q: When did you first begin working for AmerenCILCO or one of its predecessor or  
7 sister companies?

8 A: I began working for Central Illinois Public Service Company (CIPS) in Springfield,  
9 Illinois, in 1991. CIPS became a part of Ameren in 1997. At that time, the entity I was  
10 working for became known as Ameren Services.

11 Q: In 2005, what was your title at Ameren Services?

12 A: Regulatory specialist.

13 Q: What were your duties in that position?

14 A: I was responsible for administering service area agreements between any one of  
15 the Ameren Illinois utility companies and other providers of electrical power.

16 Q: Were others involved in administering those service area agreements?

17 A: Yes. AmerenIP personnel in the field, such as Mike Tatlock, had front-line  
18 responsibility for addressing questions concerning service area agreements. And they  
19 would reach out to me for my input when they encountered issues requiring more in-  
20 depth analysis. If the issue was particularly complex, and I wanted to consult with  
21 someone else about it, I would talk to my supervisor, Jon Carls. Sometimes, Mr. Carls  
22 and I would consult with AmerenIP's legal department for advice. My job was the day-  
23 to-day administration of the service area agreements, though.

1 Q: What was Mr. Carls's title?

2 A: Managing Supervisor Regulatory Policy.

3 Q: At that time, did you supervise anyone directly?

4 A: No.

5 Q: Was there a service area agreement in effect between AmerenIP and Tri-County  
6 as of 2005?

7 A: Yes. AmerenIP and Tri-County entered into a service area agreement, dated  
8 March 18, 1968, which the Illinois Commerce Commission approved by an order  
9 entered July 3, 1968. The service area agreement defines and delineates areas in  
10 Marion County, Illinois, within which AmerenIP or Tri-County may supply electrical  
11 energy to customers. A copy of the service area agreement is attached to my testimony  
12 as Exhibit 3.1.

13 Q: Were you responsible for administering the service area agreement between  
14 AmerenIP and Tri-County in 2005?

15 A: Yes.

16 Q: Are you familiar with the dispute between Tri-County and AmerenIP concerning  
17 the supply of electrical power to the gas processing plant that Citation constructed at the  
18 Salem Unit?

19 A: Yes. Around March 2005, Citation notified both AmerenIP and Tri-County that it  
20 intended to build a gas gathering and natural gas liquids processing plant at the Salem  
21 Unit. The dispute relates to whether AmerenIP or Tri-County has the right under the  
22 service area agreement to supply electrical power to the gas plant.

23 Q: What is AmerenIP's position in the dispute?

1 A: AmerenIP's position is that because electrical service to the gas processing plant  
2 will be taken from an extension of Citation's own existing primary distribution system,  
3 and because AmerenIP will have to take no action to supply this power, the provision of  
4 electrical power to the gas processing plant represents a continuation of the service to  
5 the Salem Unit that AmerenIP has always provided through a preexisting point of  
6 delivery.

7 Q: When did AmerenIP convey this position to Citation?

8 A: I conveyed this position to Jeff Lewis of Citation in a letter dated July 15, 2005. A  
9 copy of my letter is attached to my testimony as Exhibit 3.2.

10 Q: Did you make this decision?

11 A: Yes, after consulting with Jon Carls and with our legal department. I also  
12 discussed the issue with Mike Tatlock and with Conrad Siudyla. Mike and Conrad  
13 provided me with data about the Salem Unit that figured into the ultimate decision.

14 Q: Were Mr. Tatlock or Mr. Siudyla charged with making a final determination  
15 regarding who had the right to supply electrical power to the gas processing plant?

16 A: No.

17 Q: Does the letter dated July 15, 2005 that you sent to Citation represent  
18 AmerenIP's formal, final determination with respect to the provision of electrical power  
19 to the gas processing plant?

20 A: Yes.

21 Q: Did AmerenIP provide Citation with formal notice of its position before you sent  
22 that letter?

23 A: No.

1 Q: Did AmerenIP provide Tri-County with formal notice of its position at any time?

2 A: Yes. I telephoned Marcia Scott of Tri-County on July 14, 2005 and conveyed  
3 AmerenIP's position to her.

4 Q: Were the July 14 telephone call to Marcia Scott and the July 15 letter to Jeff  
5 Lewis the first time anyone from AmerenIP had discussed the provision of electrical  
6 power to the gas processing plant with anyone from Tri-County or Citation?

7 A: No. Mike Tatlock, Conrad Siudyla, and I individually and together had had  
8 discussions with representatives of Citation and Tri-County regarding the issue.

9 Q: Do you recall any of the specifics of any of the discussions in which you were  
10 involved?

11 A: No, but I do know that for several months it was our working assumption that Tri-  
12 County had the right to provide electrical power to the gas processing plant.

13 Q: Was that working assumption ever communicated to Citation?

14 A: Yes, I believe it was.

15 Q: Was that working assumption ever communicated to Tri-County?

16 A: It is my understanding that it was, yes.

17 Q: Did Tri-County take any action, based on those communications, to supply  
18 electrical power to the gas processing plant?

19 A: I am not aware of any.

20 Q: What caused AmerenIP to alter its working assumption about which company  
21 had the right to provide electrical power to the gas processing plant?

22 A: Basically, Citation really made it clear what they planned to do from an  
23 infrastructure perspective, and we went back and took a closer look at the service area

1 agreement and reached our final decision, which I communicated to Citation in my letter  
2 of July 15. More specifically, on July 8, 2005 I received a fax from Jeff Lewis that  
3 comprehensively spelled out Citation's plans for supplying power to the gas plant, and  
4 the reasons Citation believed that power should be supplied to the plant by AmerenIP,  
5 not Tri-County. Citation made it clear that it would service the plant off the existing point  
6 of delivery supplied by AmerenIP. A copy of Mr. Lewis's letter is attached to my  
7 testimony as Exhibit 3.3. I then consulted with Jon Carls and with our legal department,  
8 and we reached the final decision that I communicated to Citation on July 15.

Respectfully,

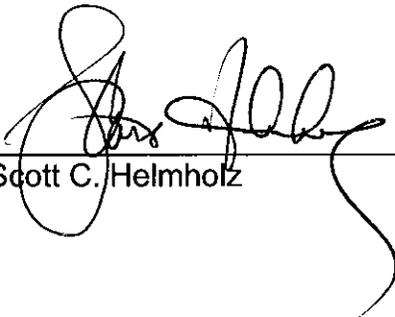
B. Todd Masten, CPA

## PROOF OF SERVICE

I, Scott C. Helmholz, hereby certify that today, November 6, 2009, I deposited in the United States mail at the post office in Springfield, Illinois, postage pre-paid, a copy of the PREPARED DIRECT TESTIMONY OF B. TODD MASTEN, CPA, ILLINOIS POWER COMPANY d/b/a AMERENIP, IN SUPPORT OF ILLINOIS POWER COMPANY d/b/a AMERENIP addressed to the following:

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Scott C. Helmholz