

**STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION**

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CENTRAL ILLINOIS LIGHT COMPANY d/b/a/ AmerenCILCO)	Docket Nos. 09-0306, 09-0309
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CENTRAL ILLINOIS PUBLIC SERVICE COMPANY d/b/a AmerenCIPS)	Docket Nos. 09-0307, 09-0310
)	
ILLINOIS POWER COMPANY d/b/a AmerenIP)	Docket Nos. 09-0308, 09-0311
)	
Proposed general increase in rates for delivery service. (Tariffs filed June 5, 2009))	Consolidated cases
)	
)	

IBEW SYSTEM COUNCIL U-05
ON BEHALF OF
IBEW LOCALS 702, 51, 309, 1306 and 649
REPRESENTED BY
IBEW U-05 – Rehearing Ex. 1.0

DIRECT TESTIMONY ON REHEARING OF
CHARLES YANCEY
ON BEHALF OF IBEW SYSTEM COUNCIL U-05

July 29, 2010

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I. INTRODUCTION

Q1. Please state your name and business address.

A. Charles Yancey, 4051 Humbert Road, Alton, Illinois 62002.

Q2. What is your occupation?

A. I am the Assistant Business Manager of Local 649, IBEW, and the Chairman of IBEW System Council U-05.

Q3. Please briefly summarize your educational background and work experience.

A. I am a graduate of Alton High School and have attended Lewis and Clark Community College and Southern Illinois University at Edwardsville. In 1977, I was hired as a meter reader at Union Electric, now AmerenCIPS. I worked on the tree trimming crew before becoming an apprentice lineman and journeyman lineman. I was a troubleman for thirteen years. I have been Assistant Business Manager of Local Union 649 since 2001.

Q4. What is IBEW System Council U-05?

A. System Council U-05 is an association consisting of Local Unions 51, 309, 649, 702 and previously 1306 of the International Brotherhood of Electrical Workers, AFL-CIO. System Council U-05 was formed with the authority of each of these Local Unions. System Council U-05 has the authority to coordinate collective bargaining with Ameren Illinois on behalf of the Local Unions.

Q5. Please identify Local 702, IBEW.

23 A. Local 702, International Brotherhood of Electrical Workers, AFL-CIO,
24 ("IBEW Local 702") whose main office is located in West Frankfort, Illinois,
25 is a labor union and the collective bargaining representative of employees
26 employed by Ameren IP, Ameren CIPS, and Ameren Energy Generating
27 Company. IBEW Local 702 has current collective bargaining agreements
28 with these public utilities and power generating companies covering the
29 wages, fringe benefits, and terms and conditions of employment of the
30 bargaining unit employees it represents. Local 702, IBEW is affiliated with
31 System Council U-05.

32 **Q6. Please identify Local 51, IBEW.**

33 A. Local 51, International Brotherhood of Electrical Workers ("IBEW Local
34 51"), whose main office is located in Springfield, Illinois, is a labor union
35 and the collective bargaining representative of employees employed by
36 Ameren IP, Dynegy Midwest Generation, Exelon Generation, and Ameren
37 CILCO. Local 51, IBEW has current collective bargaining agreements with
38 these public utilities and power generating companies covering the wages,
39 fringe benefits, and terms and conditions of employment of the bargaining
40 unit employees it represents. Local 51, IBEW is affiliated with System
41 Council U-05.

42 **Q7. Please identify Local 309, IBEW.**

43 A. Local 309, International Brotherhood of Electrical Workers, AFL-CIO
44 ("IBEW Local 309"), whose main office is located in Collinsville, Illinois, is
45 a labor union and the collective bargaining representative of employees

46 employed by AmerenCIPS and AmerenIP. IBEW Local 309 has current
47 collective bargaining agreements with these public utilities covering the
48 wages, fringe benefits, and terms and conditions of employment of the
49 bargaining unit employees it represents. Local 309, IBEW is affiliated with
50 System Council U-05.

51 **Q8. Please identify Local 649, IBEW.**

52 A. Local 649, International Brotherhood of Electrical Workers, AFL-CIO
53 ("IBEW Local 649") whose main office is located in Alton, Illinois, is a labor
54 union and the collective bargaining representative of employees employed
55 by Ameren CIPS. IBEW Local 649 has current collective bargaining
56 agreements with this public utility covering the wages, fringe benefits, and
57 terms and conditions of employment of the bargaining unit employees it
58 represents. Local 649, IBEW is affiliated with System Council U-05.

59 **Q9. Please identify Local 1306, IBEW.**

60 A. Local 1306, International Brotherhood of Electrical Workers, AFL-CIO
61 ("IBEW Local 1306") no longer exists as a separate entity. It was merged
62 into Local 51, IBEW. Prior to the merger, its main office was located in
63 Decatur, Illinois.

64 **II. SCOPE OF REHEARING TESTIMONY**

65 **Q10. What is the purpose of your direct testimony on rehearing?**

66 A. System Council U-05 and the Local Unions intervened in this docket to
67 protect the interests of bargaining unit employees in their wages, fringe
68 benefits and terms and conditions of employment. My direct testimony on

69 rehearing addresses recommendations in the direct testimony on
70 rehearing of Ameren witnesses. In general, I address the potential impact
71 of the AIU's recommendations on bargaining unit employees represented
72 by the IBEW Locals and the System Council U-05.

73 **III. POSITION OF IBEW**

74 **Q11. What is IBEW's position on the AIU witnesses' recommendations on**
75 **rehearing?**

76 **A.** The IBEW believes that the AIUs' recommendations with respect to their
77 revenue requirements should be adopted. The Ameren Illinois Utilities'
78 revenue requirements are based on the utilities' actual costs, which costs
79 include the wages and benefits of our members. Therefore, it is
80 imperative that the Ameren Illinois Utilities be able to recover their costs of
81 service and earn a fair return on their investments. The failure to do so
82 will quite likely cause a direct and material negative impact on the wages,
83 fringe benefits, and terms and conditions of employment of the bargaining
84 unit employees represented by IBEW System Council U-05 in future labor
85 contracts. In addition, the IBEW is particularly concerned by the
86 statements in the Application for Rehearing of the AIU that indicate there
87 is a shortfall in the Ameren Illinois Utilities revenue requirement that does
88 not allow the AIU to recover all prudent investments and recover all
89 reasonable and necessary costs. Measures described by the AIU in
90 public statements that the AIU have taken to reduce spending, such as
91 hiring freezes and reduction in contractor use, directly and adversely affect

92 our members and will continue to have an undue impact on our members
93 and the Illinois economy. The IBEW represents the employees of many of
94 the contractors whose work for AIU has been reduced as part of AIU's
95 cost cutting procedures. Therefore, the IBEW urges the Commission to
96 reverse its ordered position on issues such as accumulated depreciation
97 reserve, pension and benefit expense and cash working capital to allow
98 the AIU's revenue requirement to be set more in line with its cost of
99 service.

100 **Q12. Are there any areas of particular concern for the IBEW?**

101 A. Yes, pension and benefit expense. IBEW System Council U-05 members
102 rely on the AIUs for their pensions and other benefits, which are part of
103 their overall compensation. An inadequate recovery of pension, OPEB,
104 and major medical expenses could, in time, jeopardize the level of these
105 benefits, potentially harming the Illinois workforce. The Commission
106 should approve the AIUs' proposed adjustment to establish test year
107 pension, benefits and major medical expense based on expenses actually
108 incurred for the 12 months ending September 2009.

109 **Q13. Does this conclude your testimony?**

110 A. Yes.

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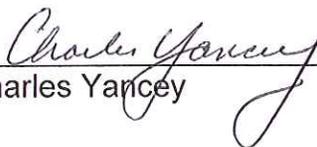
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AFFIDAVIT

State Of Illinois

County of Madison

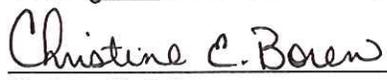
NOW BEFORE ME, the undersigned authority, personally came and appeared, Charles Yancey, who being after duly sworn by me, did depose and state that the above and foregoing is his sworn testimony in this proceeding and that he knows the contents thereof, that the same are true as stated, except as to matters and things, if any, stated on information and belief, and that as to those matters and things, he believes them to be true.



Charles Yancey

SWORN TO AND SUBSCRIBED BEFORE ME

THIS 27th DAY OF JULY, 2010



Notary Public

