

AMEREN I.4 PAGE 1



PRAIRIE FARMS
EXHIBIT 4.0

DAVE,

This is the INFO ON THE
AMEREN GAS METER PROBLEM.

Ron

PRAIRIE FARMS DAIRY, INC.

742 N. Illinois Avenue, Carbondale, IL 62901 phone 618-457-4167 fax 618-549-5608

From: "Wheeler, Jonathan S" <JWheeler@ameren.com>
To: "rdiuguid@prairiefarms.com" <rdiuguid@prairiefarms.com>
Cc: "Carlson, Janell M" <JCarlson@ameren.com>, "Graves, David L" <DGraves@ameren.com>, "Sloman, Pamela S" <PSloman@ameren.com>, "White, Angie" <AWhite3@ameren.com>, "Hobson, Donald L" <DHobson@ameren.com>, "Tipton, Michael C" <MTipton@ameren.com>, "Klaus, William R" <WKlaus@ameren.com>

Date: Tuesday, August 02, 2011 05:30PM
Subject: Additional Information About Ameren Natural Gas Meter Problems at Prairie Farms Carbondale Facility

Ron,

Thanks for the time you gave me this afternoon to explain the problems we experienced with the large natural gas meter installation serving the Carbondale facility and the effect those problems had on our delivery service billing over the past fourteen months or so.

In addition to that note of appreciation, this message is to provide you with a written explanation of what happened with the meter to cause it to mis-register the volumes metered over that period, how the correctly metered "raw" natural gas volumes were used to accurately calculate the true consumption and how the bills over the period were re-calculated to arrive at the \$29,836.01 Gas Adjusted Service Amount shown on the Corrected Bill (attached) that will be received soon at your Carbondale office.

In early July of this year, a meter technician investigating zero consumption on the meter found a sheared pin on the meter index drive. The technician replaced the damaged unit with a new meter index drive.

In the process of making this repair, the technician noticed that a "handle was bent over and that the brass valve was turned off". This valve was on the tube that transmits the pressure of the natural gas going through the meter to the device that corrects the meter's registered volumes for the gas pressure. (A given volume of natural gas at a pressure higher than "standard" pressure for the meter contains more natural gas molecules/energy than the same volume of gas at a lower pressure. The pressure compensation device accounts for this effect.) With the gas pressure to the compensating device at zero, the resulting metered volumes were totally uncorrected for pressure.

While the technician's comment suggests that there was some physical damage to the valve handle, we do not know if the valve was turned off at the time the handle was bent or at some

er time. (The handle has since been removed to prevent inadvertent or intentional operation by unauthorized personnel.)

Regardless of how the pressure compensation became disabled, we can tell from the readings that a step reduction in usage occurred in April 2010 and that is the month we used to commence the calculation of the corrected consumption and subsequent rebilling of the account.

Fortunately, neither problem affected the mechanical uncorrected "raw"

readings so that knowing the gas pressure at that location (44 PSIG), we could apply the appropriate pressure factor to these readings to calculate the corrected readings from April 2010 to the present. It was determined that a total of 234,111 Therms were not registered over that period.

PRE-

273790

This consumption was then used to calculate what the billing over the period should have been. Since the account was billed under two different rates during the period, two separate amounts were calculated: April 2010 on Rate GDS4 Rider T for \$1,371.90 and May 2010 through April 2011 on Rate GDS3 Rider T for \$28,622.49.

Those two amounts, less a credit of \$158.38 for a payment received from Prairie Farms on August 1, constitute the Total Miscellaneous Charge of \$29,836.01 representing the total amount due to correct for these metering errors.

Any adjustments to Tylex's billing for the commodity costs of the transported gas over the affected period will need to be addressed between the two of you.

You will doubtless have questions unanswered by this account. Please address them to me and I will do my best to find their answers.

I'll close with an apology for this error on Ameren's part. We will make every effort to accomplish setting the account straight at the least inconvenience to Prairie Farms, knowing full well that presenting you with an additional amount due equal to several times a normal monthly bill is a poor start to those efforts.

Let's talk soon.

Jonathan

.....

Jonathan S. Wheeler, PE

Key Account Executive

T 618.993.4632

C 618.534.6473

F 618.993.4659

E jswheeler@ameren.com

.....

Ameren Illinois Company

PO Box 460

1800 West Main Street

Marion, IL 62959

www.ameren.com

Please consider the environment before printing this e-mail

The information contained in this message may be privileged and/or confidential and protected from disclosure. If the reader of this message is not the intended recipient, or an employee or agent responsible for delivering this message to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. Note that any views or opinions presented in this message are solely those of the author and do not necessarily represent those of Ameren. All e-mails are subject to monitoring and archival. Finally, the recipient should check this message and any attachments for the presence of viruses. Ameren accepts no liability for any damage caused by any virus transmitted by this e-mail. If you have received this in error, please notify the sender immediately by replying to the message and deleting the material from any computer. Ameren Corporation

Attachments:

16790-00418 Prairie Farms Dairy Inc_Jun11 Rebill_Apr10 thru Jun11 Adj_08_02_11.pdf