



Ameren president tells employees that cuts are likely

Mike Riopell | Posted: Saturday, May 1, 2010 2:47 pm

SPRINGFIELD — Ameren Illinois President Scott Cisel sent a letter to his employees, warning of deep cuts after state regulators this week denied the company most of the rate increases it wanted.

In the letter, Cisel criticized the Illinois Commerce Commission's decision as "unprecedented" and writes that the utility may have to freeze hiring and halt or delay some of its projects as a result.

"These actions are regrettable, but necessary," Cisel wrote. "We will exhaust every avenue in search of an equitable solution that allows us to meet our obligations to customers, co-workers and shareholders."

On a 3-2 vote Thursday, the commission awarded Ameren the right to collect \$5 million more in electric rates. The company had asked for \$162 million in extra natural gas and electricity delivery charges. Natural gas delivery rates for all Ameren customers were reduced under the commission's order.

Cisel wrote that the company, which serves 1.2 million electricity customers and 813,000 gas customers throughout central and southern Illinois, will ask for a rehearing from the commission. But whether that request will be granted is uncertain.

While Ameren has vocally criticized the rates decision, consumer advocacy groups have praised it.

"The ICC followed the law and carefully considered the evidence, which showed that Ameren did not need anything close to a \$130 million increase," Citizens Utility Board Executive Director David Kolata said.