

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of the Joint Application of)
Union Electric Company d/b/a AmerenUE,)
Aquila, Inc., d/b/a Aquila Networks – MPS)
and Aquila Networks – L&P for an Order)
Authorizing Sale and Transfer of Certain)
Assets of Aquila, Inc. Located in Missouri)
to AmerenUE and Either Authorizing the)
Transfer of Existing Certificates of Public)
Convenience and Necessity, or Granting)
a New Certificate of Public Convenience)
and Necessity to AmerenUE in Conjunction)
with same.)

Case No. GM-2004-0244

MEMORANDUM OF THE STAFF

COMES NOW the Staff of the Missouri Public Service Commission and, submits the following comments concerning the Stipulation and Agreement in this case. The Staff states as follows:

1. On December 3, 2003, the Union Electric Company d/b/a AmerenUE, (AmerenUE) and Aquila, Inc., d/b/a Aquila Networks – MPS and Aquila Networks – L&P (Aquila) filed an application for authority to transfer certain assets from Aquila to Ameren. AmerenUE and Aquila also filed direct testimony in the case.

2. On March 30, 2004, the Parties filed a Unanimous Stipulation and Agreement designed to resolve all issues in this case.

3. On April 8, 2004, Staff filed a Memorandum in Support of the Unanimous Stipulation and Agreement in this case.

4. As a result of questions raised in the April 15, 2004 Agenda of the Commission, Staff submits the following additional remarks in support of the Unanimous Stipulation.

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5. The purchase price is ** ^{HC}_____ ** but is subject to adjustment based upon various closing adjustments as described beginning on page 5 of the Highly Confidential Purchase Agreement.

6. These assets will be transferred at the net book value at the time of closing, so there will be no acquisition adjustment as a result of this transfer.

7. AmerenUE has indicated it agrees with the statements in this pleading.

Respectfully submitted,

DANA K. JOYCE
General Counsel

/s/ Lera L. Shemwell

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to all counsel of record this 20th day of April 2004.

/s/ Lera L. Shemwell
