

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

In the Matter of the Application of)	
Union Electric Company d/b/a AmerenUE)	
for an Order Authorizing the Sale and)	Case No. EO-2010-0263
Transfer of Certain Assets of AmerenUE)	
to St. James Municipal Utilities)	
and Rolla Municipal Utilities.)	

AMERENUE’S STATEMENT OF POSITION

COMES NOW Union Electric Company d/b/a AmerenUE (AmerenUE) and, in compliance with the Commission’s July 30, 2010 Order Setting Procedural Schedule, hereby submits its Statement of Position on the issue presented in this case, as follows:

Is the proposed transfer of the assets described in the Application filed in this case detrimental to the public interest?

No. The assets that are the subject of the Company’s Application in this case are used solely to provide FERC-regulated wholesale distribution services to the Cities of Rolla and St. James. These assets do not serve AmerenUE’s retail ratepayers, over whose service and rates this Commission has jurisdiction. The agreements that provide for the terms and conditions of the sale ensure that the interconnection of these assets to AmerenUE’s transmission system (after they are owned and operated by the Cities) will not impact the reliability of AmerenUE’s transmission system, and thus will not impact reliable service to AmerenUE’s retail customers or to AmerenUE’s other wholesale customers. The agreements also ensure that the Cities’ ownership and operation of these assets will not impact AmerenUE’s retail revenue requirement or rates.

Under the controlling legal standard applicable to asset transfer cases under Section 393.190, RSMo., the Commission is to approve the requested transfer so long as it is “not detrimental to the public interest.” *State ex rel. City of St. Louis v. Public Service Commission of Missouri*, 73 S.W.2d 393, 395 (Mo. 1934). In this context, an important purpose of the Commission’s authority generally,

and in particular under Section 393.190, is to protect the ratepayers served by the utility (here, AmerenUE ratepayers). *State ex rel. Fee Fee Trunk Sewer, Inc. v. Litz*, 596 S.W.2d 466, 468 (Mo. App., E.D. 1980) (“The obvious purpose of [Section 393.190] is to ensure the continuation of adequate service to the public served by the utility.”). As this Commission has recognized, “[i]n considering whether or not the proposed transaction is likely to be detrimental to the public interest, the [Commission’s duty] . . . is to ensure that UE provides safe and adequate service to its customers at just and reasonable rates.” Report and Order, *Re Union Electric Company, dba AmerenUE*, Case No. EO-2004-0108, 2005 WL 433375 (Mo.P.S.C.) (Feb. 10, 2005).

Because the public served by AmerenUE, the utility at issue here, will not be harmed by this transfer, the proposed transfer is not detrimental to the public interest with which this Commission is concerned, and must be approved.

Respectfully submitted,

UNION ELECTRIC COMPANY,
d/b/a AmerenUE

SMITH LEWIS, LLP

/s/Thomas M. Byrne
Thomas M. Byrne, #33340
Managing Associate General Counsel
1901 Chouteau Avenue, MC-1310
P.O. Box 66149, MC-131
St. Louis, MO 63101-6149
(314) 554-2514 (Telephone)
(314) 554-4014 (Facsimile)
AmerenUEService@ameren.com

Attorneys for AmerenUE

/s/ James B. Lowery
James B. Lowery, #40503
111 South Ninth Street, Suite 200
P.O. Box 918
Columbia, MO 65205-0918
(573) 443-3141
(573) 442-6686 (Facsimile)
lowery@smithlewis.com

CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the foregoing document was sent by electronic mail, on September 1, 2010, to the following:

Nathan Williams
Office of the Staff Counsel
Governor Office Building, 8th Floor
Jefferson City, Mo 65101
nathan.williams@psc.mo.gov

Donna D. Hawley
2602 Brook Dr.
Rolla, MO 64501
hawleyd@fidnet.com

Lewis Mills
Office of the Public Counsel
Governor Office Building, 6th Floor
Jefferson City, MO 65101
lewis.mills@ded.mo.gov

Dean L. Cooper
Brydon, Swearngen & England P.C.
P.O. Box 456
Jefferson City, MO 65102
dcooper@brydonlaw.com

/s/ James B. Lowery