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January 20, 1987

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Harvey G. Hubbs, Secretary Public Service Commission P. O. Box 360 Jefferson City, MO 65102

Re: Generic Tax Investigation - Docket #AO-87-48

Dear Mr. Hubbs:

I enclose herewith for filing the original and fourteen copies of the Application for Intervention in the above proceeding and would appreciate your bringing this filing to the attention of the Commission.

Very truly yours,

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Alphonse McMahon

AM/lh

Enclosures

cc: All parties of record (w/encl.)



BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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In the matter of the investigation of the revenue effects upon Missouri utilities of the Tax Reform Act of 1986.

Docket No. A0-87-48

APPLICATION FOR INTERVENTION

Come now American-National Can Company, Continental Cement Corporation, Dundee Cement Company, Emerson Electric Company, Ford Motor Company, Mallinckrodt, Inc., McDonnell Douglas Corporation, Missouri Portland Cement Company, Nooter Corporation, Noranda Aluminum, Inc., Pea Ridge Iron Ore Company, Procter & Gamble Manufacturing Company, and River Cement Company by their attorneys and, pursuant to Commission Rule 4 CSR 240-2.110, request leave to intervene in this proceeding. In support of said Application and as grounds therefor, Applicants state as follows:

1. Each Applicant herein owns and operates one or more large industrial plants within the state of Missouri and by reason thereof is a substantial purchaser of electric energy or natural gas, or both, from one or more Missouri utilities.

2. The purpose of this proceeding, which applicants support, is to determine the impact of the recently enacted Tax Reform Act of 1986 on Missouri utilities. A preliminary review of the Act indicates that its implementation may result in a change in revenue requirements for some or

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all of these utilities. A change in revenue requirement of necessity involves rate design issues. These changes can affect the cost of utility service of Applicants and may be discriminatory. Therefore, Applicants have a direct interest in this proceeding.

3. It is the position of Applicants that appropriate procedures should be initiated so that any reduction in revenue requirement of the utilities as determined by this Commission herein or in any related proceeding be promptly reflected in reduced rates which reflect an appropriate rate design.

4. Applicants have available to them adequate resources and professional experts, experienced and knowledgeable with respect to the issues before the Commission in this case, and will actively participate in the proceedings herein, to the end that the Commission will have a more complete and comprehensive record in this case, which is in the public interest.

5. This case was initiated pursuant to the Commission's Order of November 3, 1986. The Commission has set neither a hearing date nor a date for intervention, so this Application is timely.

WHEREFORE, having stated grounds for intervention, the position and interest of these Applicants in the

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proceeding, Applicants ask that the Public Service Commission of the State of Missouri:

(a) grant the Applicants leave to intervene in this proceeding and to be heard with respect to this Application; and,

(b) grant the within Application and thereby entitle Applicants to have notice of and to appear at the taking of testimony, to produce and cross-examine witnesses, and to be heard in person or by counsel on the argument, and in all other respects to be made a party to these proceedings.

DATED at St. Louis, Missouri, this <u>204</u> day of January, 1987.

PEPER, MARTIN, JENSEN, MAICHEL and HETLAGE

By: Robert C.' Johns 5755

Alphonse McMahon #32870 720 Olive Street, 24th Floor St. Louis, MO 63101 (314) 421-3850

Attorneys for Applicants

STATE OF MISSOURI)) SS. CITY OF ST. LOUIS)

Robert C. Johnson, being first duly sworn, on his oath and in his capacity as counsel for the within Applicants for Intervention, states that he is authorized to make this affidavit, that he has knowledge of the matters stated in this Application for Intervention, and that said matters are true to the best of his knowledge, information, and belief.

Subscribed and sworn to before me this $\frac{1}{2}$ day of January, 1987.

ngenecktt Notary Public LISA O. LANGER DAT NOTARY PL C. SECHARD T

MY COMMENCE THE EXPRESSION OF THE

CERTIFICATE OF SERVICE

I hereby certify that the foregoing Application for Intervention has been duly served upon the Staff of the Missouri Public Service Commission, the Office of Public Counsel, and the individuals on the service list of the Commission's January 9, 1987 Order, by mailing by first class mail, to each such party, a copy thereof, in properly addressed envelopes, with charges prepaid, on this <u>20th</u> day of January, 1987.

Ulphonse Mc Mahon

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