

would pay UE a one-time contribution equal to the additional costs for installing the facility, and also a one-time contribution equal to 90 percent of such total additional costs for the present value of the UE's projected operations, maintenance and subsequent replacement cost of such facility.

MasterCard has proposed to provide UE a one-year revenue guarantee in the amount of \$1,750,000 for the second service connection conditioned upon the Commission's approval of the waiver. UE states in its application that amount of revenue guarantee covers UE's total expenditures for the second service connection and subsequent replacement costs. Because UE's costs will be covered under the agreement, and because of MasterCard's need, UE states that Section III.Q. should be waived.

UE attached a copy of the executed revenue guarantee agreement between UE and MasterCard to its application. UE further stated that no other public utility would be affected and that granting the variance will harm neither UE nor any other customer or entity.

On February 14, 2000, a Stipulation and Agreement (Agreement) executed by UE, the Commission's Staff and the Office of the Public Counsel was filed in this case. The parties recommend that the Commission approve and grant the requested variance subject to the conditions presented in the Agreement. The Agreement is attached and incorporated by reference to this order as Attachment 1.

The parties agreed to waive various due process rights, including hearing, in the event that the Commission accepts and approves the

Agreement and grants the requested waiver subject to the conditions presented in the Agreement.

On March 15, 2000, Staff filed its Suggestions in Support of the Stipulation and Agreement recommending that the Commission approve the Agreement and grant UE the variance it has requested, subject to the terms of the Agreement. The Staff's Suggestions in Support provide detailed descriptions of the facts supporting the variance and provide information concerning the Staff's review and basis for supporting the Agreement. Staff states that one-year revenue guarantee will more than cover the Company's total expenditures for both service connections. Staff recommended that the Commission issue an order granting the waiver subject to the terms of the Agreement.

The requirement for a hearing is met when the opportunity for hearing has been provided and no proper party has requested the opportunity to present evidence. State ex rel. Rex Deffenderfer Enterprises, Inc. v. Public Service Commission, 776 S.W.2d 494, 496 (Mo. App. 1989). Since no one has requested a hearing in this case, the Commission may grant the relief requested based on the verified application.

The Commission has reviewed the application and Staff's recommendation and finds that the proposed variance will have no adverse impact on Missouri customers or other public utilities. The Commission finds that the Agreement is not detrimental to the public interest and should be approved.

IT IS THEREFORE ORDERED:

1. That the Stipulation and Agreement between Union Electric Company, doing business as AmerenUE, the Commission's Staff and the Office of the Public Counsel, incorporated to this order as Attachment 1, is approved.

2. That the application by Union Electric Company, doing business as AmerenUE, for approval of a waiver of a tariff provision as described in its application is approved, subject to the conditions stated in the Stipulation and Agreement attached and incorporated as Attachment 1 to this order.

3. That the Commission reserves the right to consider the ratemaking or other treatment to be afforded the transaction herein approved, and the resulting cost of capital, in any later proceeding.

4. That this order shall become effective on April 4, 2000.

5. That this case may be closed on April 5, 2000.

BY THE COMMISSION



Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

(S E A L)

Lumpe, Ch., Crumpton, Drainer,
Murray, and Schemenauer, CC., concur.

Thornburg, Regulatory Law Judge