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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 and the City of)
 Kennett for an Order Authorizing the Sale,)
 Transfer, and Assignment of Certain Electric)
 Distribution Facilities and Other Rights)
 Generally Constituting AmerenUE's Electric)
 Utility Business Within and Near the City of)
 Kennett, Approving a Territorial Agreement, and)
 Authorizing the City of Kennett to Provide)
 Electrical Service to One Customer Outside Its)
 Municipal Limits.)

Case No. EM-99-106

ORDER AND NOTICE

On September 14, 1998, Union Electric Company d/b/a AmerenUE (AmerenUE) and the City of Kennett, Missouri (City), hereinafter referred to as Applicants, pursuant to Sections 394.312 and 416.041.3, RSMo 1994, filed a Joint Application requesting that the Commission: 1) authorize the sale, transfer, and assignment of certain electric distribution facilities, easements, and other rights within and near the City; 2) approve a territorial agreement between AmerenUE and City; and 3) authorize the City to provide electrical service to one customer outside its municipal limits.

The Applicants state in the Joint Application that AmerenUE is seeking authority to sell its facilities located generally within the city limits of Kennett, Missouri. In addition the Applicants have agreed that the City should serve one structure located outside the city limits at 1024 Starnes. Applicants have set out the terms of their agreement in a document entitled Contract for Purchase and Sale of Distribution Facilities (Agreement), which is marked as Attachment 1 and attached to

the Joint Application. The Agreement contains Exhibits A and B which describe the assets to be included in and excluded from the sale. The Agreement has Exhibit C attached that lists by customer name and address the specific structures to be transferred to the City. The Agreement also contains a section entitled Territorial Agreement and Exhibit D, which gives the legal description of the structure which AmerenUE and the City have agreed will be served by the City even though it is located outside the city limits.

In addition, the application states that a tax impact statement is included as Attachment 3. However, Attachment 3 states that the tax impact statement will be "late-filed." The Commission's rules at 4 CSR 240-2.060(5)(G) require such a tax statement to be provided with any application for authority to sell or transfer assets. Therefore, the Commission determines AmerenUE shall be required to promptly provide this statement.

The Commission determines that notice of the application should be sent to interested persons, an intervention date set and an expedited procedural schedule established, as the Commission must rule on the Application no later than January 12, 1999, unless otherwise ordered by the Commission for good cause shown.

The Applicants, Staff, and the Office of the Public Counsel shall file a proposed procedural schedule no later than October 26, 1998. The proposed procedural schedule should provide for the hearing to occur no later than November 30, 1998.

The Commission determines that notice of this Application should be given by the Commission's Records Department sending a copy of this

order to the County Commission of Dunklin County, Missouri. The Commission further determines that the Information Officer of the Commission should provide notice to the members of the General Assembly representing the Applicants' service areas and to the newspapers which serve Applicants' service areas as listed in the newspaper directory of the current Official Manual of the State of Missouri. The Applicants shall send notice of this application to any customer(s) whose supplier will be changed by the Agreement as listed in Exhibit C of Attachment 1.

Proper persons wishing to intervene shall file an application to intervene no later than the date specified below with:

Dale Hardy Roberts, Secretary
Missouri Public Service Commission
Post Office Box 360
Jefferson City, Missouri 65102

and a copy of the application to intervene shall be sent to the applicant's attorneys:

William B. Bobnar
Union Electric Company d/b/a AmerenUE
One Ameren Plaza
1901 Chouteau Avenue
Post Office Box 66149 (MC 1310)
St. Louis, Missouri 63166-6149

Terry M. McVey
Crow, Reynolds, Shetley & McVey, LLP
Commerce Bank Building
Post Office Box 189
Kennett, Missouri 63857-0189

and to

Office of the Public Counsel
Post Office Box 7800
Jefferson City, Missouri 65102

IT IS THEREFORE ORDERED:

1. That Union Electric Company d/b/a AmerenUE shall provide a statement showing the impact of the sale on the tax revenues of any political subdivision in which any of its structures, facilities, or equipment are located, no later than October 5, 1998.

2. That the Records Department and Information Officer of the Missouri Public Service Commission shall send notice as set forth in this order.

3. That Union Electric Company d/b/a AmerenUE and the City of Kennett, Missouri, shall send notice as set forth in this order.

4. That any interested person wishing to intervene in this case shall file an application to intervene with the Commission's Executive Secretary, Post Office Box 360, Jefferson City, Missouri 65102, on or before October 15, 1998, and serve a copy on the representatives of Union Electric Company d/b/a AmerenUE, the City of Kennett, Missouri, and the Office of the Public Counsel as listed in this order.

5. That the Applicants, Staff and Public Counsel shall file a proposed procedural schedule on or before October 26, 1998.

6. That this order shall become effective on September 25, 1998.

BY THE COMMISSION

A handwritten signature in black ink that reads "Dale H. Roberts". The signature is written in a cursive style with a large initial "D".

Dale H. Roberts
Secretary/Chief Regulatory Law Judge

(S E A L)

Nancy Dippell, Regulatory Law
Judge, by delegation of authority
Pursuant to 4 CSR 240-2.120(1)
(November 30, 1995) and
Section 386.240, RSMo 1994.

Dated at Jefferson City, Missouri,
on this 25th day of September, 1998.

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COMMISSION COUNSEL
PUBLIC SERVICE COMMISSION