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State of Missouri

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January 4, 2002

Mr. Dale H. Roberts
Secretary/Chief Regulatory Law Judge
Public Service Commission
P. O. Box 360
Jefferson City, MO 65102

FILED²
JAN 04 2002
Missouri Public
Service Commission

RE: Case No. EO-2002-178

Dear Mr. Roberts:

Enclosed for filing in the above-referenced case please find the original and eight copies of **PUBLIC COUNSEL'S STATEMENT OF POSITIONS**. Please "file" stamp the extra-enclosed copy and return it to this office.

A copy of this pleading has also been hand delivered to each Public Service Commissioner.

Thank you for your attention to this matter.

Sincerely,

John B. Coffman
Acting Public Counsel

JBC:jb

cc: Counsel of Record

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

FILED²
JAN 04 2002
Missouri Public
Service Commission

In the Matter of the Joint Application of)
Union Electric Company and Gascosage)
Electric cooperative for an Order)
Approving a Change in Electric Service)
Supplier for Certain Union Electric)
Company Customers for Reasons in the)
Public Interest; Authorizing the Sale,)
Transfer, and Assignment of Certain)
Electric Distribution Facilities,)
Substations, and Easements from Union)
Electric Cooperative; and Approving the)
First Amendment to the Union Electric)
Company and Gascosage Electric)
Cooperative Territorial Agreement.)

Case No. EO-2002-178

PUBLIC COUNSEL'S STATEMENT OF POSITIONS

Comes Now the Office of the Public Counsel (Public Counsel) and for its Statement of Positions states as follows:

Issue A: Is the change in electrical supplier for approximately 1200 structures in and around the Cities of Brumley and Ulman from Company to Cooperative pursuant to Section 393.106 RSMo 2000 in the public interest for reasons other than a rate differential?

Public Counsel's Position: Public Counsel neither supports nor opposes the proposed switching of electric supplier for these customers. This position is based upon a careful analysis and weighing of a variety of public interest concerns. It appears that electric reliability and service may improve for some customers. The specific economic impact upon each customer

will vary. Some customers will experience a benefit, while others will experience a detriment. The Commission should base its decision upon all relevant information.

Issue B: Is the sale, transfer, and assignment of certain substations and electric distribution facilities, easements, and other rights generally constituting Company's electric utility business associated with said approximately 1200 structures pursuant to Section 393.100 RSMo 2000 not detrimental to the public interest?

Public Counsel's Position: Insofar as the sale of certain electric distribution facilities will eliminate duplication, service quality and reliability should improve. Therefore, the sale does not appear to be detrimental to the public interest.

Issue C: Pursuant to Section 394.312 RSMo 2000, is approval of the Applicant's First Amendment to the existing Territorial Agreement in total not detrimental to the public interest?

Public Counsel's Position: Public Counsel neither supports nor opposes the Applicant's First Amendment to existing Territorial Agreement. This position is based upon a careful analysis and weighing of a variety of public interest concerns. It appears that electric reliability and service may improve for some customers. The specific economic impact upon each customer will vary. Some customers will experience a benefit, while others will experience a detriment. The Commission should base its decision upon all relevant information.

Issue D: Should the Commission in any Order approving the Agreement order that none of the Parties in this case shall be deemed to have approved or acquiesced in any rate-making principle or any method of cost determination or cost allocation underlying or allegedly underlying the Stipulation and Agreement, except as the Commission finds that the Territorial Agreement is in the public interest?

Public Counsel's Position:

If the Commission issues an Order approving the Agreement, then at a minimum, the Commission should clarify that no parties to this case shall be deemed to have approved or acquiesced in any rate-making principle or any method of cost determination or cost allocation. This is not a rate case and the Commission should reserve any decisions regarding AmerenUE's revenue requirement to a rate case (either a file and suspend rate case or an earnings complaint case).

Furthermore, Public Counsel reserves the right to take whatever position it deems appropriate in briefs based upon the record made at the evidentiary hearing.

Respectfully submitted,

OFFICE OF THE Public Counsel

By:

 (#36591)

John B. Coffman

Acting Public Counsel

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed or hand-delivered to the following this 4th day of January 2002:

WILLIAM B BOPBNAR

Union Electric Company
1901 Chouteau Avenue
PO Box 66149 (MC 1310)
St Louis MO 63166-6149

ROBERT V FRANSON

Missouri Public Service Commission
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VICTOR S SCOTT

Andereck/Evans/Milne Peace & Johnson LLC
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JAN BOND

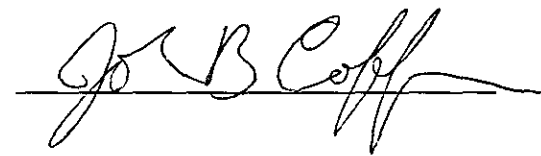
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THREE RIVERS ELECTRIC COOPERATIVE

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A handwritten signature in cursive script, appearing to read "J B Coffey", is written over a horizontal line.