

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the matter of the application of Union Electric)
Company for a certificate of convenience and)
necessity authorizing it to construct, operate and)
maintain an electrical system for the supplying of) Case No. EA-91-347
electrical service to the public in the City of)
Clarksville and to exercise the rights and)
privileges under the electric franchise heretofore)
granted to the Company by the City of Clarksville.)

APPEARANCES: Michael F. Barnes, Attorney at Law, Union Electric Company,
P.O. Box 149, St. Louis, Missouri 63166, for Union Electric
Company.

Office of Public Counsel, P.O. Box 7800, Jefferson City,
Missouri 65102, for Office of the Public Counsel and the
Public.

HEARING

EXAMINER: Michael F. Pfaff

REPORT AND ORDER

Procedural History

On May 3, 1991, Union Electric Company (Applicant or UE) filed its verified application pursuant to Section 393.170, RSMo 1986, for a certificate of public convenience and necessity authorizing UE to construct, maintain and operate an electrical distribution system in the City of Clarksville, Missouri (City). UE also seeks authority to exercise certain rights and privileges under a voter-ratified franchise agreement between City and UE.

On May 22, 1991, the Commission gave notice of UE's application and set July 9, 1991, as the intervention deadline. None sought to intervene or requested a hearing. As a result, this matter comes to the Commission by the verified petition and exhibits filed herein.

Findings of Fact

Having considered all the competent and substantial evidence upon the whole record, the Missouri Public Service Commission makes the following findings of fact.

Applicant is a Missouri Corporation in good standing and has for many years been a certificated public utility. UE maintains its principal corporate office at 1901 Chouteau, St. Louis, Missouri. In Commission Cases EA-87-159 and EA-87-102, Applicant received certificates to serve parts of Pike County, Missouri, not including the City of Clarksville.

City has been a wholesale electric customer of Applicant for many years; on February 5, 1991, City voters approved Ordinance No. 636, thereby authorizing the sale of City's electrical distribution facilities to UE. On December 3, 1990, City's Mayor and Board of Aldermen approved Ordinance No. 633, which granted to UE a 25 year electric franchise in the City. UE filed its formal acceptance of the terms and conditions of said franchise with City officials on March 22, 1991.

Applicant states that it, the City, and the citizens of Clarksville will benefit by the proposed transfer of City's system for the following reasons: (a) UE will upgrade the City's electrical distribution system, (b) City's residential and commercial electrical consumers, by paying UE's currently tariffed rates, will realize a reduction in their electric bills, and (c) UE will realize additional electrical revenues by adding approximately 340 retail customers to its system.

On September 19, 1991, the Commission Staff (Staff) filed its recommendation that the Commission approve UE's application on the condition that Applicant be required to record on its books the original cost and accumulated reserve for depreciation for City's distribution system as stated and contained in City's audit report for the period ending December 31, 1990.

Having reviewed Staff's recommendation and Applicant's verified statements and exhibits, the Commission finds that Applicant has obtained the consent required by Section 393.170 of the City of Clarksville and its voters. The Commission also finds that UE's exercise of the franchise granted by City, including any construction in connection therewith, is necessary or convenient for the public service. The Commission also determines that said upgrade of City's distribution system is in the public interest. As a condition to its approval, the Commission also finds that UE shall record on its books and records the original cost and accumulated reserve for depreciation in City's electrical distribution system as stated in City's audit report of December 31, 1990.

Conclusions of Law

The Missouri Public Service Commission has arrived at the following conclusions:

The Commission has jurisdiction over this application pursuant to Section 393.170, RSMo 1986.

The Commission has concluded that a hearing is not necessary in this case in that all who have an interest in this matter have been advised of its pendency and been afforded an opportunity to be heard. When all those having an interest are given an opportunity to be heard, as here, the requirements of a hearing have been met. *State ex rel. Deffenderfer Enterprises, Inc. v. PSC*, 776 S.W.2d 494, 496 (Mo. App. 1989). As a result, the evidence before the Commission by affidavit suffices, under Section 536.070(12) RSMo 1986, to support the grant of authority herein contained.

IT IS THEREFORE ORDERED:

1. That Union Electric Company is hereby granted a certificate of public convenience and necessity to construct, operate and maintain an electric power system for the public within the City of Clarksville, Missouri,

as described in Appendix A, attached hereto and made a part of this Report and Order by reference.

2. That Union Electric Company shall record its interest in said electrical power system as provided by this Report and Order.

3. That Union Electric Company shall file, within 30 days of the effective date of this Report and Order, tariffs or modifications thereto which reflect those additions to its system herein described.

3. That this Report and Order shall become effective on October 11, 1991.

BY THE COMMISSION

Brent Stewart

Brent Stewart
Executive Secretary

(S E A L)

Mueller, Rauch,
McClure and Perkins, CC.,
Concur.
Steinmeier, Chm.,
Absent.

Dated at Jefferson City, Missouri,
on this 1st day of October, 1991.

CITY OF CLARKSVILLE PROPERTY DESCRIPTION

All of a tract of land, beginning at a point which is on the Eastern shore of the Mississippi River and the northern most corner of a tract of land belonging to Russell G. Tayon and Lurine F. Tayon as recorded in Book 270 Page 517 Deed Records of Pike County, Missouri; thence south westerly approximately 117 ft. along the Northwest boundary of this property, thence South approximately 1,000 feet to a point on a line which halves North and South Section 16 of T. 53 N. R. 1 E.; thence West along this line approximately 60 feet to the eastern edge of Highway 79 R.O.W., thence South approximately 1,927 feet along the Eastern edge of Highway 79 R.O.W. to a point on the Northern boundary of U.S. Survey 1758; thence West along the Northern boundary of U.S. Survey 1758; thence West along the Northern boundary of U.S. Survey 1709 approximately 670 feet; thence 60 feet in a North Northwest direction to the Southwest corner of a tract of land belonging to the City of Clarksville as recorded in Book 298 Page 583 Deed Records in Pike County, Missouri; thence 525.91 feet North 22 degrees 37' 59" West; thence 617.54 feet North 27 degrees 16' 15" West; thence 61.62 feet North 34 degrees 31' 42" West; thence 441.20 feet North 60 degrees 57' 12" West; thence 228.81 feet North 75 degrees 04' 14" West to the Eastern boundary of Pike County Highway W right of way; thence West across Pike County Highway W 60 feet to a point on it's Western right of way boundary, thence North approximately 565.5 feet along the Western Pike County Highway W right of way; thence West approximately 481 feet to the Northeast corner of Lot 25 of Valley View Estates as recorded in Book 4 Page 56 Deed Records of Pike County; thence West approximately 43 feet along the Northern boundary of Lot 25 of Valley View Estates; thence North approximately 448.75 feet to a point on the South side of Kentucky Street; thence West along the South side of Kentucky Street approximately 2047.5 feet to a point on the Western boundary of Section 16 of Township 53 North and Range 1 East; thence North approximately 2358 feet along the Western boundary of Section 16 of Township 53 North, Range 1 East to a point which is the Southwest corner of Section 9 of Township 53 North and Range 1 East; thence North along the Western boundary of Section 9 of Township 53 North and Range 1 East approximately 1630 feet to a point which is on the Eastern shore of the Mississippi River; thence South along the Eastern shore of the Mississippi River to the Point of Beginning.

