STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 3rd day of October, 1989.

In Re Union Electric Company's request for a waiver)
of underground charges, street light charges and)
meter base charges at the Harbors of Timber Lakes,)
St. Charles County, Missouri.)

Case No. E0-90-43

ORDER GRANTING WAIVER

On August 24, 1989, Union Electric Company (UE) filed an application requesting the Commission authorize UE to waive underground charges, street light installation charges and meter base charges for a development near Cottleville, Missouri. The development is in an unincorporated area of St. Charles County and will be a total electric subdivision. UE states that the area can also be served by Cuivre River Electric Cooperative (Cuivre River) and Cuivre River does not charge for underground facilities, street lights or meter bases. The total amount of charges to be waived is \$205,000 and UE states this revenue could be recovered in two years after the completion of the subdivision.

On September 19, 1989, Commission Staff filed a recommendation concerning the proposed waiver. Staff has verified the total amount of charges to be waived and has verified the existence of Cuivre River facilities which could serve the area. Staff states that the subdivision will provide sufficient revenue to recover the waived charges. Staff recommended granting of the waiver but recommended that UE be required to amend its tariff to allow for the waiver of tariff provisions. Staff recommends the amendment to the tariff be made before any other waivers of tariff provisions are granted.

The Commission has reviewed this matter and has determined that it will grant the waiver of tariff charges as requested. The Commission believes that

regulated utilities should have some flexibility when necessary to meet unregulated competition. The Commission also will adopt Staff's recommendation and require UE to file an amendment to its tariff which states that the charges may be waived by order of the Commission for good cause shown upon written notice by the company.

It is, therefore,

ORDERED: 1. That the waiver of tariff charges proposed in this application is hereby granted.

ORDERED: 2. That Union Electric Company shall file amended tariffs which provide that charges may be waived by order of the Commission for good cause shown upon written notice to the Commission.

ORDERED: 3. That the tariff provision ordered in Ordered 2 shall be filed on or before November 1, 1989.

ORDERED: 4. That this order shall become effective on the date hereof.

BY THE COMMISSION

Harvey G. Hubbs

Secretary

(SEAL)

Steinmeier, Chm., Mueller, Fischer and Rauch, CC., Concur.