

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the matter of Union Electric)
Company's tariff sheets regarding)
proposed changes in its special)
facilities rate and refundable)
deposits.)

Case No. ET-92-168

APPEARANCES: James J. Cook, Associate General Counsel, P.O. Box 149,
St. Louis, Missouri 63166

Randy Bakewell, Assistant Public Counsel, P.O. Box 7800,
Jefferson City, Missouri 65102

Michaelene A. Knudsen, Assistant General Counsel, P.O. Box 360,
Jefferson City, Missouri 65102

HEARING

EXAMINER: Janet L. Sievert

REPORT AND ORDER

Procedural History

On December 23, 1991, Union Electric Company (UE) submitted proposed tariff sheets designed to change the method in which it returns deposits made by developers who request underground service and the method in which it charges customers who request special facilities. On January 17, 1992, the Commission issued an order suspending the tariffs for one hundred twenty (120) days. On March 6, 1992, the Commission issued an order establishing a procedural schedule. On April 8, 1992, the Commission further suspended the tariffs for six (6) months. On June 15, 1992, the parties filed an unanimous Stipulation and Agreement resolving all issues in this proceeding. On June 30, 1992, the parties presented the Stipulation and Agreement to the Commission for approval.

Findings of Fact

The Missouri Public Service Commission, having considered the competent and substantial evidence on the whole record, makes the following findings of fact.

UE is a public utility which provides electric service in Missouri. In this case, UE sought Commission approval to change its tariffs concerning the method in which it returns deposits made by developers who request underground service and the method in which it charges customers who request special facilities. As a result of the negotiations, the parties recommend that the Commission approve the proposed tariff concerning special facilities. The parties indicated that, due to the negotiations, the tariff concerning the return of deposits made by developers who request underground service has been withdrawn by UE.

At the hearing held June 30, 1992, the parties submitted the Stipulation and Agreement in proposed settlement of all issues to the Commission. At that time, the Commission questioned the parties concerning the manner in which customers who have special facilities are currently billed and how the proposed changes will affect those customers. The parties asserted that the new tariff will only affect new customers requesting special facilities and those customers currently receiving service under this tariff will continue to be billed in the manner in which they are presently being billed.

Upon consideration of the Stipulation and Agreement and evidence presented at the hearing, the Commission is of the opinion that it is reasonable and proper and should be accepted in disposition of all issues. The Commission finds that the proposed tariff provided for in the Stipulation and Agreement, attached hereto as Appendix 1, is just and reasonable and should be adopted.

Conclusions of Law

The Missouri Public Service Commission has arrived at the following conclusions of law.

UE is a public utility subject to the jurisdiction of this Commission pursuant to Chapters 386 and 393, RSMo 1990. The tariffs which were the subject matter at this proceeding were suspended pursuant to the authority vested in this Commission in Section 393.150, RSMo 1990. The burden of proof to show that the proposed rates are just and reasonable shall be upon the company. The Commission, after notice and hearing, may order a change in any rate, charge or practice including rate design and it may determine and prescribe a lawful rate, charge or practice hereafter to be observed. For ratemaking and rate design purposes, the Commission may accept a settlement on any contested matter submitted by the parties. The Commission is of the opinion that when the matters of agreement between parties appear to be reasonable and proper, they should be accepted. The Commission concludes the proposed tariff provided for in the Stipulation and Agreement is just and reasonable and should be adopted. The Commission further determines that UE should file tariffs conforming to the terms of the Stipulation and Agreement.

IT IS THEREFORE ORDERED:

1. That the Stipulation and Agreement entered into by the parties to this case be, and is hereby, adopted in disposition of all issues.
2. That pursuant to the findings and conclusions in this Report and Order, the proposed tariffs filed on December 23, 1991, by Union Electric Company, in this case are disapproved hereby and Union Electric Company is authorized to file in lieu thereof, for the approval of this Commission, tariffs conforming to the terms of the Stipulation and Agreement for service on and after July 23, 1992.

3. That this order shall become effective on July 23, 1992.

BY THE COMMISSION

Brent Stewart

Brent Stewart
Executive Secretary

(S E A L)

McClure, Chm., Rauch, Perkins
and Kincheloe, CC., Concur.
Mueller, C., Absent.

Dated at Jefferson City, Missouri,
on this 17th day of July, 1992.

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STIPULATION AND AGREEMENT

Come now the Staff of the Missouri Public Service Commission (Staff), the Office of Public Counsel (Public Counsel) and Union Electric Company (UE) (collectively referred to hereafter as the "parties") and state to the Commission that as a result of the prehearing conference and subsequent discussions regarding this proceeding, the parties hereby agree and stipulate as follows:

1. UE shall be authorized to file revised tariff sheets regarding its special facilities provisions identical to those contained in Attachment I to this Stipulation and Agreement to become effective for service rendered on or after July 23, 1992.

2. UE agrees to withdraw the tariff sheets submitted on December 23, 1991, which proposed changes in the returns of deposits made by developers requesting underground and overhead line extension service.

3. The direct and rebuttal testimony, schedules, and exhibits prefiled by the Staff and UE shall be received into evidence without the necessity of their witnesses taking the stand.

4. None of the parties to this Stipulation and Agreement shall be deemed to have approved or acquiesced in any ratemaking principle or any method of cost determination or cost allocation underlying or allegedly underlying the Stipulation and Agreement.

5. This Stipulation and Agreement has resulted from extensive negotiations among the parties and the terms hereof are interdependent. In the event the Commission does not approve and adopt this Stipulation and Agreement in total, or in the event the revised tariff sheets do not become effective in accordance with the provisions contained herein, this Stipulation and Agreement shall be void and no party shall be bound by any of the agreements or provisions hereof. Furthermore, none of the parties to this Stipulation and Agreement shall be bound or prejudiced by this Stipulation and Agreement in any other proceeding.


6. In the event the Commission accepts the specific terms of this Stipulation and Agreement, the parties waive their respective rights to cross-examine witnesses, and to present oral argument and written briefs pursuant to Section 536.080.1 RSMo 1986; their respective rights to the reading of the transcript by the Commission pursuant to Section 536.080.2 RSMo 1986; and their respective rights to judicial review pursuant to Section 383.510 RSMo 1986.

7. The Staff shall have the right to submit to the Commission an explanation of its rationale for entering into this Stipulation and Agreement, and to provide the Commission with whatever further explanation the Commission requests. The Staff's memorandum shall not bind or prejudice the Staff in any future proceeding. In the event the Commission does not approve this Stipulation and Agreement, the Staff's memorandum shall not bind or prejudice the Staff in this proceeding. Any rationales advanced by

the Staff in such memorandum are its own and not acquiesced in or otherwise adopted by the other parties.

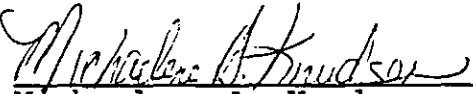
8. The hearing originally set for the purpose of cross-examination or the presentation of the Stipulation and Agreement is currently scheduled for June 22, 1992. The parties suggest that consideration and approval by the Commission of this Stipulation and Agreement does not necessitate a hearing. However, should the Commission request a hearing for the presentation of this Stipulation and Agreement, the parties respectfully request that the hearing be postponed as counsel for UE has had a conflicting court appearance arise since the scheduling of the hearing herein. The parties suggest June 30, 1992, as an alternative date for presentation of the Stipulation and Agreement if requested.

WHEREFORE, the Staff, Public Counsel, and UE respectfully request that the Commission issue its Order approving this Stipulation and Agreement, and directing UE to file tariffs conforming to the terms hereof.


Randy Bakewell
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314-751-5559

OFFICE OF THE PUBLIC COUNSEL

Respectfully submitted,


Michaelene A. Knudsen
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Missouri Public Service
Commission
P.O. Box 360
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314-751-7434

STAFF OF THE MISSOURI
PUBLIC SERVICE COMMISSION

James J. Cook by JIAK
James J. Cook
Associate General Counsel
1901 Chouteau Ave.
P.O. Box 149
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314-554-2237

UNION ELECTRIC COMPANY

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed or hand-delivered to all counsel of record as shown on the attached service list this 15th day of June, 1992.

Michael A. Kender

GENERAL RULES AND REGULATIONSIII. DISTRIBUTION SYSTEM EXTENSIONS*2. Payments by Customer

Where Company agrees to supply distribution facilities under the provisions of this paragraph Q in lieu of other alternatives available to customer, customer shall pay to Company a one-time contribution equal to the total additional costs incurred by Company in supplying such facilities. Customer shall also pay to Company an additional one-time contribution equal to ninety percent of such total additional costs for the present value of the Company's projected operations, maintenance and subsequent replacement cost of such facilities, which shall be continuously owned and maintained by Company. All charges payable to Company shall be non-refundable and due in advance of construction. Such payments by customer shall be in addition to any payments required for electric facilities provided under the Company's standard line extension rules or other tariff charges.

*3. Supply and Billing Standards

Company will designate the point of delivery of electric service relative to the installation of any additional facilities provided to customer hereunder and the service supplied through such facilities installed on and after May 5, 1990 will not be cumulated or otherwise combined, for billing purposes, with any other service supplied to customer. When total or partial replacement of any special facility installation is required, such revision will be made by Company at no cost to customer. Any enlargement of such previously installed facilities requested by customer shall be made in accordance with Company's standard line extension rules. Following any such replacement, or enlargement, all separately installed special facility connections shall be billed as provided herein without application of monthly special facility charges, and maintained by Company in the same manner as Company's standard line extension facilities serving other customers.

*4. Installations Prior to November 2, 1983

Customers utilizing facilities installed hereunder prior to November 2, 1983 had the option of paying Company for such facilities a) as a one-time contribution of the total installed cost of such facilities, or b) at the monthly rate of 2.00% of such total installed cost. These options are limited to those customers

*Indicates Change

P.S.C. Mo. DATE OF ISSUE _____

DATE EFFECTIVE _____

ILL. C.C. DATE OF ISSUE _____

DATE EFFECTIVE _____

IA. ST. C. C. DATE OF ISSUE _____

DATE EFFECTIVE _____

ISSUED BY William E. Cornelius
NAME OF OFFICERChairman
TITLESt. Louis, Missouri
ADDRESS

Attachment 1

GENERAL RULES AND REGULATIONS
III. DISTRIBUTION SYSTEM EXTENSIONS

currently utilizing existing special facilities installed prior to November 2, 1983. The present charges and form of billing applicable to all special facility connections referred to herein shall continue until any total or partial replacement or enlargement of such facility is required. Thereafter, such revisions will be made by Company and the subsequent metering and billing of all service provided over such newly installed facilities standardized, as provided in paragraph Q.3. herein.

*5. Installations Between November 2, 1983 and (Effective Date)

Customers utilizing facilities installed hereunder between November 2, 1983 and May 5, 1990, had the option of paying Company a one-time contribution of the total installed cost of such facilities, plus a monthly charge of 0.75% of the installed cost of such facilities for the operation, maintenance and subsequent replacement of such facilities. For installations between May 5, 1990, and (effective date of new tariff) customers paid Company a one-time contribution of the total installed cost of such facilities, with the application of the latter 0.75% monthly charge limited to those installations costing in excess of \$10,000. The present charges and form of billing applicable to all special facility connections referred to herein shall continue until any total or partial replacement or enlargement of such facility is required. Thereafter, such revisions will be made by Company and the subsequent metering and billing of all service provided over such newly installed facilities standardized, as provided in paragraph Q.3. herein.

R. Unregulated Competition

Where the Company competes for business with unregulated competition, the Company may waive all or part of any changes associated with extensions of service and/or construction deposits, provided for in Union Electric Company Schedule No. 5 - Schedule of Rates for Electricity, and any additional non-tariff charges, required in order to effectively compete with offers made to developers and/or customers by unregulated competition after notifying the Missouri Public Service Commission and receiving an Order granting the waiver for good cause shown.

*Indicates Addition

P.S.C. Mo. DATE OF ISSUE _____

DATE EFFECTIVE _____

ILL. C.C. DATE OF ISSUE _____

DATE EFFECTIVE _____

IA. ST. C. C. DATE OF ISSUE _____

DATE EFFECTIVE _____

ISSUED BY William E. Cornelius
NAME OF OFFICER

Chairman
TITLE

St. Louis, Missouri
ADDRESS
Attachment 1

ET-92-168

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