

Commissioners

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Missouri Public Service Commission

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January 29, 2002

ROBERT J. QUINN, JR. Executive Director

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ROBERT SCHALLENBERG Director, Utility Services

DONNA M. PRENGER Director, Administration

DALE HARDY ROBERTS Secretary/Chief Regulatory Law Judge

> DANA K. JOYCE General Counsel

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

RE: Case No. EA-2002-131

Dear Mr. Roberts:

JAN 2 9 2002

Missouri Public Commission

Enclosed for filing in the above-captioned case are an original and eight (8) conformed copies of a STAFF RECOMMENDATION.

This filing has been mailed or hand-delivered this date to all counsel of record.

Thank you for your attention to this matter.

Sincerely yours,

Dennis L. Frey

Associate General Counsel

Steven Soti

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DLF:ccl Enclosure

cc: Counsel of Record

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

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OF THE STATE OF MISSOURI		ri So <i>M</i> iss	JAN & 9 ZODD
Application of Union Electric Company for Permission and Authority to Construct, Operate, Own, and Maintain a 345 Kilo-Volt (kV) Transmission Line in Jefferson, St. Francois, and St. Genevieve Counties, Missouri ("Rush Island – St. Francis 2"))) Case 1	No. EA-2002-131	Commission

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission ("Staff") and for its Recommendation, respectfully states as follows:

- On September 4, 2001, Union Electric Company ("UE" or "Company") filed with 1. the Missouri Public Service Commission ("Commission"), pursuant to Section 393.170 RSMo 2000, an application for permission to construct, operate, own and maintain a 345 kV transmission line in the Missouri Counties of Jefferson, St. Francois, and Ste. Genevieve.
- The above-noted statutory provision, as interpreted in case law, requires that a 2. regulated electric utility obtain a certificate of convenience and necessity from the Commission when, as in the instant case, the utility seeks to construct a new transmission line outside of its certificated service area. Section 393.170.3 RSMo 2000 empowers the Commission to approve the subject application upon a determination that "such construction . . . is necessary or

¹ State ex rel. Harline v. Public Service Commission of Missouri, 343 S.W.2d 177, 180-83 (Mo. App. 1960); Public Service Comm'n. v. Kansas City Power & Light Co., 31 S.W.2d 67, 71 (Mo. banc 1930); State ex rel. Utility Consumers Council of Missouri v. Public Service Comm'n., 562 S.W.2d 688, 690 (Mo. App.), cert. denied, 439 U.S. 866, 99 S.Ct. 192, 58 L.Ed.2d 177 (1978).

convenient for the public service." Application requirements pertaining specifically to certificates of convenience and necessity are set forth in 4 CSR 240-2.060(4).

3. Attached hereto as Appendix A is Staff's Memorandum recommending that UE's application be approved.

WHEREFORE, for the reasons set forth in the attached Memorandum, the Staff recommends that the Commission issue an Order approving the Company's application.

Respectfully submitted,

DANA K. JOYCE General Counsel

Dennis L. Frey

Associate General Counsel Missouri Bar No. 44697

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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 29th day of January 2002.

<u>MEMORANDUM</u>

TO:

Missouri Public Service Commission Official Case File

Case No. EA-2002-131, Union Electric Company To Construct 345 kV Line

FROM:

Jim Ketter, Energy Department

Energy Department/Date

General Counsel's Office/Date

SUBJECT:

Staff Recommendation for Approval of Application

DATE:

January 28, 2002

SUMMARY OF REQUEST

On September 4, 2001, Union Electric Company d/b/a AmerenUE (UE) filed an <u>APPLICATION</u> for permission and authority to construct a 345 kV transmission line in Jefferson, St. Francois, and Ste. Genevieve Counties, Missouri. This proposed transmission line is approximately seventeen miles in length, and would provide a parallel connection between the Rush Island Power Plant and a transmission substation in St. Francois County. The <u>APPLICATION</u> states that UE will complete construction of the line in accordance with the most current version of the National Electrical Safety Code. Commission rule 4 CSR 240-18.010 requires that utilities subject to the Commission's regulation adhere to this code, which sets out appropriate construction standards and ground clearances in order to ensure public safety.

On September 19, 2001, an <u>ORDER AND NOTICE</u> was issued providing notice of the <u>APPLICATION</u> and setting an intervention deadline of October 9, 2001. To date, no requests for intervention have been received.

STAFF RECOMMENDATION

The Staff has reviewed the <u>APPLICATION</u> and recommends approval. This proposed addition to the transmission system is necessary to provide reliable electric service to UE customers. An existing 345 kV transmission line corridor will be used to minimize the width of the required additional right-of-way by paralleling the existing line.

The <u>APPLICATION</u>, filed pursuant to Section 393.170 RSMo 2000, is in compliance with the provisions of 4 CSR 240-2.060 for applications for a certificate of convenience and necessity by an electric company to build a transmission line. The Staff believes that granting of the <u>APPLICATION</u> is required by public convenience and necessity.

DH

MO PSC CASE NO. EA-2002-131 OFFICIAL CASE FILE MEMORANDUM JANUARY 28, 2002 PAGE 2 OF 2

Electrical load on the existing 345 kV transmission line between the Rush Island Power Plant and the St. Francois Substation has increased and an alternate line will provide greater load carrying capacity and reliability. Heavy loads on the existing line reach, and exceed, the normal ratings of the transmission line many times during the year. Loss of the existing line during periods of high loads could cause overloading of other transmission lines and impose significant constraints in delivering electricity to UE's load centers. Addition of this line will relieve the heavy loading on the existing line, and enhance reliability by providing another connection to the transmission system.

This application is necessary because approximately six miles of the proposed seventeen-mile transmission line is outside the UE service territory. A certificate of convenience and necessity, issued April 18, 1973, authorized the existing 345 kV line in Case No. 17,691. The proposed line will parallel the existing 345 kV transmission line, thereby utilizing a portion of the existing easement. Construction of the existing line was authorized on a right-of-way of 150 feet. The new line as proposed, constructed on 100 feet of additional right-of-way, would parallel that line. AmerenUE anticipates placement of the new structures next to the existing structures to minimize the impact of the new line on the landowners. A public workshop was held in June 2001 to inform the property owners of the proposed line and to seek input from the public.

UE desires an in-service date of the spring of 2003 for this new transmission line to provide reliable service to its customers. To meet this schedule, UE has requested that an order be issued by March 1, 2002. Notification of landowners is underway to seek additional easements. If the parties are unable to agree on compensation for the added easement, condemnation proceedings may be required. UE presently owns the area needed for expansion of the substations on each end of the transmission line.

Staff recommends the Commission grant UE the authority to construct, operate, own and maintain the proposed 345 kV transmission line in Jefferson, St. Francois and Ste. Genevieve Counties as requested in its <u>APPLICATION</u>. Granting this certificate will ensure the public convenience and necessity.

Copies: Director - Utility Operations Division
Director - Utility Services Division
General Counsel
Manager - Energy Department
Joseph Raybuck - UE
Office of the Public Counsel

Service List for Case No. EA-2002-131 Verified: January 29, 2002 (ccl)

Office of the Public Counsel P.O. Box 7800 Jefferson City, MO 65102 Joseph H. Raybuck Ameren Services Company 1901 Choteau Avenue P.O. Box 7600 Jefferson City, MO 63166-6149