BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the matter of the Application of Union Electric)		
Company d/b/a Ameren Missouri for Authority to Sell)	Case No. EO	
or Transfer a Portion of Its Franchise, Works, or System)		
to Hunter Engineering Company.)		

APPLICATION

Union Electric Company d/b/a Ameren Missouri (hereinafter "Ameren Missouri" or the "Company") pursuant to and in accordance with Section 393.190.1, RSMo, 4 CSR 240-2.060, and 4 CSR 240-3.110, hereby seeks authority from the Missouri Public Service Commission ("Commission") to sell, transfer, and otherwise dispose of a portion of the Company's franchise, works, or system to Hunter Engineering Company ("Hunter") for the purpose, and subject to the terms and conditions, stated in this application. In support of its application, Ameren Missouri states as follows:

I. GENERAL INFORMATION ABOUT THE APPLICANT

- 1. Ameren Missouri is a Missouri corporation that is engaged in the business of providing electrical and gas utility services to customers in its Missouri service areas. Its principal office and place of business is located at 1901 Chouteau Avenue, St. Louis, Missouri 63103. The Company is an "electrical corporation," a "gas corporation," and a "public utility," as each of those terms is defined in Section 386.020, RSMo; consequently, Ameren Missouri is subject to the general jurisdiction and supervision of the Commission, as provided by law.
- 2. The Company has no overdue Commission Annual Reports or assessment fees, and it has no pending or final unsatisfied judgments or decisions against it from any state or federal agency or court that involve customer service or rates and that have occurred within the three years immediately preceding the filing of this application, except for the appeal of Ameren Missouri's 2011 electric rate case (Commission Case No. ER-2011-0028), which is pending before the Court of Appeals for the Western District of Missouri (Case No. WD74172).
- 3. There already is on file with the Commission a certified copy of Ameren Missouri's Articles of Incorporation (See, Case No. EA-87-105) and the Company's Fictitious Name Registrations,

as filed with the Missouri Secretary of State's Office (*See*, Case Nos. GO-98-486 and EN-2011-0069), as well as a copy of its Certificate of Corporate Good Standing (*See*, Case No. ER-2012-0463). Those documents are incorporated herein by reference and made a part hereof for all purposes, as authorized by 4 CSR 240-2.060(1)(G).

4. Correspondence, communications, orders, and other documents and notices related to this application should be sent to the following representatives of the Company:

Wendy Tatro
Associate General Counsel
Union Electric Company d/b/a Ameren Missouri
1901 Chouteau Ave.
P. O. Box 149 (MC 1310)
St. Louis, MO 63166-6149
AmerenMOService@ameren.com

L. Russell Mitten
Brydon, Swearengen & England, P.C.
312 East Capitol Avenue
P.O. Box 456
Jefferson City, MO 65102
rmitten@brydonlaw.com

II. REASONS FOR THE PROPOSED TRANSACTION

- 5. Hunter is a Missouri corporation whose principle place of business is located at 11250 Hunter Drive, Bridgeton, Missouri, 63044. Hunter designs, manufactures, and sells a wide range of automobile and truck service equipment, including computer-based wheel alignment systems, suspension and brake testing systems, wheel balancers, brake lathes, tire changers, and vehicle lifts. Because of the nature of its business, Hunter is not subject to the regulatory jurisdiction of the Commission, and will not become subject to the Commission's regulatory jurisdiction if the transaction described in this application is approved.
- 6. Hunter currently receives electric service from Ameren Missouri via three-phase aerial facilities owned by the Company. For aesthetic reasons, Hunter recently decided to replace Ameren Missouri's existing aerial facilities with underground facilities, which Hunter will install at its own expense and thereafter own. When it removes the existing aerial facilities, the Company will no longer be

able to provide electricity to several light fixtures that Hunter uses to illuminate its parking lot. Hunter would like to continue to utilize those light fixtures, so Hunter has asked Ameren Missouri to sell the fixtures and related equipment so that they can be connected to the Hunter-owned underground facilities. Subject to the Commission's approval of the proposed transaction, Ameren Missouri has agreed to sell the facilities to Hunter for \$2,210.91, which represents the total installed reproduction cost of the facilities less accumulated depreciation. A schedule showing the calculation of the total installed reproduction cost of the facilities, with overhead and less depreciation, is attached to this application as <u>Appendix 1</u>, which is incorporated herein by reference and made a part hereof for all purposes.

7. The proposed transaction is in the best interests of not only Ameren Missouri and Hunter, but the Company's other ratepayers as well. Hunter benefits because it can continue to use the light fixtures to illuminate its parking lot, and also because it can purchase the existing fixtures at a cost that is less than it would incur to acquire and install new fixtures. Ameren Missouri and its customers benefit because the sale the light fixtures and related equipment will enable the Company to recover the net book value of assets that might otherwise have to be removed from service and sold for salvage. Selling the assets in place will also allow Ameren Missouri to avoid the cost of removing those assets, which further benefits both the Company and its customers.

III, TERMS OF THE PROPOSED TRANSACTION

8. Hunter has agreed to purchase, and Ameren Missouri has agreed to sell, five (5) 35 foot Class-5 poles, three cobra-head lights, two directional lights, and approximately 380 feet of #2 triplex wire for \$2,210.91, which represents the depreciated net book value of the facilities as of the date of the parties' agreement. A Bill of Sale between the parties, which provides, *inter alia*, that Ameren Missouri will sell the facilities to Hunter on an "as is" basis without any warranties whatsoever with respect to those facilities, is attached to this application as <u>Appendix 2</u>. A document verifying the authority of David N. Wakeman, Ameren Missouri's Vice President of Energy Delivery – Distribution Services, to enter into the proposed transaction on behalf of the Company and to verify this application also is attached to this

application as <u>Appendix 3</u>. Each of the appendices referred to in this paragraph is incorporated herein by reference and made a part hereof for all purposes.

9. Because Hunter is not subject to the Commission's regulatory jurisdiction, this application does not include a balance sheet or income statement showing the impact of the proposed purchase on Hunter, as otherwise would be required by 4 CSR 240-3.110(1)(E). In addition, because the value of the assets being sold to Hunter is less than \$50,000 and also because those assets are being transferred from one taxable entity to another, the property tax impact of the proposed transaction on St. Louis County, if any, should be negligible. Finally, Ameren Missouri believes the sale contemplated by this application may be exempt from state and local sales tax. If, however, it is determined the transaction is not exempt, the amount of sales tax associated with the transaction will be minimal.

IV. NOTICE REQUIREMENT OF 4 CSR 240-4.020(2)

10. Ameren Missouri does not anticipate that this matter is or will become a contested case because the Commission has held that an application regarding a transfer of assets under Section 393.190, RSMo, is not a contested case:

Moreover, this is not a contested case pursuant to 536.010(2) because it does not involve a proceeding before an agency in which legal rights, duties or privileges of specific parties are required by law to be **determined after hearing**. (Emphasis added). Neither Section 393.190, nor Section 393.106, nor any other provision of law requires a hearing be held for these determinations.¹

Accordingly, 4 CSR 240-4.020(2) does not require the Company to file a 60-day Notice of Filing.

11. Although Ameren Missouri is not requesting expedited treatment of this application, the parties would like to complete this transaction by September 30, 2012, if possible. Therefore, both Ameren Missouri and Hunter request a prompt decision regarding this application.

WHEREFORE, having shown that the proposed transaction is in the best interests of Ameren Missouri and Hunter and also is in the public interest, and for all of the other reasons stated in this application, the Company respectfully requests the Commission to issue an order that:

- (i) Approves the proposed sale of the assets described in this application by Ameren Missouri to Hunter under the terms specified in the Bill of Sale;
- (ii) Authorizes the Company and Hunter to do such other acts and things, including making, executing, and delivering any and all documents that may be necessary, advisable, or proper to consummate the transaction reflected in the Bill of Sale and to implement the authority granted by the Commission in this case; and
 - (iii) Grants such other relief as the Commission deems appropriate under the circumstances.

Respectfully submitted,

By: /s/ L. Russell Mitten
L. Russell Mitten, #27881
Brydon, Swearengen & England, P.C. 312 East Capitol Avenue
P.O. Box 456
Jefferson City, MO 65102
(573) 635-7166 (telephone)
(573) 634-7431 (facsimile)
rmitten@brydonlaw.com

Wendy Tatro, #60261 Associate General Counsel Ameren Missouri 1901 Chouteau Ave. P. O. Box 149 (MC 1310) St. Louis, MO 63166 (314) 554-3484 (telephone) (314) 554-4014 (facsimile) AmerenMOService@ameren.com

ATTORNEYS FOR APPLICANT UNION ELECTRIC COMPANY d/b/a AMEREN MISSOURI

¹ In the Matter of the Application of The Empire District Electric Company for Authority to Sell and Transfer Part of its Works or System to the City of Monett, Missouri, Case No. EO-2009-0159, Order Approving The Transfer Of Assets, Footnote 4, February 11, 2009.

VERIFICATION

STATE OF MISSOURI)	
)	SS
CITY OF ST. LOUIS)	

DAVID N. WAKEMAN, being duly sworn on oath, deposes and says that he is the Vice President of Energy Delivery-Distribution Services of Union Electric Company d/b/a Ameren Missouri; that he has read the foregoing application and knows the contents thereof; and that the information contained in that application is true and correct to the best of his knowledge and belief.

UNION ELECTRIC COMPANY d/b/a AMEREN MISSOURI

DAVIDN WAKEMAN

Subscribed and sworn to before me, the undersigned Notary Public in and for the county and state aforesaid, on the 10th day of July, 2012.

Notary Public

My Commission expires: 4-11-2014

Mary Hoyt - Notary Public Notary Seal, State of Missouri - Jefferson County Commission #10397820 My Commission Expires 4/11/2014

AMEREN-UNION ELECTRIC COMPANY SALE OF FACILITIES

HUNTER ENGINEERING

CUSTOMER CONSIDERING PURCHASE OF DISTRIBUTION FACILITIES

PRICED AS OF APRIL 27, 2012

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AMEREN-UNION ELECTRIC COMPANY SALE OF FACILITIES

HUNTER ENGINEERING

CUSTOMER CONSIDERING PURCHASE OF DISTRIBUTION FACILITIES

PRICED AS OF APRIL 27, 2012

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This indenture made this 14th day of June by and between Union Electric Company d/b/a Ameren Missouri, a Missouri Corporation, hereinafter called Vendor and Hunter Engineering Company, a Missouri Corporation, hereinafter called Vendee.

WITNESSETH:

That Vendor for and in consideration of the sum of two thousand two hundred ten dollars and ninety one cents (\$2210.91) to be paid by Vendee within 30 days after receipt of an invoice for that amount from Vendor, does by these presents sell, assign, transfer and convey unto Vendee, its successors and assigns all its rights, title and interest in and to the following described property, to-wit:

5 - Outdoor Area Lighting Fixtures, as follows:

Component	Light Number
20000 MV Enclosed Fixture	Z33773
50000 HPS Enclosed Fixture	Z41736
50000 HPS Enclosed Fixture	Z41737
100000 MH Directional Fixture	Z87384
36000 MH Directional Fixture	Z87385

5 - 30 foot wood poles

380 ft - #2 Triplex Overhead Cable

All located on private property at 11250 Hunter Dr., Bridgeton, MO

The property sold under this Bill of Sale is purchased by Vendee "as is". VENDOR DISCLAIMS ALL WARRANTIES WITH REGARD TO THE ABOVE DESCRIBED PROPERTY, INCLUDING ALL WARRANTIES OF MERCHANTABILITY AND FITNESS. In no event shall Vendor be liable for any damages, including, but not limited to, special, direct, indirect or consequential damage arising out of, or in connection with, the use or performance of the above described property. Any description of the equipment contained in this Bill of Sale is for the sole purpose of identifying the property, is not a part of the basis of the bargain, and does not constitute a warranty that the property will be fit for a particular purpose. No affirmation of fact or promise made by Vendor, not contained in this Bill of Sale, shall constitute a warranty that the property will conform to the affirmation or promise.

It is understood that Vendor does not warrant the title to any right-of-way or easement upon which the property herein described is or may be located.

The parties hereto acknowledge that each has read this agreement, understands it and agrees to be bound by its terms. The parties further agree that this document constitutes the full understanding of the parties, and no terms, conditions, understandings or agreements purporting to modify or vary the terms of this document shall be binding unless hereafter made in writing and signed by both parties hereto.

IN WITNESS WHEREOF, the parties have executed this instrument as of the day and year first above written.

VENDOR	VENDEE
Union Electric Company d/b/a Ameren Missouri	Hunter Engineering Company
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DERKICK S. PIERCE	Crais Hindle-Facilities Mgc

SECRETARY'S CERTIFICATE

- I, G. L. Waters, do hereby certify as follows:
- 1. That I am the duly elected, qualified and acting Assistant Secretary of UNION ELECTRIC COMPANY d/b/a Ameren Missouri, organized and under the law of the State of Missouri;
- 2. That David N. Wakeman has been duly elected a Vice President of said corporation;
- 3. That the By-Laws of said corporation provide at Article III, Section 3:
 - Section 3. The officers of the Corporation shall each have such powers and duties as may be prescribed from time to time by the Board of Directors or, in the absence of such prescription, the officers of the Corporation shall each have such powers and duties as generally pertain to their respective offices...
- 4. That the power and duty to execute contracts and other instruments including a bill of sale to sell, assign, transfer and convey to Hunter Engineering Company all of Union Electric Company's rights, title, and interest in certain outdoor lighting fixtures and related cable, on behalf of the corporation, generally pertain to the office of said Vice President and the Board of Directors has not prescribed any limitations with respect to the exercise of such powers and the performance of such duties by said Vice President.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Company this 5th day of July, 2012.

Assistant Secretary

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing application has been served on the following parties, via electronic mail, on this __ day of July, 2012.

Steven Reed
Executive Secretary and General Counsel
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200 Madison Street – Suite 100
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/s/ L. Russell Mitten