

Application of Union Electric Company)
for Permission and Authority to Construct)
Operate, Own and Maintain a 345 kilovolt) Case No. EA-_____
Line in Jefferson and Ste. Genevieve)
Counties, Missouri.)

COMES NOW Union Electric Company, d/b/a AmerenUE ("Applicant" or "AmerenUE"), and submits its Application pursuant to Section 393.170, RSMo.,¹ 4 CSR 240-2.060(1) and 4 CSR 240-3.105 for permission and authority to construct, own, operate and maintain a 345 kilovolt ("kV") electric line and to obtain a Certificate of Convenience and Necessity ("CCN") for the same. Applicant requests that the Commission issue an order approving this Application by July 1, 2007, in order to ensure the timely ability to construct and operate the proposed line. In support of this Application, AmerenUE states as follows.

2. Communications with regard to this Application should be directed to:

¹ All statutory references to the Revised Statutes of Missouri (2000), unless otherwise noted.

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and

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3. The 345 kV line that Applicant proposes to construct, operate, own and maintain will be approximately 1.7 miles in length. The proposed line will begin at Applicant's Rush Island Generating Plant's 345kV Switchyard located in Jefferson County, Missouri, and extend in a southerly direction for approximately 1.7 miles, with all but about 2,000 feet of the line located within Applicant's existing certificated service territory in Jefferson County. The remaining approximately 2,000 feet of the proposed line will be located outside Applicant's service territory, in Ste. Genevieve County, in an area served by Citizens Electric Corporation ("Citizens Electric"). The terminus of the line will be at a breaker station to be known as the Holcim 345kV Breaker Station to be constructed and owned by Citizens Electric near the site of a cement plant being built and owned by Holcim (US) Inc. ("Holcim") in Ste. Genevieve County. Citizens Electric, in accordance with applicable requirements of the Federal Energy Regulatory Commission and the Midwest Independent Transmission System Operator, Inc.

(“MISO”), requested construction of the proposed line to serve its customer Holcim. Included in AmerenUE’s construction of the project will be appurtenant equipment to accommodate the new line at Applicant’s Rush Island 345kV Switchyard and at the new Holcim 345kV Breaker Station. The equipment and line are described in the Connection Construction Agreement attached hereto as **Exhibit 1**. The route of the line will cross only property owned by Applicant and by Holcim, and the line route is shown on the map attached hereto as **Exhibit 2**.

4. AmerenUE will acquire from Holcim the right-of-way for that portion of the new line not on its own property.

5. The proposed line will be constructed using fourteen steel pole structures, nine in Jefferson County and five in Ste. Genevieve County, with each structure averaging approximately 110 feet in height.

6. The proposed line will be constructed in accordance with the requirements set forth in 4 CSR 240-18.010.

7. The total estimated cost of the project, including the proposed line, right-of-way costs, and switchyard and breaker station equipment, is \$5.9 million. Financing for the project will be from funds available in Applicant's treasury, a portion of which may be obtained by new financing.

8. The proposed line will not utilize public roads or rights-of-way and, consequently, no approval of any affected governmental body is necessary for the construction, operation, or maintenance of the proposed line.

9. Electric and telephone utilities, in addition to companies having underground facilities as defined in Section 319.015, RSMo. whose facilities will be crossed by the proposed line in Missouri, are as follows:

Rush Island 345kV Switchyard to Structure 1:

AmerenUE-owned underground fiber optic cable and overhead electric for lights;

Structure 1 to Structure 2:

AmerenUE-owned overhead electric for lights;

Structure 2 to Structure 3:

AmerenUE overhead distribution line;

Structure 9 to Structure 10:

AmerenUE overhead distribution line,
Citizens Electric overhead distribution line;

Structure 10 to Structure 11:

Citizens Electric overhead distribution line;

Structure 11 to Structure 12:

Citizens Electric overhead distribution line;

Structure 13 to Structure 14:

AT&T underground phone line.

Copies of letters from the above- non-AmerenUE companies waiving objection to the proposed construction shall be submitted separately in the near future.

10. Applicant understands that all necessary environmental and construction permits have been obtained by Citizens Electric's customer Holcim to construct its cement plant in Ste. Genevieve County near the new Holcim 345kV Breaker Station, which will be the terminus of the proposed line. Applicant is informed that when in full operation the cement plant will employ approximately 200 people. Without construction of this line, the large energy requirements of the cement plant, estimated to be a load of 80 megawatts when the plant is in full operation, cannot be met and the cement plant could not be operated or provide employment in the area. Because of the proximity of applicant's Rush Island 345kV Switchyard, the characteristics of the Applicant's electrical transmission system, and the terms under which energy will be supplied to Citizens Electric for its customer Holcim over the proposed line, as described below, construction of this line is the most economical and reliable way to provide electric service for the new plant and its large energy requirements, which in turn promotes the

economics of the new plant and its ability to provide a tax base and employment in the area in which the plant will be located. The proposed line therefore is in the public interest.

11. The proposed line will have no effect on Applicant's committed capacity, and therefore will have no effect on the availability of Applicant's resources to serve its customers, and will have no effect on Applicant's retail cost of service. A Connection Construction Agreement has been negotiated and signed between Citizens Electric and Ameren Services Co., as agent for AmerenUE, and is attached hereto as **Exhibit 1**. A separate Connection Agreement among Citizens Electric, Ameren Services Co. as agent for AmerenUE, and Midwest Independent Transmission System Operator, Inc. will include this line and the connections associated with it. Under the Connection Construction Agreement all of the fully loaded actual costs of design, engineering, drafting, review, installation, adjustment, inspection, and other activities associated with constructing the proposed line will be borne by Citizens Electric; there will be a direct assigned facilities charge, including all capital and operating and maintenance costs, to Citizens Electric for the line; and the energy transmitted will be energy provided by sources as arranged by Citizens Electric, the entire cost of which will be borne by Citizens Electric. The lack of any impact on AmerenUE's provision of retail electric service or on its retail electric service cost of service for ratemaking purposes in Missouri could arguably suggest that a CCN is not necessary for the proposed line,² but AmerenUE is seeking a CCN because the line will be interconnected with AmerenUE's remaining electric transmission system in Missouri.

² It is also likely that AmerenUE would only need a CCN for that portion of the proposed line located outside its existing certificated service territory (*see State ex rel. Harline v. Pub. Serv. Comm'n*, 343 S.W.2d 177 (Mo. App. W.D. 1960)), but as noted in the Commission's Report and Order in Case No. EO-2002-351, because AmerenUE seeks a CCN for the entire line, whether or not a CCN is needed for the entire line need not be determined by the Commission. However, that by seeking a CCN for the entire line herein, AmerenUE does not concede that a separate CCN for that part of a line located within its existing certificated service territory is necessary.

12. The proposed line is scheduled to be placed in service by June 2, 2008. In order to meet the required in-service date, it is necessary that construction begin on or about January 1, 2008, and that necessary equipment and materials be ordered by July 1, 2007. Thus, it is requested that the authority sought herein be granted by the Commission by July 1, 2007. The Company recommends that the Commission set a deadline of April 20, 2007, for receipt of Staff's recommendation respecting this Application.

13. Applicant has given notice of the proposed line to public officials in the Counties of Jefferson and Ste. Genevieve. Applicant has not given such notice to affected property owners because the only property owners involved are Applicant and Holcim, for whose benefit the line is proposed and with whom multiple meetings have been held.

14. To the best of AmerenUE's knowledge, and except for existing cases docketed at the Commission, it has no pending actions or final unsatisfied judgments or decisions against it from any state or federal agency or court which involve customer service or rates, which action, judgment or decision has occurred within three (3) years of the date of this Application. In addition, AmerenUE has no annual report or assessment fees that are overdue.

WHEREFORE, Applicant prays that a deadline of April 20, 2007, be set for receipt of Staff's recommendation respecting this Application, that an order be issued by July 1, 2007, granting applicant a Certificate of Convenience and Necessity and permission and authority to construct, operate, own and maintain the proposed line in Jefferson and Ste. Genevieve Counties, Missouri, and that the Commission make such other order or orders as it deems just and proper under the circumstances.

Respectfully Submitted:

Dated: March 1, 2007

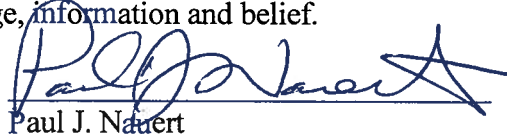
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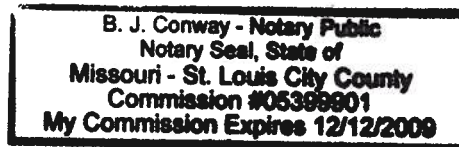
VERIFICATION

Paul J. Nauert, of lawful age, being duly sworn, deposes and says that he is **MANAGER** **T&D Design**, that he is duly authorized to and did sign the foregoing Application on behalf of Union Electric Company, that he has knowledge of the facts stated in the foregoing Application, and that said facts are true to the best of his knowledge, information and belief.


Paul J. Nauert

Subscribed and sworn to before me this 28th day of February, 2007.


Notary Public



CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served via e-mail, to the following parties on the 2nd day of March, 2007.

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/s/**James B. Lowery**

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