BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Application of Union Electric Company d/b/a AmerenUE for Commission Approval for a Sale of Assets by Union Electric Company d/b/a AmerenUE to Citizens Electric Corporation	)))))	**Case No. EO-2005-0034**

Dissenting Opinion of Commissioner Steve Gaw

I dissent from the Order Granting Application issued by the majority in the above-captioned matter. My concerns with the Order are two fold. First, I am concerned with the reference throughout the pleadings in this proceeding to "parallel" transmission facilities. Although AmerenUE claims that the lines that are subject to this transaction are no longer needed by AmerenUE, it seems contradictory that AmerenUE would still need to maintain "necessary easement reservations" to maintain these parallel lines. Specifically, I wonder whether these transmission lines are truly disposable if the associated parallel lines are still necessary. The pleadings in this case do not clarify this situation.

Second, I am concerned that this transaction, as addressed by the Commission, may run afoul of the requirements expressed in the AG Processing decision.[1] Specifically, the Commission has made a finding that this transaction will not be detrimental to the public interest. Such a finding must be based on a determination that there are sufficient benefits associated with the transaction to offset any attendant detriments. Given the lack of any claimed benefits derived from this transaction, the Commission must either find that there are no detriments or impose conditions to ensure that ratepayers do not suffer from the detriment associated with this transaction. Rather than considering any conditions to ensure against such detriment, the Commission merely deferred any ratemaking treatment until the next rate proceeding. It was this practice of deferring such considerations until the next rate proceeding that was addressed and rejected by the AG Processing court.

Respectfully submitted,

Steve Gaw
Commissioner

Dated at Jefferson City, Missouri,
on this 3rd day of March, 2005.

[1] State ex rel. AG Processing, Inc. v. Public Service Commission, 120 S.W.3d 732 (Mo. banc 2003).