

**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 or Transfer a Portion of Its Franchise, Works,)
or System to Hunter Engineering Company.)

Case No. EO-2013-0013

STAFF RECOMMENDATION TO APPROVE APPLICATION

COMES NOW the Staff of the Missouri Public Service Commission (“Staff”), and
for its Recommendation in this matter hereby states:

1. On July 10, Union Electric Company d/b/a Ameren Missouri (“Ameren Missouri”) filed its application to sell a portion of its system to Hunter Engineering Company (“Hunter”) in Bridgeton, Missouri.

2. In response to the Commission’s Order on July 11, Staff filed a *Status Update* on July 17 indicating it would file a recommendation in this case no later than August 20.

3. Staff’s *Memorandum*, attached here as Appendix A and incorporated by reference, recommends the Commission approve Ameren Missouri’s application for authority to sell light poles, cable and light fixtures located in Hunter’s parking lot for two thousand two hundred eleven dollars (\$2,211.00). Portions of the *Memorandum* are designated “Highly Confidential” (HC) pursuant to 4 CSR 240-2.135.

4. The filing requirements for an application for the sale of assets are set forth in Section 393.190.1 RSMo, 4 CSR 240-2.060 and 4 CSR 240-3.110. The standard governing the Commission’s review is that “the Commission may not withhold

its approval of the disposition of assets unless it can be shown that such disposition is detrimental to the public interest.”¹

5. After reviewing Ameren Missouri’s application and responses to data requests, Staff determined that the application meets the filing requirements and that the transaction is not detrimental to the public interest.

6. As explained in the *Memorandum*, Hunter plans to replace Ameren Missouri’s existing overhead transmission lines with Hunter’s own underground facilities at its own expense. Since the light fixtures will no longer receive service from Ameren Missouri, Hunter will buy the light poles, cable and light fixtures and connect the equipment to its new facilities.

7. Staff reviewed Ameren Missouri’s calculation of net book value of the light fixtures and equipment and found the transaction will reduce overall rate base in the amount of the \$2,211 sale price. Therefore the transaction provides benefits for Hunter, Ameren Missouri and the utility’s customers.

8. Staff found this transaction will cause little or no change to the tax revenue of the political subdivision where the equipment is located. Ameren Missouri is current on all PSC assessment fees and has no overdue Commission Annual Report filings. Finally, no other Ameren Missouri customers are affected by this transaction.

WHEREFORE, Staff recommends that the Commission conclude that Ameren Missouri’s application to sell light fixtures and related equipment to Hunter Engineering Company is not detrimental to the public interest, and that the Commission approve the application.

¹ *Environmental Utilities, LLC., v. Public Service Commission of Missouri*, 219 S.W.3d 256, 265 (Mo. App. W.D. 2007).

Respectfully Submitted,

/s/ John D. Borgmeyer

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CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing were served electronically to all counsel of record this 20th day of August, 2012.

/s/ John D. Borgmeyer