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April 24, 2003

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FILED²

APR 24 2003

Missouri Public
Service Commission

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

**Re: Application of Citizens Electric Corporation for Authority
to Sell Certain Assets to the Fruitland Fire Protection District**

Dear Secretary Roberts:

Enclosed for filing please find an original and five (5) copies of Citizens Electric Corporation's Application for Certificate of Authority.

Thank you for seeing this filed.

Sincerely,



Lisa Cole Chase

CSJ:tr

cc: Daniel Rodamker
Dan Joyce
Michael Dandino

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FILED²

APR 24 2003

BEFORE THE PUBLIC SERVICE COMMISSION
STATE OF MISSOURI

Missouri Public
Service Commission

In the Matter of the Application of Citizens)
Electric Corporation for Authority to Sell) Case No. _____
Certain Assets to the Fruitland Fire)
Protection District.)

APPLICATION

COMES NOW Citizens Electric Corporation ("Citizens" and pursuant to the provisions of Sections 393.190 (RSMo. 2000) and 4 CSR 240-2.060(7), hereby requests authority and approval from the Missouri Public Service Commission ("Commission") to sell certain tracts of land to the Fruitland Fire Protection District. In support thereof, Citizens states as follows:

1. Citizens Electric Corporation is a Missouri corporation duly organized and existing under the laws of the State of Missouri. Its principal office and place of business is located at 150 Merchant Street in Ste. Genevieve, Missouri 63670. Citizens is an electric corporation and public utility as defined in Section 386.020 (RSMo. 2000) and is engaged in providing electric power and energy service as well as electric transmission service in the Missouri counties of Ste. Genevieve, eastern St. Francois, Perry and northern Cape Girardeau. As such, it is subject to the jurisdiction, supervision and control of the Commission. A copy of Citizens' Articles of Incorporation and Certificate of Good Standing were filed in MPSC Case No. EF-2001-476 and are incorporated herein by reference. Citizens has no pending or final unsatisfied judgments or decisions against it from any state or federal agency or court which involve customer service or rates occurring within the last three years, nor does Citizens have any annual report or assessment fee which is overdue.

2. Copies of all correspondence, communications, orders and decisions in this matter should be addressed to:

Mr. Victor Scott
Andereck, Evans, Milne,
Peace & Johnson, LLC
P.O. Box 1438
Jefferson City, MO 65102
Telephone: (573) 634-3422
Facsimile: (573) 634-7822
Email: VScott@aempb.com

Mr. Thomas G. Borowiak
Interim CEO
Citizens Electric Corporation
P.O. Box 311
Ste. Genevieve, MO 63670
Telephone: (573) 883-5339
Facsimile: (573) 883-3381
Email: tborowiak@citizenselectriccorp.com

3. Citizens seeks authority from this Commission to sell two tracts of land totaling 0.767 of an acre (more or less) located in Cape Girardeau County, Missouri, to the Fruitland Fire Protection District for the sum of \$4,542.00. The legal descriptions of these two tracts are as follows:

Tract 1:

Part of the Southeast Quarter of Section 7, Township 32 North, Range 13 East, in Cape Girardeau County, Missouri, containing 0.757 acre (more or less) described as follows: Commence at the Southwest corner of the Northeast Quarter of the Southeast Quarter of said Section 7 (stone); thence North 2 degrees 26' 43" East, along the Quarter Quarter Section line, 56.85 feet; thence South 89 degrees 58' 00" East, 238.61 feet; thence North 29 degrees 39' 16" East, 708.00 feet; thence South 76 degrees 31' 28" East, 173.45 feet; thence South 23 degrees 01' 10" East, 360.75 feet to the Southwest corner of a parcel described in Book 851, Page 996 for the Point of Beginning; thence North 66 degrees 58' 50" East along the South line of said parcel, 225.00 feet to the Southeast corner of said parcel, said point being in the West line of Plainview Subdivision as shown in Plat Book 7, Page 27; thence Southerly along the arc of a curve to the right having a radius of 956.3 feet and with the West line of said Subdivision, 198.41 feet to the Northwest corner of Lot 9 of said Subdivision; thence South 75 degrees 57' 08" West, 120.18 feet to the Northwest corner of a parcel described in Book 1034 at Page 782; thence North 48 degrees 45' 40" West, 197.82 feet to the Point of Beginning.

Tract 2:

Part of the Southeast Quarter of Section 7, Township 32 North, Range 13 East in Cape Girardeau County, Missouri, containing 0.010 acre (more or less), described as follows: Commence at the Southwest corner of the Northeast Quarter of the Southeast Quarter of said Section 7 (stone); thence North 02 degrees 26' 43" East along the Quarter Quarter Section line, 56.85 feet; thence South 89 degrees 58' 00" East, 173.45 feet; thence South 23 degrees 01' 10" East, 360.75 feet to the Southwest corner of a parcel described in Book 851 at Page 996; thence South 48 degrees 43' 07" East, 197.82 feet to the Northwest corner of a parcel described in Book 1034 at Page 782 for the Point of Beginning; thence North 75 degrees 57'

08" East, 120.18 feet to the Northwest corner of Lot 9 of Plainview Subdivision as same is shown in Plat Book 7 at Page 27; thence Southeasterly along the arc of a curve to the right having a radius of 956.3 feet and with the West line of said Lot 9 of said Subdivision, 6.99 feet to a ½" iron rod at the Northeast corner of a parcel described in Book 1034 at Page 782; thence South 79 degrees 17' 12" West along the North line of said parcel, 120.00 feet to the Point of Beginning.

4. Maps illustrating the location of these two tracts of land are attached hereto as Exhibit 1 and are incorporated herein by reference.
5. A copy of the Bill of Sale to be executed by the parties upon receipt of regulatory approval of the proposed sale is attached hereto as Exhibit 2 and is incorporated herein by reference.
6. A copy of Citizens' Board of Directors' resolution authorizing the proposed sale is attached hereto as Exhibit 3 and is incorporated herein by reference.
7. Citizens states that the proposed sale is not detrimental to the public interest. As indicated on the attached Exhibit 1, the proposed tracts of land to be sold were purchased by Citizens as part of a larger, 28.813 acre (more or less) tract of land. Citizens purchased this large tract of land for future facilities needs. Under its current facilities plan, Citizens will not need to utilize the entire 28.813 acres it initially purchased, nor does it contemplate using either of these two proposed tracts of land for future facilities. Furthermore, the Fruitland Fire Protection District requested to purchase these two tracts of land from Citizens in order that it may expand its existing facilities, to aid in serving the public. The property proposed to be sold directly adjoins the property now owned by the Fruitland Fire Protection District.
8. The impact of the proposed sale of assets on the tax revenues of the political subdivisions in which the property is located is de minimus. The 2002 assessed value for the entire 28.813 tract of land was \$4,730. The portion attributable to the 0.767 tract of land

proposed to be sold is \$125.91. However, Citizens' is unaware of the tax rate paid by the Fruitland Fire Protection District, which could offset the actual tax impact.

WHEREFORE, for the foregoing reasons, Citizens Electric Corporation respectfully requests that the Commission issue its order authorizing Citizens to sell the property as described herein and for such other relief as the Commission deems proper.

Respectfully submitted,

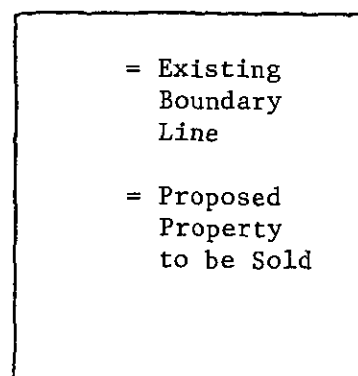
ANDERECK, EVANS, MILNE, PEACE &
JOHNSON, LLC

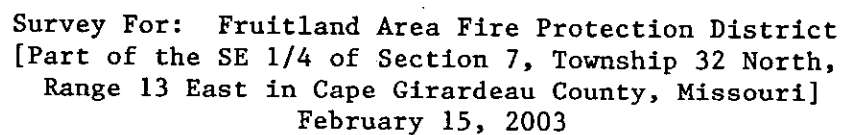
By Lisa Chase
Mr. Victor Scott, MO Bar No. 42963
Lisa Cole Chase, MO Bar No. 51502
Marmaduke House
700 East Capital Avenue
P.O. Box 1438
Jefferson City, MO 65102
573.634.3422 (phone)
573.634.7822 (fax)
vscott@aempb.com

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Application was served on the General Counsel of the Missouri Public Service Commission and on the Office of Public Counsel via U.S. mail, postage pre-paid on this 24 day of April, 2003.

Lisa Chase
~~Victor S. Scott~~ Lisa Chase





SALE CONTRACT

This Contract dated this _____ day of _____, 2003, is by and between FRUITLAND AREA FIRE PROTECTION DISTRICT, 7273 U.S. Highway 61, Fruitland, Missouri 63755, hereinafter referred to as "Purchaser", and CITIZENS ELECTRIC CORPORATION, 150 Merchant Street, Ste. Genevieve, Missouri 63670, hereinafter referred to as "Seller".

Purchaser hereby agrees to pay to Seller the sum of Four Thousand Five Hundred Forty-Two Dollars (\$4,542.00), receipt of which is hereby acknowledged, as consideration for the purchase of the following described property situated in the County of Cape Girardeau, Missouri, known or described as follows:

Tract 1:

Part of the Southeast Quarter of Section 7, Township 32 North, Range 13 East, in Cape Girardeau County, Missouri, containing 0.757 acre (more or less) described as follows: Commence at the Southwest corner of the Northeast Quarter of the Southeast Quarter of said Section 7 (stone); thence North 2 degrees 26' 43" East, along the Quarter Quarter Section line, 56.85 feet; thence South 89 degrees 58' 00" East, 238.61 feet; thence North 29 degrees 39' 16" East, 708.00 feet; thence South 76 degrees 31' 28" East, 173.45 feet; thence South 23 degrees 01' 10" East, 360.75 feet to the Southwest corner of a parcel described in Book 851, Page 996 for the Point of Beginning; thence North 66 degrees 58' 50" East along the South line of said parcel, 225.00 feet to the Southeast corner of said parcel, said point being in the West line of Plainview Subdivision as shown in Plat Book 7, Page 27; thence Southerly along the arc of a curve to the right having a radius of 956.3 feet and with the West line of said Subdivision, 198.41 feet to the Northwest corner of Lot 9 of said Subdivision; thence South 75 degrees 57' 08" West, 120.18 feet to the Northwest corner of a parcel described in Book 1034 at Page 782; thence North 48 degrees 45' 40" West, 197.82 feet to the Point of Beginning.

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Subject to all easements and restrictions of record or in effect.

which property is sold to Purchaser AS IS without any warranty of any kind.

FRUITLAND AREA FIRE PROTECTION DISTRICT
(Purchaser)

By _____

Title _____

WITNESS:

CITIZENS ELECTRIC CORPORATION
(Seller)

By _____

Title _____

ATTEST:

Assistant Secretary

CITIZENS ELECTRIC CORPORATION
Missouri 58, Ste. Genevieve
Ste. Genevieve, MO

I, Georgia Peifer, hereby certify that: (i) I am the Assistant Secretary of Citizens Electric Corporation ("Corporation"); (ii) the following is a true and correct copy of resolutions duly adopted by the Board of Directors of the Corporation at its meeting held on Thursday, August 22, 2002; (iii) the meeting was duly and regularly called and held in accordance with the articles and bylaws of the Corporation; (iv) the Corporation is duly incorporated, validly existing and in good standing under the laws of the state of its incorporation and there is no pending or contemplated proceeding for the merger, consolidation, sale of assets or business, or dissolution of the Corporation; and (v) none of the following resolutions has been rescinded or modified as of this date:

RESOLVED that the Board of Directors hereby authorize the sale of a certain tract of land consisting of approximately one acre, more or less, of a 29.763 acre tract of land located off Highway 61 in Fruitland to the Fruitland Area Fire Protection District, the sale price to be based upon the pro rata formula of \$6,000.00 per acre;


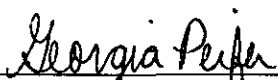
RESOLVED FURTHER that management is hereby directed to file an application with the Missouri Public Service Commission for authority to sell said tract of land to the Fruitland Area Fire Protection District; and

RESOLVED FURTHER that management is hereby directed to file the necessary documents with the Rural Utilities Service and the National Rural Utilities Cooperative Finance Corporation for the sale of said tract of land; and

RESOLVED FURTHER that the officers of the Corporation are authorized to execute any and all documents necessary to carry out the intent of this resolution.

IN WITNESS WHEREOF, I have hereunder set my hand and affixed the Seal of said Corporation this 23rd day of September, 2002.

(Corporate Seal)



Georgia Peifer, Assistant Secretary