

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 24th day
of October, 2012.

In the Matter of the Application of Union Electric)	
Company d/b/a Ameren Missouri for Authority to Sell)	<u>File No. EO-2013-0044</u>
or transfer a Portion of its Franchise, Works, or)	
System to Bussen Quarries, Inc.)	

Issue Date: October 24, 2012

Effective Date: November 23, 2012

ORDER APPROVING TRANSFER OF ASSETS

Background

Bussen Quarries, Inc. is one of the Midwest's largest limestone producers. Operating just south of St. Louis, Missouri near the Mississippi River, it is a customer of Union Electric Company d/b/a Ameren Missouri. Over two years ago, Bussen informed Ameren Missouri of its intention to install a heavy-duty rock crusher at one of its quarries. Ameren Missouri then advised Bussen that in order to satisfy the power requirements of the rock crusher, Ameren Missouri would need to install new, 34,000 kV distribution facilities and a new substation. Bussen elected to construct its own substation, which it would connect to the new distribution facilities. Bussen also offered to purchase an existing transformer.

The Application

On August 3, 2012, Ameren Missouri filed an application requesting authority from the Commission to sell to Bussen: (1) a 1000 kVa transformer; (2) a 40 foot, class 3, wood pole; and (3), 110 feet of 15 kVa cabling. The agreed-upon purchase price is \$9,376.74.

This price represents the depreciated net book value of the facilities as of the date of the parties' agreement.

In the application, Ameren Missouri asserts that the transaction is in the best interest of Ameren Missouri, Bussen and the company's other ratepayers. Specifically, Bussen benefits because it can continue to use the transformer and related facilities to serve its existing needs 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 will enable the company to recover the net book value of the assets that might otherwise have to be removed from service and sold for salvage. Also, selling the assets in place will allow Ameren to avoid removal costs.

Staff's Recommendation

Staff agrees with Ameren Missouri's assertion that the above-described benefits will ensue and, more specifically points out, that rate base will be reduced by the amount of the sale. Staff also informs the Commission that the company has complied with the Commission's filing requirements. Staff requests that the Commission find the transaction is not detrimental to the public interest and approve the application.

Discussion

Under Section 393.190.1 RSMo Ameren Missouri is required to secure Commission approval prior to transferring the above-described assets. Through its application, Ameren Missouri is seeking such approval. Further, the Commission may not deny this transfer unless it is shown that the transfer is detrimental to the public interest.¹ No party has

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

suggested that the proposed transfer is detrimental to the public interest. In fact, both Ameren Missouri and Staff assert that the transfer is in the public interest.

Commission rules 4 CSR 240-2.060 and 3.110 require Ameren Missouri to supply certain information to the Commission, which the company has done. Upon review of the verified pleadings, the Commission finds that Ameren Missouri has complied with the filing requirements for a transfer of assets. The Commission also concludes that the proposed transfer is not detrimental to the public interest. Having so concluded, the Commission will approve the application.

THE COMMISSION ORDERS THAT:

1. The application to transfer the above-described assets from Union Electric Company d/b/a Ameren Missouri to Bussen Quarries, Inc. is approved.
2. The companies are authorized to do such other acts, including executing any documents that may be necessary to consummate the transaction reflected in the Bill of Sale, to implement the authority granted by the Commission.
3. This order shall become effective November 23, 2012.
4. This case shall be closed on November 24, 2012.

BY THE COMMISSION



Steven C. Reed
Secretary

(S E A L)

Gunn, Chm., Jarrett, Kenney,
and Stoll, CC., concur.

Jones, Senior Regulatory Law Judge