

FILED³

JUN 10 2002

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 borrow)
\$11,200,000 from the Federal Financing Bank)
to be guaranteed by the Rural Utilities Service)

Case No. _____

APPLICATION FOR FINANCING
AND MOTION FOR EXPEDITED TREATMENT

COMES NOW Citizens Electric Corporation ("Citizens") and pursuant to the provisions of Sections 393.180 and 393.200 (RSMo. 2000) and 4 CSR 240-2.060(11), hereby requests authority and approval from the Missouri Public Service Commission ("Commission") to borrow approximately \$11,200,000 from the Federal Financing Bank. 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, P. O. Box 311, 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 counties of Ste. Genevieve, St. Francois, Perry and Cape Girardeau, Missouri. 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, L.L.C.
Attorneys at Law
P. O. Box 1438
Jefferson City, MO 65102

Mr. Dan Rodamaker
Chief Executive Officer
Citizens Electric Corporation
P. O. Box 311
Ste. Genevieve, MO 63670

3. Citizens seeks authority from this Commission to borrow \$11,200,000 from the Federal Financing Bank ("FFB") to be guaranteed by Rural Utilities Service ("RUS"). The funds to be borrowed will be used to reimburse general funds as described on the Cost Estimates and Loan Budget for Electric Borrowers, RUS Form 740c, which includes a capitalization expenditure schedule, attached hereto as Exhibit 1 and incorporated herein by reference.

4. Copies of the resolutions of Citizens' Board of Directors authorizing the borrowing of the money and execution of the necessary documents, and the filing of this Application with the Commission are attached hereto as Exhibits 2 and 3, respectively, and are incorporated herein by reference.

5. Copies of the RUS Loan Contract, FFB Note, Reimbursement Note, and Mortgage and Security Agreement, substantially in the form to be executed by Citizens, are attached hereto as Exhibits 4, 5, 6 and 7 and are incorporated herein by reference. These documents are similar to the documents that Citizens executed in Case No. EF-2001-476.

6. A copy of Citizens' balance sheet and income statement for year-end 2001 (RUS Form 7) is attached hereto as Exhibit 8 and incorporated herein by reference.

7. A pro forma income and expense statement and balance sheet showing the effect of the funds to be borrowed is attached hereto as Exhibit 9 and incorporated herein by reference.

8. On March 14, 2002, Citizens received confirmation of RUS' approval of Citizens' loan application. A copy of this confirmation is attached hereto as Exhibit 10.

9. The majority of the funds to be borrowed will be subject to the fee schedule set forth in Section 386.300, RSMo; however, the specific amount cannot be determined until such time as Citizens draws down the funds.

10. In support of its Motion for Expedited Treatment, Citizens respectfully requests that the Commission approve its request by July 15, 2002, so as to allow Citizens to draw down a portion of the loan funds on August 15, 2002. Said expedited treatment will allow Citizens to reimburse its general funds for capital expenditures on a timely basis.

WHEREFORE, for the foregoing reasons, Citizens respectfully requests that the Commission issue its order authorizing Citizens:

- a) To borrow \$11,200,000 from the Federal Financing Bank to be guaranteed by the Rural Utilities Service;
- b) To execute and deliver to RUS a Loan Contract, an FFB Note, a Reimbursement Note, and a Mortgage and Security Agreement and such other documents as may be required; and
- c) For such other relief as the Commission deems proper.

Respectfully submitted,
ANDERECK, EVANS, MILNE
PEACE & JOHNSON, L.L.C.

By 

Victor S. Scott MBE # 42963
700 East Capitol
P. O. Box 1438
Jefferson City, Missouri 65102
(573) 634-3422
Facsimile: (573) 634-7822
E-mail: vscott@aempb.com

ATTORNEY FOR APPLICANT

VERIFICATION

STATE OF MISSOURI)
) SS
COUNTY OF COLE)

On the 10 day of June, 2002, before me appeared Victor S. Scott, to me personally known, who being by me first duly sworn, states that he is the General Counsel for Citizens Electric Corporation, and acknowledges that he has read the foregoing document and that the facts stated therein are true and correct to the best of his knowledge, information and belief.


Victor S. Scott


Subscribed and sworn to before me the day and year above written.

ORNA MICKELIS
Notary Public - Notary Seal
(seal) STATE OF MISSOURI
Callaway County
My Commission Expires: Apr. 16, 2003


Notary Public

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Application and Motion for Expedited Treatment was served on the General Counsel of the Missouri Public Service Commission and on the Office of the Public Counsel via U.S. mail, postage pre-paid on this 10 day of June, 2002.


Victor S. Scott