

**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 Silgan Plastic Food Containers Corporation

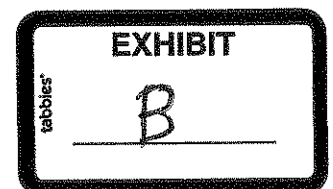
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) Case No. EO-2014-0296  
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)

**APPLICATION**

Under authority of Section 393.190.1, RSMo, and in accordance with 4 CSR 240-2.060, and 4 CSR 240-3.110, Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri" or "the Company") asks the Missouri Public Service Commission ("Commission") to authorize the Company to sell, transfer, and otherwise dispose of a portion of its franchise, works, or system to Silgan Plastic Food Containers Corporation ("Silgan"), for the purpose, and subject to the terms and conditions, stated in this application. In support of its application, Ameren Missouri states:

1. Ameren Missouri is a Missouri corporation engaged in the business of providing electric and gas utility services to customers in its Missouri service areas. Its principal office and place of business is located at 1901 Chouteau Avenue, St. Louis, Missouri 63103. The Company is an "electrical corporation," a "gas corporation," and a "public utility," as each of those terms is defined in Section 386.020, RSMo; therefore, Ameren Missouri is subject to the general jurisdiction and supervision of the Commission, as provided by law.

2. The Company has no overdue Commission Annual Reports or assessment fees. Ameren Missouri also has no pending or final unsatisfied judgments or decisions against it from any state or federal agency or court that involve customer service or rates and that have occurred within the three years immediately preceding the filing of this application, except for the following matters: *Jimmie Small v. Ameren Missouri* (Case No. EC-2012-0050); *Charles Harter v. Ameren Missouri* (Case No. EC-2013-0491); *Craig Mershon v. Union Electric Company d/b/a Ameren Missouri* (Case No. EC-2013-0521); *Peter Howard v. Ameren Missouri* (Case No. EC-2013-0524); *Amanda Sciandra v. Ameren Missouri* (Case No. EC-2014-0034); *Brandy McKenzie v. AmerenUE* (Case



No. EC-2014-0130); *Timothy Watson v. AmerenUE* (Case No. EC-2014-0133); *Noranda Aluminum v. Ameren Missouri* (Case No. EC-2014-0224); and the appeal of Ameren Missouri's 2012 electric rate case before the Court of Appeals for the Western District of Missouri (Case No. WD75980).

3. There are already on file with the Commission: (i) a certified copy of Ameren Missouri's Articles of Incorporation (Case No. EA-87-105); (ii) a copy of the Company's Fictitious Name Registrations, as filed with the Missouri Secretary of State's Office (Case Nos. GO-98-486 and EN-2011-0069); and (iii) a copy of Ameren Missouri's Certificate of Corporate Good Standing (Case No. EF-2014-0227). Those documents are incorporated by reference and are made a part of this application for all purposes, as authorized by 4 CSR 240-2.060(1)(G).

4. Correspondence, communications, orders, and other documents and notices related to this application should be sent to the following representatives of the Company:

Wendy Tatro  
Associate General Counsel  
Union Electric Company d/b/a Ameren Missouri  
1901 Chouteau Ave.  
P. O. Box 149 (MC 1310)  
St. Louis, MO 63166-6149  
[AmerenMOService@ameren.com](mailto:AmerenMOService@ameren.com)

L. Russell Mitten  
Brydon, Swearingen & England, P.C.  
312 East Capitol Avenue  
P.O. Box 456  
Jefferson City, MO 65102  
[rmitten@brydonlaw.com](mailto:rmitten@brydonlaw.com)

5. Silgan is a Delaware corporation, duly authorized to conduct business in Missouri as a foreign corporation. It is a wholly-owned subsidiary of Silgan Holdings, Inc., a Delaware corporation, whose principal place of business is located at 4 Landmark Square, Suite 400, Stamford, Connecticut, 06901. At its plant located at 710 West Park, Union, Missouri, 63084, Silgan manufactures plastic containers used to package food and numerous other commercial products. Because of the nature of its business, Silgan

currently is not subject to the regulatory jurisdiction of the Commission, and will not become subject to the Commission's jurisdiction if it approves the transaction described in this application.

6. Since 1993, Silgan has leased two transformers from Ameren Missouri, which are used to provide electricity to Silgan's manufacturing facility in Union, Missouri. A picture of those transformers is attached to this application as Appendix A. Although the Company's approved tariff makes a customer responsible for all equipment and facilities required to provide electric service beyond the customer's meter, in the past Ameren Missouri has offered large commercial and industrial customers transformer rental arrangements, as an accommodation. Customers who accepted those rental arrangements avoided some of the costs associated with ownership of the equipment. A copy of the Transformer Rental Agreement between Silgan and Ameren Missouri is attached to this application as Appendix B. Both appendices referenced in this paragraph are incorporated by reference and made a part of this application for all purposes.

7. One of the transformers used to serve Silgan failed recently. The terms of the Transformer Rental Agreement required Silgan to bear various costs of replacing that transformer. The transformer's failure and the resulting costs to Silgan caused both the Company and Silgan to reconsider and re-evaluate whether it was advantageous to continue the rental arrangement. Both parties concluded that it is more cost-effective for Silgan to purchase the transformers and terminate the rental agreement, which would allow Silgan to avoid future monthly rental payments for the transformers, as required by that agreement.

8. The proposed transaction is in the best interests of both Ameren Missouri and Silgan. As noted in the preceding paragraph, purchasing the transformers would allow Silgan to avoid future monthly lease payments and all other obligations imposed by the Transformer Rental Agreement. For example, selling the transformers in place also will allow Silgan to avoid various costs it would incur if Ameren Missouri is required to remove or replace one or both of the transformers in the future, which are among the customer's responsibilities under the terms of the Transformer Rental Agreement. Ameren Missouri, and ultimately its customers, would benefit because the proposed sale price of the transformers will enable the Company to fully recover the net book value of the transformers. In addition, authorizing

the sale of the transformers is consistent with Ameren Missouri's current policy and approved tariff, which makes the Company responsible for equipment and fixtures required to provide electric service on its side of the customer's meter but makes the customer responsible for equipment and fixtures beyond the customer's meter.

9. Silgan has agreed to purchase, and Ameren Missouri has agreed to sell, the transformers and related facilities for an aggregate price of \$50,000, an amount that exceeds the depreciated net book value of the transformers calculated as of April 16, 2014. A schedule showing how the Company determined the net book value of the assets proposed for sale is attached to this application as Appendix C. A fully-executed Bill of Sale between the parties, which provides, *inter alia*, that Ameren Missouri will sell the facilities to Silgan on an "as is" basis without any warranties whatsoever, is also attached to this application as Appendix D. In addition, as required by 4 CSR 240-3.110(1)(C), a document verifying the authority of David N. Wakeman, Ameren Missouri's Vice President of Energy Delivery, to enter into the proposed transaction on behalf of the Company is attached to this application as Appendix E. Each of the three appendices referenced in this paragraph are incorporated by reference and are made a part of this application for all purposes.

10. Because Silgan is not subject to the Commission's regulatory jurisdiction, this application does not include a balance sheet or income statement showing the impact of the proposed purchase on Silgan, as otherwise would be required by 4 CSR 240-3.110(1)(E). In addition, because the value of the assets being sold to Silgan is \$50,000, the property and sales tax impacts of the proposed transaction on the City of Union, Franklin County, and the State of Missouri should be minimal.

11. Ameren Missouri does not anticipate that this matter is or will become a contested case because the Commission has held that an application regarding a transfer of assets under Section 393.190, RSMo, is not a contested case:

Moreover, this is not a contested case pursuant to 536.010(2) because it does not involve a proceeding before an agency in which legal rights, duties or privileges of specific parties are required by law to be **determined after hearing**. (Emphasis added). Neither Section 393.190, nor Section 393.106, nor any other provision of law requires a hearing be held for these determinations.

*In the Matter of the Application of The Empire District Electric Company for Authority to Sell and Transfer Part of its Works or System to the City of Monett, Missouri, Case No. EO-2009-0159, Order Approving the Transfer of Assets, footnote 4, (February 11, 2009). Consequently, 4 CSR 240-4.020(2) does not require the Company to file a 60-day Notice of Filing.*

12. Although Ameren Missouri is not requesting expedited treatment of this application, the parties would like to complete this transaction as expeditiously as possible. Both Ameren Missouri and Silgan therefore request the Commission to issue its a decision regarding this application as quickly as possible.

WHEREFORE, having shown that the proposed transaction is in the best interests of Ameren Missouri and Silgan and also is in the public interest, and for all of the other reasons stated in this application, the Company respectfully requests the Commission to issue an order that:

- (i) Approves the proposed sale of the assets described in this application by Ameren Missouri to Silgan under the terms specified in the form Bill of Sale;
- (ii) Authorizes the Company and Silgan to do such other acts and things, including making, executing, and delivering any and all documents that may be necessary, advisable, or proper to consummate the transaction and to implement the authority granted by the Commission in this case; and
- (iii) Grants such other relief as the Commission deems appropriate under the circumstances.

Respectfully submitted,

By: /s/ L. Russell Mitten  
L. Russell Mitten, #27881  
Brydon, Swearengen & England, P.C.  
312 East Capitol Avenue  
P.O. Box 456  
Jefferson City, MO 65102  
(573) 635-7166 (telephone)  
(573) 634-7431 (facsimile)  
[rmitten@brydonlaw.com](mailto:rmitten@brydonlaw.com)

Wendy Tatro, #60261  
Associate General Counsel  
Ameren Missouri  
1901 Chouteau Ave.  
P. O. Box 149 (MC 1310)  
St. Louis, MO 63166  
(314) 554-3484 (telephone)  
(314) 554-4014 (facsimile)  
[AmerenMOService@ameren.com](mailto:AmerenMOService@ameren.com)

**ATTORNEYS FOR APPLICANT  
UNION ELECTRIC COMPANY  
d/b/a AMEREN MISSOURI**

VERIFICATION

STATE OF MISSOURI                    )  
  ) ss  
CITY OF ST. LOUIS                    )

DAVID N. WAKEMAN, being duly sworn on oath, deposes and says that he is the Senior Vice President of Operations and Technical Services of Union Electric Company d/b/a Ameren Missouri; that he has read the foregoing application and knows the contents thereof; and that the information contained in that application is true and correct to the best of his knowledge and belief.

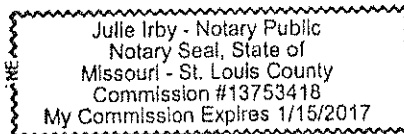
UNION ELECTRIC COMPANY  
d/b/a AMEREN MISSOURI

BY: David N. Wakeman  
DAVID N. WAKEMAN

Subscribed and sworn to before me, the undersigned Notary Public in and for the county and state aforesaid, on the 16<sup>th</sup> day of April, 2014.

Julie Irby  
Notary Public

My Commission expires:



**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a copy of the foregoing application has been served on the following parties, via electronic mail, on this 17<sup>th</sup> day of April, 2014.

Josh Harden  
General Counsel  
Missouri Public Service Commission  
Governor Office Building  
200 Madison Street – Suite 100  
Jefferson City, Missouri 65101  
[GenCounsel@psc.mo.gov](mailto:GenCounsel@psc.mo.gov)

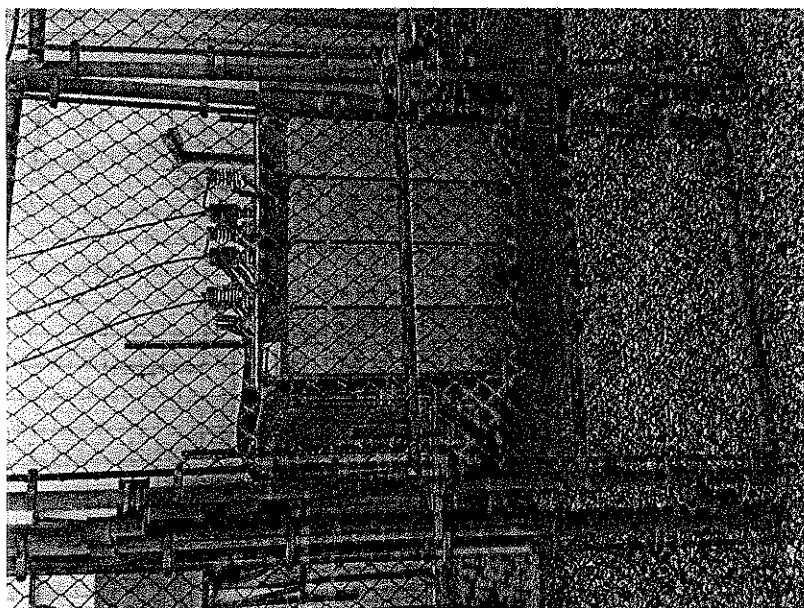
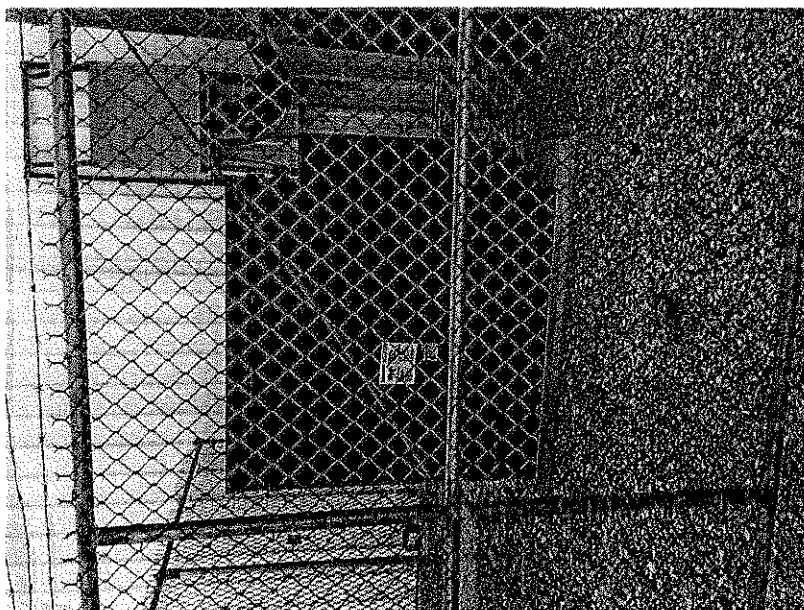
Lewis Mills  
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Office of the Public Counsel  
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[opcservice@ded.mo.gov](mailto:opcservice@ded.mo.gov)

Kevin Thompson  
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Missouri Public Service Commission  
Governor Office Building  
200 Madison Street – Suite 100  
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/s/ L. Russell Mitten



APPENDIX A



'869 Rev. 1/79

## TRANSFORMER RENTAL AGREEMENT

ACCT # 7801005615  
PREMISE # 780100551

In consideration of the mutual agreements herein stated, Union Electric Company ("Company") hereby agrees to rent and to make available to Rexham Containers, Inc. ("Customer"), located at 710 W. Park Rd., City of Union, State of Missouri, the standard service transformer described below. Transformer will be available at Company's warehouse located at 12121 Dorsett Rd., City of Maryland Heights, State of Missouri, and Customer agrees to transport and install and maintain on Customer's premises.

No. Units	Kva	Phase	Primary	Secondary	Serial No.
<del>1</del>	<del>LF 2500Z</del>	<del>3</del>	<del>12470V</del>	<del>277/480V</del>	<del>2-59911</del>
1	LF 2500P	3	12470V	277/480V	Q111313-TPH
<del>1</del>	<del>LF 2500M</del>	<del>3</del>	<del>12470V</del>	<del>277/480V</del>	<del>985731284</del>
1	LF 2500M	3	12470V	277/480V	2011128450

#670.20

#904.34

per new rate NE 1/19/10

Customer hereby agrees to all of the covenants and agreements stated herein, and to pay Company monthly as rent for said transformer(s) the sum of One Thousand Four Hundred Three and 08/100 - - - - - Dollars (\$ 1,403.08). The parties expressly agree that in December of every calendar year the rent shall be changed, either upward or downward, to the Company's then existing rental charge for similar transformers.

The transformer(s) rented hereunder shall be under the control of Customer, and Customer assumes full liability for all damages to persons, including its own employees, and agrees to reimburse, indemnify and save Company harmless from and against all claims or demands made, moneys paid or judgments recovered against it for any loss, damage or injury, or other casualty to property or persons resulting through maintenance and operation of said equipment.

This Agreement shall become effective when the transformer(s) is received by Customer or his agent, or under special conditions on July 1, 1993, and shall continue from month to month unless terminated by either party giving at least ten days' advance written notice to the other until said transformer(s) is returned to Company's warehouse.

All right, title, and interest in and to the transformer(s) covered by this Agreement shall remain with Company. Upon termination of this Agreement, Customer shall return the transformer(s) to Company's warehouse in the same condition as received except for normal depreciation. Customer agrees to pay for costs incurred in connection with the issue, return, testing, repairs, delivery, and installation of transformer(s) rented under this Agreement.

This Agreement shall be binding upon the parties hereto and their successors and assigns.

IN WITNESS WHEREOF, Customer has duly executed this Agreement, this 14 day of June, 1993.

Rexham Containers, Inc.

Customer

By

Bud L. L. L.

Title

Engineering Manager

**AMEREN-UNION ELECTRIC COMPANY  
SALE OF FACILITIES**

**SILGAN PLASTIC FOOD CONTAINERS, 710 W. PARK RD, UNION MO**

**CUSTOMER CONSIDERING PURCHASE OF TRANSFORMERS**

**FOR RATE ADVANTAGE CONVERSION FROM SECONDARY TO PRIMARY SERVICE**

**PRICED AS OF APRIL 16, 2014**

Alternate Reproduction Cost from the Asset Management System									
Vintage Year Basis					AMS				
Asset Management System Detail					Reproduction Cost and Reproduction Cost Depreciated				
Missouri Code UEC6 as of 01/31/14					Current Year Total				
Installed Unit Total Installed					Current Year Installation Year Current Year				
Retirement Price Which Original Cost					Selected Remaining Life Total Installed				
Unit Vintage Includes Overheads					Reproduction Depreciation Reproduction				
Code Year Overheads					Cost Including 2014 Amount Overhead				
Factor Overheads					Cost Including Overheads Percent Depreciated				
					Net Book				

## BILL OF SALE

UNION ELECTRIC COMPANY d/b/a AMEREN MISSOURI ("Seller") and

SILGAN PLASTIC FOOD CONTAINERS CORPORATION ("Buyer") agree as follows:

Effective as of the 14 day of March, 2014, for the payment of the sum of Fifty Thousand Dollars (\$50,000) by Buyer and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Seller does hereby sell, transfer, and convey to Buyer and his heirs, executors, administrators, and assigns all right title and interest in and to the following described property (hereafter the "Property"):

**One LF2500 P transformer, platform, 12470-480Y/277V, 3-PHASE (serial #Q111313-TPH)**  
**One LF2500 M transformer, pad-mount, 12470-480Y/277V, 3-PHASE (serial #20111128450)**

Seller hereby warrants that it is the lawful owner of said property and that it has full legal right, power, and authority to sell said Property except for the requirement that the Missouri Public Service Commission must approve this sale. Ameren Missouri will seek the required approval. Except as stated herein, Seller makes no representations about the Property whatsoever, is not giving any warranties whatsoever, and is selling the Property "as is". Buyer agrees to indemnify and hold harmless Seller and its officers, employees, agents and affiliated corporations from any and all claims, liabilities, demands, suits, causes of action or proceedings of any kind or nature, losses or damages including attorneys' fees and costs of defense which Seller may incur arising out of or resulting from the use of the Property after the date hereof.

IN WITNESS WHEREOF, the Parties have executed this Bill of Sale as of the year first above written.

Seller: Union Electric Company d/b/a Ameren Missouri

Signature: David N. Wakeman  
Name: David N. Wakeman  
Title: Vice President of Energy Delivery  
1901 Chouteau  
St. Louis, MO 63103

Buyer: Silgan Plastic Food Containers Corporation

Signature: Steve Tyre  
Name: Steve Tyre  
Title: VP of Operations  
Address: 710 West Park, Union, MO 63084

SECRETARY'S CERTIFICATE

I, G. L. Waters, do hereby certify as follows:

1. That I am the duly elected, qualified and acting Assistant Secretary of UNION ELECTRIC COMPANY d/b/a Ameren Missouri, organized and under the law of the State of Missouri;

2. That David N. Wakeman has been duly elected a Senior Vice President of said corporation;

3. That the By-Laws of said corporation provide at Article III, Section 3:

Section 3. The officers of the Corporation shall each have such powers and duties as may be prescribed from time to time by the Board of Directors or, in the absence of such prescription, the officers of the Corporation shall each have such powers and duties as generally pertain to their respective offices...

4. That the power and duty to execute contracts and other instruments including a bill of sale to sell, assign, transfer and convey to Siligan Plastic Food Containers Corporation, all of Union Electric Company's rights, title, and interest in two transformers and related facilities, on behalf of the corporation, generally pertain to the office of said Senior Vice President and the Board of Directors has not prescribed any limitations with respect to the exercise of such powers and the performance of such duties by said Senior Vice President.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Company this 17<sup>th</sup> day of April, 2014.

  
Assistant Secretary