STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 16th day of February, 2017.

)

In the Matter of the Application of Union Electric d/b/a Ameren Missouri for Authority to Sell or Transfer a Portion of Its Franchise, Works, or System to Mercy Health East Communities, Southern Region

File No. EO-2017-0127

ORDER GRANTING APPLICATION TO SELL ASSET

Issue Date: February 16, 2017

Effective Date: February 26, 2017

On October 26, 2016, Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri") asked the Commission to allow Ameren Missouri to sell a transformer to Mercy Health East Communities, Southern Region ("Mercy Health"). According to Ameren Missouri, the tax impact of this sale would be de minimis. Ameren Missouri and Mercy Health have agreed upon a price of \$3,317.08.

On October 31, 2016, the Commission issued an order and notice, giving interested parties until November 15, 2016 the chance to intervene. No parties requested intervention.

On January 25, 2017, the Staff of the Commission ("Staff") filed its Recommendation. Staff recommends that the Commission approve the sale.

Staff states that Mercy Health recently informed Ameren Missouri that it wanted to buy the transformer enabling service to its customer-owned, primary service facility in Crystal City. Mercy Health currently rents that transformer. Mercy Health wants to buy this transformer because the facility is currently undergoing expansion. The transformer is an integral part of the expansion design. All maintenance to the transformer after the sale will be the financial responsibility of Mercy Health.

Customers benefit because the sale of the transformer will enable Ameren Missouri to recover a fair price for the transformer, while forgoing future maintenance expenses for the asset. Further, the impact on tax revenues, if any, resulting from the proposed transaction will be negligible since the value of those assets being sold to Mercy Health are less than \$50,000.

Commission Rule 4 CSR 240-2.080(13) allows parties ten days to respond to pleadings unless otherwise ordered by the Commission. The Commission issued no order to the contrary, more than ten days have elapsed since Staff filed its Recommendation, and no party has responded. Therefore, the Commission will rule upon the unopposed application.

Section 393.190 RSMo 2000 requires an electrical corporation to get Commission approval before selling its assets. The Commission may not withhold approval of the sale unless the sale would be detrimental to the public interest.¹

The Commission has reviewed the verified application and Staff's verified recommendation. Based upon those pleadings, the Commission finds that the proposed transaction is not detrimental to the interests of Ameren Missouri, Mercy Health, or Ameren Missouri's other ratepayers. Thus, the Commission finds that the proposed transaction is not detrimental to the public interest and should be approved.

¹ See State ex rel. Fee Fee Trunk Sewer, Inc. v. Litz, 596 S.W.2d 466, 468 (Mo.App.E.D. 1980).

THE COMMISSION ORDERS THAT:

1. The Commission grants the application of Union Electric Company d/b/a Ameren Missouri for authority to sell to Mercy Health East Communities, Southern Region the asset described in the Bill of Sale affixed to the application filed by Union Electric Company d/b/a Ameren Missouri on October 26, 2017.

- 2. This order shall become effective on February 26, 2017.
- 3. This file shall be closed on February 27, 2017.



BY THE COMMISSION

Morris I Woodw/

Morris L. Woodruff Secretary

Hall, Chm., Stoll, Kenney, Rupp, and Coleman, CC., concur.

Pridgin, Deputy Chief Regulatory Law Judge

STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this 16th day of February 2017.



Morris L. Woodruff Secretary

MISSOURI PUBLIC SERVICE COMMISSION

February 16, 2017

File/Case No. EO-2017-0127

Missouri Public Service Commission Staff Counsel Department 200 Madison Street, Suite 800 P.O. Box 360 Jefferson City, MO 65102 staffcounselservice@psc.mo.gov Office of the Public Counsel Hampton Williams 200 Madison Street, Suite 650 P.O. Box 2230 Jefferson City, MO 65102 opcservice@ded.mo.gov

Missouri Public Service Commission Mark Johnson 200 Madison Street, Suite 800 P.O. Box 360 Jefferson City, MO 65102 mark.johnson@psc.mo.gov

Union Electric Company

Paula Johnson 1901 Chouteau Ave St Louis, MO 63103 AmerenMOService@ameren.com AmerenMOService@ameren.com

Union Electric Company Wendy Tatro 1901 Chouteau Avenue St. Louis, MO 63103-6149

Enclosed find a certified copy of an Order or Notice issued in the above-referenced matter(s).

Sincerely,

orris I Woodruff

Morris L. Woodruff Secretary

Recipients listed above with a valid e-mail address will receive electronic service. Recipients without a valid e-mail address will receive paper service.