

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI**

In the Matter of the Application of                     )  
Union Electric Company d/b/a AmerenUE            )  
for an Order Authorizing the Sale and                )  
Transfer of Certain Assets of AmerenUE            )  
to St. James Municipal Utilities                    )  
and Rolla Municipal Utilities.                        )

Case No. EO-2010-0263

**MOTION FOR EXPEDITED TREATMENT  
AND FOR A PREHEARING CONFERENCE**

Come now The City of Rolla, Missouri, by and through Rolla Municipal Utilities (RMU), and the City of St. James, Missouri, by and through St. James Municipal Utilities (SJM), by and through counsel, and for their Motion for Expedited Treatment pursuant to 4 CSR 240-2.080(16) respectfully state as follows:

1. The application that initiated this case was filed on March 24, 2010; more than three months ago. Today, RMU and SJMU were granted intervention but the Commission has not ruled on the application to intervene that was filed on April 26, 2010, or the motion to dismiss that application to intervene that was filed by RMU and SJMU on May 5, 2010.

2. Considering that the subject of the application is the sale of an Ameren substation and associated 34.5 kV transmission lines and rights-of-way to the two municipal utility system customers that have essentially been renting them from Ameren for decades, and that these facilities do not serve any Commission-jurisdictional customers, RMU and SJMU initially believed this would be a relatively routine proceeding that would not encounter significant delays. The delay now being experienced in processing it at the Commission, however, is presenting real-world impacts that RMU and SJMU believe need to be brought to the attention of the Commission through this motion.

3. Since this proceeding was initiated by Ameren in late March, RMU has endeavored to adhere to the original project schedule by focusing efforts on work unrelated to the Ameren asset sale. These efforts have included procuring project materials and performing construction activities unrelated to the Ameren asset sale. These activities were in anticipation of a timely Commission approval and are essential to maintain timelines as required by the financing of Rolla's portion of the project.

4. RMU was prepared to award a contract based on competitive bids for transmission line construction in an amount of roughly \$2.4 million at the meeting of the Rolla Board of Public Works on June 22, 2010, but has delayed action because of the uncertainty presented by the status of this proceeding. The Ameren assets that are the basis of this application are just a part of a much larger project that is ongoing in terms of increasing system reliability for the customers of RMU and SJMU. That involves constructing new 138kV transmission lines through very rough Ozark terrain, a portion of which would be on rights of way now owned by Ameren but which will be transferred to RMU and SJMU upon a successful conclusion of this case. Further delays in this process not only jeopardize the loss of the use of the current construction season, they also jeopardize the loss of the current low-bidder, or in the alternative, could mean paying significantly higher cost for delays. An order for \$1.1 million in new utility poles is scheduled to commence shipment on September 1, 2010. RMU is ready and prepared right now to award a transmission line construction contract to begin preliminary work such as clearing of right of way and believes that such work could commence by August 1, 2010, in order to take advantage of traditionally good weather for construction. The bid price quote that RMU has received is based on the contractor starting the project quickly. In discussions with the low bidder on potential project

delays, RMU has already received an estimate with a potential 10% escalation fee (which amounts to \$240,000) if delays are encountered. Delays are a real possibility given the very rugged terrain over which these lines have to be constructed, especially if construction is delayed into the late fall and winter months when rain and snow will make some of these areas almost impassible for heavy construction vehicles. If RMU has to rebid the transmission line construction portion of the project due to administrative approval delays, there is uncertainty as to what the ultimate cost impact is for the customers of RMU and SJMU, but experience indicates that rebidding may lead to higher bids and thus higher costs to the customers, which would not be in the public interest. SJMU has similar concerns regarding the potential that increased costs for its procurement of transformers and breakers will result from delays in processing this case.

5. RMU wants to begin transmission line construction now. Peak construction season is now. Construction crews who want to work are ready to be mobilized and start work within the next month. This construction project will have a significant economic impact in the Rolla and St. James area due to the presence of these work crews. All of this argues for the Commission to act quickly on the existing motions so the parties can determine the status of the case and attempt to move it toward a quick resolution.

6. In addition to the increase in construction costs for delay, RMU and SJMU continue to incur Wholesale Distribution Charges (WDS) for the use of the Ameren facilities each month. These will be eliminated effective with the closing of the sale of these Ameren assets and both cities will then begin to realize the savings mentioned in paragraph 7 of their motion to dismiss the application to intervene of Donna Hawley. Furthermore, given the pleadings filed by Ms. Hawley, the indication is that if she is granted intervention, she will

pursue numerous issues over which the Commission has no subject matter jurisdiction and that will likely take up substantial amounts of the Commission's time, not to mention the expense incurred by the parties in defending against her charges. RMU and SJMU believe the situation recounted on page 3 of the text of the State ex rel. Dyer case cited previously by the Staff in its Surreply filed on June 3, 2010, is an example of what may happen.

7. In view of the foregoing, RMU and SJMU request that the Commission act expeditiously in ruling on the outstanding motions by no later than July 7, 2010, and that it also order an early prehearing conference for sometime during the week of July 12, 2010, and that the parties be required to submit a proposed procedural schedule, either jointly or separately, by no later than July 16.

8. RMU and SJMU have held off on the filing of this motion as long as they deemed appropriate to give the Commission sufficient time to rule on the outstanding motions, but now believe that they must bring these significant economic considerations to the attention of the Commission and request this relief.

**WHEREFORE**, RMU and SJMU pray that the Commission issue orders ruling on the application for intervention in conformance with the essence of this motion and enter further procedural orders as requested above.

Respectfully submitted,

*//s// Gary W. Duffy*

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Gary W. Duffy MBE #24905  
BRYDON, SWEARENGEN & ENGLAND P.C.  
312 E. Capitol Avenue  
P. O. Box 456  
Jefferson City, MO 65102  
Direct phone: 334 298-3197  
Email: [duffy@brydonlaw.com](mailto:duffy@brydonlaw.com)

Attorneys for  
The City of Rolla, Missouri  
The City of St. James, Missouri

### **CERTIFICATE OF SERVICE**

The undersigned certifies that a true and correct copy of the foregoing document was sent by electronic mail, on July 1, 2010, to the following:

Nathan Williams  
Office of the General Counsel  
Governor Office Building, 8<sup>th</sup> Floor  
Jefferson City, Mo 65101  
[nathan.williams@psc.mo.gov](mailto:nathan.williams@psc.mo.gov)

Lewis Mills  
Office of the Public Counsel  
Governor Office Building, 6<sup>th</sup> Floor  
Jefferson City, MO 65101  
[lewis.mills@ded.mo.gov](mailto:lewis.mills@ded.mo.gov)

Steven R. Sullivan  
Thomas M. Byrne  
Ameren Services Company  
St. Louis, MO  
[ssullivan@ameren.com](mailto:ssullivan@ameren.com)  
[tbyrne@ameren.com](mailto:tbyrne@ameren.com)

James B. Lowery  
Smith Lewis LLP  
Columbia, MO  
[lowery@smithlewis.com](mailto:lowery@smithlewis.com)

Donna D. Hawley  
2602 Brook Dr.  
Rolla, MO 64501  
[hawleyd@fidnet.com](mailto:hawleyd@fidnet.com)

**//s// Gary W. Duffy**

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