BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

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APPLICATION

Applicant Cardwell Lumber Inc. submits the following Application for Approval of a Change of Electrical Suppliers at its 5927 Highway 50 West, Jefferson City, Missouri location from Union Electric Company to Three Rivers Electric Cooperative:

1. Cardwell Lumber Inc. (hereinafter "Cardwell") is a Missouri Corporation in good standing with the Missouri Secretary of State, with its principal place of business located at Highway 15 North, Novelty, Missouri, 63460. A copy of its Certificate of Good Standing is attached hereto as Exhibit 1. Cardwell also owns and operates a lumber industry facility on approximately 26 acres located at 5927 Highway 50 West, Jefferson City, Missouri, in "Apache Flats", Missouri, (hereinafter the "premises") at which facility location Cardwell currently receives electrical power from Union Electric Company, d/b/a Ameren UE (hereinafter "UE"). Cardwell does business at the premises as Cardwell Hardwoods.

2. UE is a regulated electrical utility, and also a corporation in good standing with the Missouri Secretary of State. UE's principal place of business is One Ameren

Plaza, 1901 Chouteau, St. Louis Missouri, 63103. UE's registered agent is Kenneth L. Schmidt, 500 East Independence Drive, Union, Missouri, 63804.

3. Three Rivers Electric Cooperative (hereinafter "Three Rivers") is a rural electric cooperative, and also a corporation in good standing with the Missouri Secretary of State. Three River's principal place of business is 1324 E. Main Street, Linn, Missouri, 65051. Three River's registered agent is Tom Weredenhause, General Manager, Three Rivers Electric Cooperative, 1324 E. Main Street, Linn, Missouri, 65051.

4. Copies of all filings, pleadings, orders, or other matters filed in or issued in this docket can and should be served on the following counsel and management for Cardwell:

Craig S. Johnson MoBar # 28179 Berry Wilson, LLC 304 East High Street, Suite 100 P.O. Box 1606 Jefferson City, MO 65102 (573) 638-7272 (573) 638-2693 fax craigsjohnson@berrywilsonlaw.com

and

Mark Cardwell Vice President Cardwell Lumber Inc. Highway 15 North Novelty, Missouri, 63460 (660) 739-4313 (660) 739-4485 fax markcardwelllumber inc.com

5. Applicant Cardwell is not a Missouri utility regulated by the Missouri

Public service Commission. Cardwell therefore has no pending actions or final

unsatisfied judgments or decisions against it from any state or federal agency or court that

involve customer service or rates that have occurred within three years of the date of this Application. Likewise, Cardwell has no annual report or assessment fees which are overdue this Commission.

6. Pursuant to the provisions of §393.106 RSMo, Cardwell hereby applies for a change of electric power suppliers from UE to Three Rivers for the premises in Apache Flats.

7. Cardwell acquired the premises currently being served by UE several years ago. The structures, and machinery and equipment located therein, were and currently are, served by retail metered electric service provided by UE.

8. Cardwell desires a change of electrical suppliers from UE to Three Rivers for the following reasons:

a. As the customer of UE at this location, Cardwell is "primary metered" by UE, which is an undesirable configuration of demarcation point and facility responsibility. Cardwell owns and is responsible to maintain the electrical facilities on its side of the primary metering demarcation point, which facilities include primary voltage lines, transformers, and secondary voltage lines serving and extending to several buildings on the premises. These electrical facilities are old, dilapidated, and in need of regular maintenance which requires Cardwell to employ expensive contractors competent to perform this work. Due to the existing system being a primary and central terminal metered system, Cardwell sometimes must perform this work "hot", with its energized facilities remaining connected to UE's, or hiring a contractor approved by UE to disconnect the primary fuses so the work can be more safely performed. Questions and concerns about Cardwell or its contractors working on the Cardwell primary facilities

while still connected to energized UE supply facilities have led to several conversations and inspection trips by UE personnel, at Cardwell's expense, to assure the work was performed safely.

b. The electrical facilities are or soon will be in need of replacement. Cardwell is concerned with the expense and liability of rebuilding a Cardwell-owned replacement system of primary voltage lines, transformers, and secondary lines extending to the several buildings on the premises. Rather than rebuild them itself, and thereafter again be responsible for the maintenance and safety of primary lines and transformers, Cardwell would prefer a typical supplier-customer relationship where the supplier installs and maintains all primary lines, poles, transformers up to the secondary voltage demarcation point.

c. In the past Cardwell has experienced several types of problems associated with its service from UE via the existing primary metered system, including low voltage service damaging and necessitating replacement of motors; numerous power outages necessitating Cardwell to perform maintenance and repairs to its lines, fuses, and transformers; numerous outages causing shut down of a boiler critical to Cardwell's business operations, which endangers the boilers by subjecting them to the possibility of freezing and resultant damage;

d. UE has informed Cardwell that the Cardwell electrical facilities on the premises are poorly designed and a possible hazard to persons and property, and a liability risk. UE indicated it would be very expensive to rebuild a more traditional configuration, and that UE would not do so at its expense.

e. During a previous ice storm the UE supply system was down at this
Apache Flats facility, depriving Cardwell of its needed continual electrical supply.
During the same ice storm Three River's Electrical supply system withstood the ice storm and its customers in the same vicinity did not suffer outage.

f. Cardwell has other facilities served by electrical cooperatives, and prefers to be served by electrical cooperatives rather than investor-owned utilities.

9. Cardwell has had discussions with Three Rivers as to replacing the power supply facilities on the Cardwell premises with a design that will permit the typical supplier-customer relationship where the supplier installs and maintains all primary lines, poles, transformers up to the secondary voltage demarcation point. Cardwell will spend several thousand dollars contributing to Three Rivers' construction costs. Cardwell has determined that this is its best business decision.

10. Three Rivers has informed Cardwell that it will not serve Cardwell's premises without an Order from this Commission authorizing a change of suppliers.

11. As set forth above, Cardwell desires a change of power suppliers for reasons other than a rate differential between UE and Three Rivers.

12. An affidavit of Cardwell verifying the facts and requests set forth herein is attached hereto.

13. Granting of this Application is in the public interest in that it will replace an archaically designed primary metering system that is old, dilapidated, and in need of repair, with a new replacement system of more desirable configuration, and one which promotes a safer supplier-customer relationship with clearly defined demarcation points of facility responsibility.

WHEREFORE, on the basis of the foregoing, Cardwell Lumber Inc. respectfully requests that the Commission grant Cardwell's change of power supplier request set forth herein, together with all further order and relief as are necessary or convenient to this request.

> /s/ Craig S. Johnson Craig S. Johnson MoBar # 28179 Berry Wilson, LLC 304 East High Street Suite 100 P.O. Box 1606 Jefferson City, MO 65102 (573) 638-7272 (573) 638-2693 fax craigsjohnson@berrywilsonlaw.com

Attorney for Cardwell Lumber Inc.

VERIFICATION, Cardwell Lumber Inc.

STATE OF MISSOURI)) ss COUNTY OF KNOX)

I, Mark Cardwell, Vice President of Cardwell Lumber Inc., hereby verify and affirm that I have read the foregoing Application of Cardwell Lumber Inc. for Approval of a Change of Electrical Suppliers at its 5927 Highway 50 West, Jefferson City, Missouri location from Union Electric Company to Three Rivers Electric Cooperative. The statements contained therein are true and correct to the best of my knowledge, information, and belief.

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Mark Cardwell

Subscribed and sworn to before me this 24 th day of <u>August</u>, 2010.

Notary Public Jagan

My commission expires: _____July_12, 2012

JANET FAGAN Notary Public - Notary Seal State of Missouri Commissioned for Knox County My Commission Expires: July 12, 2012 Commission Number: 08504262

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of this pleading was electronically mailed to the following attorneys of record in this proceeding this 25^{+4} day of 25^{+2} , 2010:

General Counsel Missouri Public Service Commission P.O. Box 360 Jefferson City, MO 65102 gencounsel@psc.mo.gov

Office of Public Counsel P.O. Box 2230 Jefferson City, MO 65102 <u>opcservice@ded.mo.gov</u>

> <u>/s/ Craig S. Johnson</u> Craig S. Johnson

STATE OF MISSOURI



Robin Carnahan Secretary of State

CORPORATION DIVISION CERTIFICATE OF GOOD STANDING

I, ROBIN CARNAHAN, Secretary of the State of Missouri, do hereby certify that the records in my office and in my care and custody reveal that

CARDWELL LUMBER, INC. 00171987

was created under the laws of this State on the 1st day of October, 1974, and is in good standing, having fully complied with all requirements of this office.

IN TESTIMONY WHEREOF, I have set my hand and imprinted the GREAT SEAL of the State of Missouri, on this, the 24th day of August, 2010

John Camaha

Secretary of State



Certification Number: 13122606-1 Reference: Verify this certificate online at https://www.sos.mo.gov/businessentity/soskb/verify.asp

Exhibit