

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

In the Matter of the Application of Osage)
Valley Electric Cooperative for Approval)
of a Change in Electric Suppliers for) Case No. _____
Austin Powder Central States, LLC.)

APPLICATION FOR CHANGE OF ELECTRICAL POWER SUPPLIERS

COMES NOW Osage Valley Electric Cooperative (“Osage”), for its Application for a change of electrical suppliers for Austin Powder Central States, LLC from KCP&L Greater Missouri Operations Company (“GMO”), pursuant to Sections 393.106 and 394.315, RSMo , 4 CSR 240-2.060 and 4 CSR 240-3.140, and respectfully states as follows:

APPLICANT

1. Osage is a rural electric cooperative organized and existing under the laws of Missouri and has its principal office at 1321 North Orange Street, Butler, Missouri. It is a Chapter 394 rural electric cooperative corporation engaged in the distribution of electric energy and service to its members within several counties in western Missouri. Osage has no pending or final judgments or decisions against it from any state or federal agency or court which involve its customer service or rates within the three years immediately preceding the filing of this Application. A copy of a Certificate of Good Standing from the Office of the Missouri Secretary of State for Osage was filed in Case No. EO-2004-0603 and said document is incorporated herein by reference in accordance with 4 CSR-2.060(1)(G).

2. Correspondence, communications and orders in regard to this Application should be directed to:

Craig S. Johnson
Mo Bar # 28179
Johnson & Sporleder, LLP
304 E. High St., Suite 200
P.O. Box 1670
Jefferson City, MO 65102
(573) 659-8734
(573) 761-3587 FAX
cj@cjlaw.com

FACTS

3. GMO currently provides electrical service to Austin Powder Central States, LLC (“Customer”), a commercial business located at 1340 SW 350 Road, Montrose, Missouri. Customer is the only customer served at that rural location, which is surrounded by the Osage service area.

4. The different structures receiving electrical service at this location are as follows:

- (a) the Austin Powder Office;
- (b) the Austin Powder Shop;
- (c) the Austin Powder Loading Docks;
- (d) the Austin Powder Fuel Tanks.

5. Osage is hereby requesting the Commission approve a change of electrical suppliers from GMO to Osage for the Customer and Customer structures listed above. Osage requests the customer transfer or change for reasons other than a rate differential.

6. The reasons other than a rate differential that this change of supplier requests, and is in the public interest, are as follows:

(a) Customer is currently served by a primary metered electrical distribution system. This is an undesirable configuration of demarcation point and facility responsibility from Customer's standpoint. Customer 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 the structures on the premises.

(b) Customer's internal safety review has initiated a concern about compliance with federal safety rules. OSHA regulations pertaining to Electric Power Generation, Transmission, and Distribution, found at 29 CFR 1910.269, may apply not only to traditional utilities, but also to "equivalent installations of industrial establishments" (according to the Note following §29.269(a)(A)). If applicable these regulations would require employees with specialization in high voltage electricity, ongoing special training, special equipment, and special operational requirements. Customer believes a new electrical distribution system is necessary to maintain safe operation at the Montrose location.

(c) Customer's primary voltage electrical distribution system is old, dilapidated, and in need of regular maintenance which would require Customer to either employ employees qualified to do electrical distribution system work or train its existing employees to do such work, or to employ expensive contractors competent to perform this work. Rather than rebuild them itself, and thereafter again be responsible for the maintenance and safety of primary lines and transformers, Customer prefers a more typical supplier-customer relationship where the supplier installs and maintains all primary lines, poles, and transformers up to the secondary voltage demarcation point;

(d) GMO will remove its 69kv to 34kv substation and line up to the demarcation point. The demarcation point is a switch pole located just outside GMO's substation. All other facilities will be removed by Customer or Osage Valley. Osage Valley will build, at its cost, replacement facilities supplying customer.

7. Osage and GMO have supplied rate information to Customer based on Customer's historical usage. Osage and GMO's rates are comparable. The rate difference is immaterial to Customer. The reasons listed in paragraph 6 above are the reasons Customer desires a change of supplier.

8. Osage, Customer, and GMO have discussed this proposed transfer or change. Osage and GMO have worked out reasonable arrangements between them in order to effectuate the change without service interruption. GMO's non-opposition consent to this proposed transfer is attached hereto. Customer's consent to this proposed transfer is attached hereto.

STATUTE

9. Section 394.315.2, RSMo provides in relevant part that "[t]he public service commission, upon application made by an affected party, may order a change of suppliers on the basis that it is in the public interest for a reason other than a rate differential, and the commission is hereby given jurisdiction over rural electric cooperatives to accomplish the purpose of this section."

PUBLIC INTEREST

10. The proposed change of supplier is in the public interest because it will allow the continued provision of electric service to the identified customers in the most

economically efficient manner. Thus, the proposed change of supplier is in the public interest for a reason other than a rate differential.

WHEREFORE, Osage respectfully requests that the Commission issue its order:

(a) Finding that the change of electric supplier proposed herein is in the public interest and approving the proposed change of electric supplier; and
Granting such other relief as is deemed necessary to accomplish the purposes of this Application.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'C. Johnson', is written over a horizontal line.

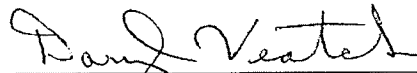
Craig S. Johnson
Mo Bar # 28179
Johnson & Sporleder, LLP
304 E. High St., Suite 200
P.O. Box 1670
Jefferson City, MO 65102
(573) 659-8734
(573) 761-3587 FAX
cj@cjlaw.com

Counsel for Osage Valley Electric
Cooperative

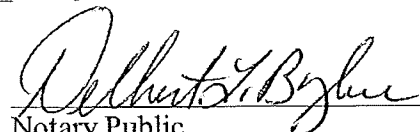
**VERIFICATION,
Osage Valley Electric**

STATE OF MISSOURI)
) ss
COUNTY OF BATES)

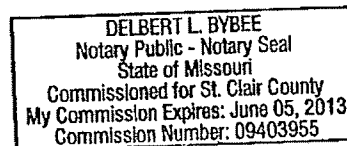
I, Daryl Veatch, General Manager of Osage Valley Electric Cooperative, hereby verify and affirm that I have read the foregoing Application for a change of electrical suppliers. The statements contained therein are true and correct to the best of my knowledge, information, and belief.


Daryl Veatch

Subscribed and sworn to before me this 14th day of October, 2011.


Notary Public

My commission expires: 6/5/13



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 18th day of October, 2011:

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
opcservice@ded.mo.gov

/s/ Craig S. Johnson
Craig S. Johnson

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

In the Matter of the Application of Osage)	
Valley Electric Cooperative for Approval)	
of a Change in Electric Suppliers for)	Case No. _____
Austin Powder Central States, LLC.)	

Non-Opposition to Change of Electric Power Supplier

TO: The Missouri Public Service Commission

My name is Tim Rush. I am the Director of Regulatory Affairs for KCP&L Greater Missouri Operation ("GMO"). Austin Powder has requested that GMO agree to a change of power suppliers for Austin Powder's Montrose facilities from GMO to Osage Valley Electric Cooperative ("Osage"). GMO operations personnel responsible for the GMO electrical distribution facilities serving the Montrose facility have reviewed this request. GMO would prefer Osage to serve the Montrose facility rather than consider removal and replacement of existing GMO facilities.

I have reviewed the Application of Osage for a change of power supplier. It is true and correct with respect to its description of the reasons GMO does not oppose the change of supplier requested therein. GMO does not oppose the request for a change of suppliers from GMO to Osage, provided that GMO is not responsible for the removal of facilities other than those belonging to GMO which consist of a 69kv to 34kv substation and line up to the switch pole located just outside the GMO substation. GMO is also not responsible for the construction of any new facilities needed to serve Austin Powder.

Tim Rush
Tim Rush

(seal)

Subscribed and sworn to before me this 17th day of October, 2011.

Nicole A. Wehry
Notary Public

My commission expires: Feb. 4, 2015

NICOLE A. WEHRY
Notary Public - Notary Seal
State of Missouri
Commissioned for Jackson County
My Commission Expires: February 04, 2015
Commission Number: 11391200

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

In the Matter of the Application of Osage)
Valley Electric Cooperative for Approval)
of a Change in Electric Suppliers for)
Austin Powder Central States, LLC.) Case No. _____

Consent to Change of Electric Power Supplier

TO: The Missouri Public Service Commission

My name is Dan Moran. I am the Location Manager for the Montrose facility of Austin Powder Central States, LLC. As part of my responsibilities, I have contacted KCP&L Greater Missouri Operations (GMO), and Osage Valley Electric Cooperative (Osage) with respect to changing the configuration of Austin Powder's electrical distribution facilities for the Montrose facility from a primary metered primary voltage system to a more traditional secondary voltage system.

Austin Powder has conducted an in-house safety review of these electrical facilities. This review has triggered a concern about compliance with federal safety rules. OSHA regulations pertaining to Electric Power Generation, Transmission, and Distribution, found at 29 CFR 1910.269, may apply not only to traditional utilities, but also to "equivalent installations of industrial establishments" (according to the Note following §29.269(a)(A)). If applicable these regulations would require Austin Powder employees to obtain specialization in high voltage electricity, ongoing special training, special equipment, and special operational requirements. Austin Powder believes a new electrical distribution system is preferable to attempting to make do with the existing distribution facilities in order to maintain safe operation at the Montrose location.

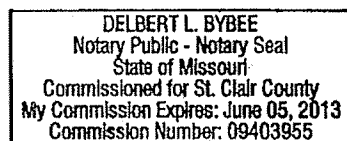
At my request Osage has accommodated Austin Powder by agreeing to supply electrical power utilizing a more traditional secondary voltage distribution facility, assuming a change of electrical power suppliers from GMO to Osage is approved. I understand GMO will not oppose this change of suppliers. Osage has also supplied me with Osage average rate information based on Austin Powder's usage history at the Montrose facility. The rate differential between GMO and Osage is immaterial to Austin Powder. Austin Powder has requested Osage to approach the Missouri Public Service Commission to authorize a change of supplier from GMO to Osage.

I have reviewed the Application of Osage for a change of power supplier. It is true and correct with respect to its description of the reasons Austin Powder desires a change of supplier. Austin Powder does consent to, and in fact joins in Osage's request for, a change of supplier for all structures at the Austin Powder Montrose facility.


Dan Moran

(seal)

Subscribed and sworn to before me this 13 th day of October, 2011.




Notary Public

My commission expires: 6/5/13