# BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Joint Application of	)	
Union Electric Company, d/b/a Ameren	)	
Missouri for Order Approving a Letter	)	File No. EO-2021-
Agreement Allowing the Transfer of Certain	)	
Electric Customers to the Board of	)	
Municipal Utilities of the City of Sikeston,	)	
Missouri	)	

# REQUEST FOR WAIVER AND JOINT APPLICATION FOR APPROVAL OF LETTER AGREEMENT REGARDING TRANSFER OF CUSTOMERS

COME NOW, Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri" or "Company") and the Board of Municipal Utilities of the City of Sikeston, Missouri ("BMU") (collectively, "Joint Applicants") and submit this *Request for Waiver and Joint Application for Approval of Letter Agreement Regarding Transfer of Customers* ("Application") to the Missouri Public Service Commission ("Commission") for approval. Specifically, Joint Applicants request approval of a Letter Agreement by which Ameren Missouri will transfer six electric customer accounts to BMU. To facilitate an expedient implementation of the Letter Agreement, Joint Applicants also request a Waiver of the 60-day notice requirement of 20 CSR 4240-4.017. In support of their positions, Joint Applicants state as follows:

### INTRODUCTION

1. In 1996, Joint Applicants entered into an agreement through which Ameren Missouri utilized BMU's system to provide electric service to customers located within an islanded territorial boundary (please see Attachment B to Appendix 1) in the Sikeston, Missouri area. Currently, six customer accounts are active within this boundary as Ameren Missouri customers. Ameren Missouri owns only the meters that serve these six customer accounts. Currently, the service to these customer accounts is accomplished by Ameren Missouri performing the meter

readings, calculating the bills using these readings, and collecting the billed amounts; however, the electricity is actually provided by BMU and Ameren Missouri pays a negotiated amount it collects from these customers to BMU. Transferring these customers to BMU will remove Ameren Missouri as a legacy intermediary and allow the customers to have a direct relationship with BMU. Accordingly, Ameren Missouri and BMU have entered into a Letter Agreement, attached hereto as Appendix 1, for the transfer of these six customer accounts.

- 2. To facilitate an expedient implementation of the Letter Agreement, Joint Applicants request a waiver of the 60-day notice requirement of 20 CSR 4240-4.017. Section 394.106.2 RSMo requires electric service providers to obtain permission for the transfer of customer accounts. The Joint Applicants therefore submit this *Joint Application* in accordance with the general application requirements of 20 CSR 4240-2.060(1), as well as the requirements of Section 393.106.2 RSMo. Accordingly, this *Joint Application* is divided into the following sections:
  - I. 20 CSR 4240-4.017
  - II. 20 CSR 4240-2.060(1), (A) through (M)
  - III. Section 393.106.2 RSMo

The information required by the applicable laws are discussed in more detail below.

#### I. 20 CSR 4240-4.017

3. Joint Applicants request a variance from the 60-day notice requirement of 20 CSR 4240-4.017, which states, in relevant part:

Any person that intends to file a case shall file a notice with the secretary of the commission a minimum of sixty (60) days prior to filing such case...

<sup>&</sup>lt;sup>1</sup> The amount Ameren Missouri uses to calculate customer bills is based, in part, on a per kWh amount negotiated with BMU in 1996 that has since become outdated.

Pursuant to 20 CSR 4240-4.017(1)(D), waivers of the 60-day notice requirement may be granted for good cause shown. The rule further provides that good cause includes "a verified declaration from the filing party that it has had no communication with the office of the commission within the prior one hundred fifty (150) days regarding any substantive issue likely to be in the case..." As indicated in the Affidavits executed by Company BMU attached as Appendices 2 and Appendix 3 to this *Application*, respectively, neither Company nor BMU have had any communications with the office of the Commission (as defined by 20 CSR 4240-4.015(10)) regarding any substantive issue likely to be in this case during the preceding 150 days.<sup>2</sup> Accordingly, Company and BMU have established good cause for a waiver from the 60-day requirement of 20 CSR 4240-4.017(1). No other public utility will be affected by granting the Company a waiver from this requirement.

# II. 20 CSR 4240-2.060(1), (A) through (M)

### Paragraph (A) – Joint Applicants

- 3. Company is a Missouri corporation doing business under the fictitious name of Ameren Missouri, organized and existing under the laws of the State of Missouri, in good standing in all respects, with its principal office and place of business located at One Ameren Plaza, 1901 Chouteau Avenue, St. Louis, Missouri 63103. Company is engaged in providing electric and gas utility services in portions of Missouri as a public utility under the jurisdiction of the Commission. Company is a subsidiary of Ameren Corporation.
- 4. BMU is a municipally owned electric utility operating under Chapter 91 RSMo, with its principal office at 107 East Malone Avenue, Sikeston, MO 63801. BMU is engaged in the distribution of electric energy and service, but is not considered an electric corporation

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<sup>&</sup>lt;sup>2</sup> Appendix 2 and Appendix 3 are incorporated by reference into this *Joint Application* and made a part hereof for all purposes.

pursuant to Section 386.020.15 RSMo. The commission's jurisdiction over BMU is limited accordingly.

Paragraph (B) – Articles of Incorporation; Paragraph (E) – Fictitious Name; Paragraph (G) – Information Previously Submitted; Paragraph (H) – Character of Business<sup>3</sup>

5. Company previously submitted to the Commission a certified copy of its Articles of Incorporation (See Case No. EA-87-105), as well as its Fictitious Name Registrations as filed with the Missouri Secretary of State's Office (See Case No. EA-2019-0181). A certified copy of Company's Certificate of Corporate Good Standing is attached hereto as Appendix 4, which is incorporated into this *Joint Application* and made a part hereof for all purposes. Other than cases that have been docketed at the Commission, Company has no pending actions or final unsatisfied judgments or decisions against it from any state or federal court or agency within the past three (3) years which involve customer service or rates. Company has no annual report or assessment fees that are overdue.

# Paragraph (F) - Political Subdivision; Paragraph (H) - Character of Business<sup>4</sup>

6. BMU is a municipally owned electric provider empowered to operate under Chapter 91 RSMo.

# Paragraph (I) – Correspondence and Communication

7. Correspondence and Communication -- Correspondence, communications, orders and decisions in regard to this Application should be directed to:

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<sup>&</sup>lt;sup>3</sup> Paragraphs (C), (D), and (F) do not apply to Ameren Missouri. Paragraphs (B), (E), and (G) do not apply to BMU

<sup>&</sup>lt;sup>4</sup> Paragraphs (B), (E), and (G) do not apply to BMU

# For Company

For BMU

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# Paragraph (K) – Actions, Judgments, and Decisions; Paragraph (L) – Fees<sup>5</sup>

8. Company has no 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 *Joint Application*. By the nature of its business, Company has, from time-to-time, pending actions in state and federal agencies and courts involving customer service or rates. Company has no annual report or assessment fees overdue to this Commission.

9. BMU has no 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 *Joint Application*.

# Paragraph (M) – Affidavit

10. Affidavits in support of this *Joint Application* by authorized individuals are included as Appendices 2 and 3.

#### **III. Section 393.106.2 RSMo**

11. Section 393.106.2 RSMo provides that the 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." As previously noted in Paragraph 1 above, Ameren

<sup>&</sup>lt;sup>5</sup> Paragraph (J) does not apply to the Joint Applicants.

Missouri currently provides service to these six customer accounts via an existing agreement with BMU that has been in place since 1996.<sup>6</sup> Ameren Missouri owns only the metering and the bare minimum in the way of infrastructure in order to provide service to these customers, and must provide service via BMU pursuant to the 1996 agreement in order to facilitate that service. Ultimately, Ameren Missouri is operating as an intermediary between BMU and these six customer accounts. Further complicating matters is that when there are service issues, Ameren Missouri often finds itself in the position of requiring its customers to reach out to BMU for resolution, potentially causing confusion for customers, particularly since BMU services nearby customers not impacted by the 1996 BMU/Ameren agreement. As a result, BMU and Ameren Missouri are in agreement that these customers can enjoy an improved customer service experience and the utilities can experience improved operational efficiencies by implementing this change: removing Ameren Missouri from its intermediary position. Accordingly, to promote the public interest in reducing potential confusion amongst suppliers in a limited geographic area, Ameren Missouri and BMU have executed the Letter Agreement included as Appendix 1 to this Application through which Ameren Missouri will transfer these six customer accounts to BMU. The names and addresses of the six customer accounts, as well as the legal descriptions of the area in question, are found in Attachments A and B to Appendix 1, and are made a part hereof for all purposes. This arrangement is not predicated on rate differential, but on the practicality of Ameren Missouri continuing to operate as an effective legacy intermediary between BMU and these six customer accounts. Because BMU has operated as an electric service provider for some time, including in the immediate vicinity of these customers, impact to the customers' service quality is not expected to be detrimentally

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<sup>&</sup>lt;sup>6</sup> As previously noted, the per kWh pricing Ameren Missouri to BMU per the 1996 agreement is outdated.

impacted, and in fact, is expected to improve by allowing these customers to be served through a single, electric distribution utility.

**WHEREFORE,** Ameren Missouri respectfully request that, the 60-day notice requirement be waived and that the Commission approve the Letter Agreement transferring these six customer accounts to BMU.

Respectfully submitted,

#### /s/ Paula N. Johnson

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For UNION ELECTRIC COMPANY D/B/A AMEREN MISSOURI

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For BOARD OF MUNICIPAL UTILITIES OF THE CITY OF SIKESTON, MISSOURI

# APPENDICES TO JOINT APPLICATION

# Appendix Number and Description

Appendix 1	Letter Agreement
	Attachment A – CONFIDENTIAL List of Current Customers
	Attachment B – Legal Description
Appendix 2	Company's Affidavit in Support of Application
Appendix 3 -	BMU's Affidavit in Support of Application
Appendix 4	Company's Certificate of Corporate Good Standing

# **CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a true and correct copy of the foregoing was served on the Staff of the Commission and the Office of the Public Counsel on this via electronic mail (e-mail) on this 19<sup>th</sup> day of May, 2021.

/s/ Paula N. Johnson
Paula N. Johnson