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St. Louis, Missouri 63103
314-621-3222

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Fax: (314) 554-4030



October 31, 1994

Mr. David L. Rauch
Executive Secretary
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102

Dear Mr. Rauch:

Re: **JOINT APPLICATION OF UNION ELECTRIC COMPANY AND
LACLEDE ELECTRIC COOPERATIVE**

Enclosed for filing is an original and 14 copies of the Joint Application of Union Electric Company and Laclede Electric Cooperative for Approval of a Territorial Agreement.

Also enclosed is a check in the amount of two hundred fifty dollars (\$250.00) to cover the filing fee for the application.

Please acknowledge receipt of this filing by stamping as filed a copy of this letter and returning it to the undersigned in the enclosed, self-addressed envelope.

Sincerely yours,

A handwritten signature in cursive script that reads "David C. Linton".

David C. Linton
Attorney

Enclosures

FILED

NOV 2 1994

MISSOURI
PUBLIC SERVICE COMMISSION

cc w/encl.:

Rodric A. Widger
Andereck, Hauck, Sharp & Evans
1111 S. Glenstone
P.O. Box 4929
Springfield, Missouri 65808-4929

Public Counsel
P.O. Box 7800
Jefferson City, MO 65102

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

In the matter of the application
of Union Electric Company and
Laclede Electric Cooperative,
Inc. for approval of a written
territorial agreement designating
the boundaries of each electric
service supplier within portions
of Miller and Camden Counties,
Missouri.

Case No. EO-95-151

JOINT APPLICATION

COMES NOW Union Electric Company ("UE") and Laclede Electric Cooperative, Inc. ("Cooperative"), hereinafter referred to collectively as "Applicants", and for their Joint Application to the Missouri Public Service Commission ("Commission"), pursuant to Sections 394.312 and 416.041, RSMo. (Supp. 1993), for an order approving Applicants' Territorial Agreement, state as follows:

1. Applicant UE is an electrical corporation rendering electric utility service to the public in the State of Missouri under regulation by the Public Service Commission of Missouri ("Commission"). Applicant Cooperative is a Chapter 394 cooperative corporation engaged in distribution of electric energy and service to its members within Camden County in Missouri.

2. Communication in regard to this Application should be addressed to:

Mr. David C. Linton
Attorney at Law
Union Electric Company
1901 Chouteau Avenue
P.O. Box 149 (MC 1310)
St. Louis, MO 63166
(314) 554-4030

Rodric A. Widger
Stockard, Andereck, Hauck,
Sharp & Evans
1111 S. Glenstone
P.O. Box 4929
Springfield, Missouri 65808-4929

FILED

NOV 2 1994

MISSOURI
PUBLIC SERVICE COMMISSION

**Mr. Larry D. Merry
District Manager
Union Electric Company
101 Madison Street
P.O. Box 780
Jefferson City, MO 65101**

**Mr. Donald L. Clark
Manager
Laclede Electric
Cooperative
1000 E. Seminole Rd.
P.O. Box M
Lebanon, MO 65536**

3. Subject to the terms and conditions of an Agreement, known as a "Territorial Agreement" between UE and Cooperative, Applicants have specifically designated the boundaries of the exclusive electric service area of each electric service supplier for service of new structures in portions of Miller and Camden Counties, which are more particularly described in the Territorial Agreement. Applicants have attached a copy of the Agreement to this Application as Schedule A. A metes and bounds description of the boundary established between the Applicants' service areas and a map depicting that boundary are part of Schedule A and are incorporated into this Application.

4. A certified copy of the resolution of the Board of Directors of Cooperative authorizing the consummation of the transaction contemplated by this Joint Application was previously filed in Case No. EO-94-322 and is incorporated herein by reference.

5. The Company has a copy of its Articles of Incorporation on file with the Commission. A certified copy of Cooperative's Articles of Incorporation was previously filed in Case No. EO-94-322 and is incorporated herein by reference.

6. The Company has a certificate of public convenience and necessity for the entire area it proposes to serve. The Cooperative has statutory authority in the areas it proposes to serve.

7. The following is a list of Rural Electric Cooperatives which serve in the vicinity of the territorial agreement area and the counties in which they serve:

Southwest Electric Cooperative: Camden, Benton, Hickory, Polk, Greene and Dallas

Gascosage Electric Cooperative: Camden, Miller, Maries, Phelps and Pulaski

Co-Mo Electric Cooperative: Benton, Morgan, Moniteau, Cooper and Cole

Three Rivers Electric Cooperative: Morgan, Miller, Cole, Osage, Maries, Franklin and Gasconade

There are no municipal electric supply systems operated within the area covered by the Agreement.

8. The Territorial Agreement is in the public interest because it establishes exclusive service territories for new structures for the two electric suppliers. There is very little duplication of electric service facilities between the electric suppliers at this time. The establishment of exclusive service territories will prevent future duplication of electric service facilities, guarding economic efficiencies and benefiting the public safety and aesthetics of the community.

This Agreement will also allow electric service customers to know with certainty the supplier of their electric service.

9. Each Applicant will still have occasion to construct, operate and maintain facilities in the electric service territory of the other as described in the Territorial Agreement. Each Applicant will continue to have service responsibilities beyond the boundaries of the Agreement unaffected by the terms of the Agreement. Each

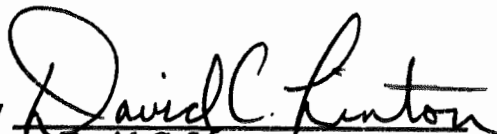
Applicant will have the right to serve existing customers within the electric service area of the other for the indefinite future. In general, Applicants will need the authority to construct, operate and maintain facilities through the electric service area of the other. In particular, UE requires a finding of the Commission that the territorial agreement will not impair the Company's certificates of public convenience and necessity in Camden County except as specifically limited by the Agreement.

10. The Commission's fee required by 4 CSR 240-21.010 is submitted herewith.

WHEREFORE, Applicants respectfully request that the Public Service Commission of Missouri issue its order:

- (a) Finding the designated electric service areas to be not detrimental to the public interest and approving the Territorial Agreement;
- (b) Authorizing Applicants to perform in accordance with the terms and conditions of the Agreement, Schedule A to the Joint Application;
- (c) Finding that this Agreement shall not impair the Company's certificates of convenience and necessity except as specifically limited by the Agreement.

UNION ELECTRIC COMPANY

By 
David C. Linton
1901 Chouteau Avenue
P.O. Box 149 (MC 1310)
St. Louis, MO 63166
(314) 554-4030

ATTORNEY FOR UNION ELECTRIC
COMPANY

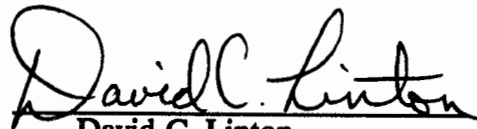
STOCKARD, ANDERECK, HAUCK,
SHARP and EVANS

By Rodric A. Widger by DCZ
Rodric A. Widger
1111 S. Glenstone
P.O. Box 4929
Springfield, Missouri 65808-4929

ATTORNEY FOR APPLICANT
LACLEDE ELECTRIC
COOPERATIVE, INC.

CERTIFICATE OF SERVICE

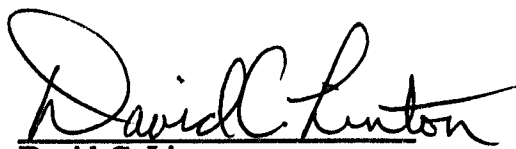
I hereby certify that a copy of the foregoing was served via first-class, U.S. mail, postage prepaid, on this 31st day of October, 1994, to the Office of Public Counsel.


David C. Linton

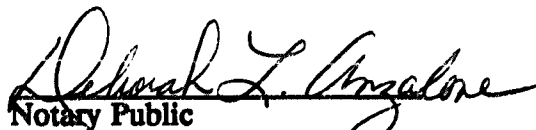
VERIFICATION

STATE OF MISSOURI)
) SS
CITY OF ST. LOUIS)

I, David C. Linton, being first duly sworn on oath, state that I am an attorney for Union Electric Company, that I have read the foregoing instrument, and that the matters stated therein are true to the best of my knowledge and belief and that I am authorized to file the forgoing Application.


David C. Linton

Subscribed to and sworn to before me this 28th day of October, 1994.


Notary Public

DEBORAH L. ANZALONE
NOTARY PUBLIC—STATE OF MISSOURI
ST. LOUIS COUNTY
MY COMMISSION EXPIRES APR. 18, 1998



TERRITORIAL AGREEMENT

THIS AGREEMENT is entered into between Union Electric Company, hereinafter referred to as "Company", and Laclede Electric Cooperative, Inc., hereinafter referred to as "Cooperative".

WHEREAS, Company is authorized by law to provide electric service within the State of Missouri, including portions of Miller and Camden Counties; and

WHEREAS, Cooperative is authorized by law to provide electric service within the State of Missouri, including portions of Camden County; and

WHEREAS, the Missouri Legislature has authorized electrical corporations and rural electric cooperatives to enter into written territorial agreements; and

WHEREAS, Company and Cooperative desire to promote the orderly development of the retail electric service within portions of Miller and Camden Counties, Missouri, to avoid wasteful duplication and to minimize disputes which may result in higher costs in serving the public; and

NOW, THEREFORE, Company and Cooperative, in consideration of the mutual covenants and agreements herein contained, agree as follows:

1. For purposes of this Agreement:

(a) "Customer" includes any natural person, firm, association, partnership, business trust, public or private corporation, political subdivision or any agency, board, department or bureau of the state or federal government or any other legal entity which has requested or is receiving electric service. Any customer who has requested or is receiving electric service at one structure shall be a new and different customer at each structure at which electric service has been requested.

(b) "Structure" is defined as an agricultural, residential, commercial, industrial or other building or a mechanical installation, machinery or apparatus but shall not include customer-owned meter wiring. "Structure" shall include a contiguous addition to or expansion of a previously existing structure and a replacement of a previously existing structure if the replacement structure is built on the foundation of the previously existing structure and is used for the same purposes as the previously existing structure.

(c) "Company" shall mean Union Electric Company and any subsidiary or other corporate entity owned or controlled by Union Electric Company.

(d) "Cooperative" shall mean Laclede Electric Cooperative, Inc. and any subsidiary or other corporate entity owned or controlled by Laclede Electric Cooperative, Inc.

(e) "New Structure" shall mean any structure which did not receive electric energy from either party prior to the effective date of this Agreement.

2. After the effective date of this Agreement, as between the parties hereto, each shall have the exclusive right to furnish electric service to all new structures located within its respective electric service area described in paragraphs 3 and 4 of this Agreement, regardless of the size of the load or the characteristics of the customer's requirements. Except as provided expressly herein, neither party may furnish, make available, render or extend electric service to structures or for use within the electric service area of the other party, either directly, indirectly or through a subsidiary corporation or other entity controlled by the party. Each party shall have the right to

continue to serve those structures located in the electric service area of the other party which it is serving on the effective date of this Agreement.

3. The electric service area of Company under this Agreement shall be that portion of Camden and Miller Counties as is due north of the line described by metes and bounds in Exhibit 1 to this Agreement and as substantially illustrated by the line as shown on the map marked Exhibit 2 to this Agreement, all exhibits being incorporated herein by reference and made a part of this Agreement as if fully set out verbatim.

4. The electric service area of Cooperative under this Agreement shall be that portion of Camden County as is due south of the line described by metes and bounds in Exhibit 1 to this Agreement and as substantially illustrated by the line as shown on the map marked Exhibit 2 to this Agreement, both exhibits being incorporated herein by reference and made a part of this Agreement as if fully set out verbatim.

5. The location of a structure for purposes of this Agreement shall be the geographical location at which electric power and energy is used, regardless of the point of delivery. The first owner of a new structure located on or crossed by any mutual boundary line described in paragraphs 3 and 4 dividing the electric service territories of the parties shall be permitted to choose either party for permanent electric service, provided that the customer's meter is installed within that party's service area. Thereafter that party shall exclusively serve that structure.

6. The parties may agree on a case-by-case basis by an Addendum hereto to allow a structure to receive service from one party though the structure is located in the electric service area of the other.

Such Addendum referred to above shall be filed with the Missouri Public Service Commission with a copy to the Office of Public Counsel. There will be no filing fee for these Addendums.

These Addendums apply to new structures only and not to structures receiving service on the effective date of the Commission's Order approving the Territorial Agreement.

Each Addendum shall be accompanied by a notarized statement indicating that the parties support the Addendum.

Each Addendum shall be accompanied by a notarized statement, signed by the customer to be served, which acknowledges such customer's receipt of notice of the contemplated electric service to be provided and that the Addendum represents an exception to the territorial boundaries approved by the Public Service Commission and shall indicate the customer's consent to be served by the service provided contemplated by the Addendum.

Each Addendum shall include, or be accompanied by, an explanation of the justification that electric service should be provided in the agreed manner.

If the Staff, Office of Public Counsel, or the Commission on its own motion, do not submit a pleading objecting to the Addendum within forty-five (45) days of the filing thereof, the Addendum shall be deemed approved by the aforesaid parties and the Staff shall file a recommendation with the Commission and the Commission may then issue an Order approving the Addendum. However, if a pleading in opposition to the Addendum is filed, then the Commission shall schedule an evidentiary hearing at the

earliest reasonable opportunity to determine whether the Addendum should be approved.

Each party, pursuant to an executed Agreement, shall have the right to provide temporary service, as defined in Section 393.106 RSMo., until the Commission approves or disapproves the Addendum. No party shall be required to remove any facilities installed pursuant to an Agreement until the effective date of a final and non-appealable Order of the Commission or a court regarding the removal of same.

7. Company and Cooperative agree to undertake all actions reasonably necessary to implement this Agreement. Company and Cooperative will cooperate in presenting a joint application showing this Agreement, in total, not to be detrimental to the public interest. Company and Cooperative will share equally in the costs assessed by the Public Service Commission for seeking of administrative approval of this Agreement. All other costs will be borne by the respective party incurring the costs.

8. Except as expressly provided herein, neither the boundaries described by this Agreement nor any term of this Agreement may be modified, repealed or changed except by a writing mutually approved by the respective parties and by the Missouri Public Service Commission.

9. This Agreement shall be binding on the parties and all subsidiaries, successors, assigns and corporate parents or affiliates of Company and Cooperative.

10. This Agreement shall become effective upon approval by the Missouri Public Service Commission pursuant to Section 394.312, R.S.Mo. (Supp. 1992). The term

of this Agreement shall be perpetual. Performance of the parties is contingent upon all of the following having occurred no later than February 28, 1995:

(a) All required approvals of the Cooperative's Board of Directors.

(b) Approval of the transaction by the Public Service Commission of Missouri, including but not limited to a finding that this Agreement, in total, is not detrimental to the public interest and that this Agreement shall suspend the Company's obligation to serve customers within Cooperative's service area described in paragraph 5 of this Agreement but shall not impair the Company's certificates of convenience and necessity in any other respect within Camden County.

11. Both of the parties to this Agreement have service territories outside of the areas covered by this Agreement. For service outside of the areas described by this Agreement, each party will continue to operate without regard to this Agreement. The principles of law, rules and regulations applicable to the business of retail sales of electricity shall apply without regard to this Agreement.

12. This Agreement shall in no way affect either party's right to construct such electric distribution and transmission facilities within the designated electric service area of the other as that party deems necessary, appropriate or convenient to provide electric service to its customers not inconsistent with the terms of this Agreement and as otherwise allowed by law.

13. This contract constitutes the entire agreement between the parties relating to the allocation of service rights in the territory described herein. If the Public Service Commission of Missouri does not approve this Agreement or fails to approve or rejects

any portion of this Agreement, then the entire Agreement shall be nullified and of no legal effect. Further, if any part of this Agreement is declared invalid or void by a Court or other agency with competent jurisdiction, then the whole Agreement shall be deemed invalid and void.

IN WITNESS WHEREOF, the parties have executed this Agreement this ____ day of _____, 1994.

UNION ELECTRIC COMPANY

By William J. Lee

Title: Vice President

ATTEST:

James H. [Signature]
Secretary

LACLEDE ELECTRIC
COOPERATIVE

By Lloyd Kilmer

Title: President

ATTEST:

Carl Lawrence
Secretary

BOUNDARY BETWEEN UNION ELECTRIC COMPANY AND LACLEDE COOPERATIVE

Beginning at a point on the West line of Section 33, Township 39 North, Range 17 West, Camden County, Missouri, that intersects the main channel of the Niangua Arm of the Lake of the Ozarks; thence in an easterly direction along said main channel of the Niangua Arm and the Osage Arm of the Lake of the Ozarks to a point in Section 26, Township 39 North, Range 17 West, Camden County, Missouri, where said main channel of the Osage Arm of the Lake of the Ozarks intersects the channel of Linn Creek Cove said point also described as being at or near Mile Marker 31; thence in a southeasterly direction following the channel of said Linn Creek Cove of the Lake of the Ozarks to the Southeast corner of Section 36, Township 39 North, Range 17 West, Camden County, Missouri, said point also being the Northwest corner of Section 6, Township 38 North, Range 16 West, Camden County, Missouri; thence continuing southeasterly along the said channel of the Linn Creek Cove to a point in the Northwest Quarter of Section 8, Township 38 North, Range 16 West, Camden County, Missouri, said point being the confluence point of said Linn Creek Cove with Linn Creek; thence continuing in a southeasterly direction along the centerline of Linn Creek to a point in the South half of the South half of said Section 8 that said Linn Creek forks; thence with the center line of the North Fork of Linn Creek, as now exists, crossing Sections 17 and 16, to a point on the West line of Section 15, Township 38 North, Range 16 West, Camden County, Missouri; thence South along the West line of said Section 15 to the Northwest corner of the Southwest Quarter of the Southwest Quarter of said Section 15; thence East along the East/West Quarter Quarter Section Line to the Northeast corner of the Southeast Quarter of the Southeast Quarter said Section 15; thence South along the East line of Section 15 to the Southeast corner thereof, said point also being the Northwest corner of Section 23, Township 38 North, Range 16 West, Camden County, Missouri; thence East along the North line of said Section 23 to the Northeast corner of said Section 23; said point also being the Southwest corner of Section 13, Township 38 North, Range 16 West, Camden County, Missouri; thence North along the West line of Section 13 and Section 12, Township 38 North, Range 16 West, Camden County, Missouri, to the Northwest corner of said Section 12; thence East along the North line of said Section 12 to the Northeast corner of said Section 12, said point also being the Northwest corner of Section 7, Township 38 North, Range 15 West, Camden County, Missouri; thence East along The North line of said Section 7 to the Northeast corner of said Section 7, said point also being the Southwest corner of Section 5, Township 38 North, Range 15 West, Camden County, Missouri; thence North along the West line of said Section 5 to the Northwest corner of said Section 5; thence East along the North line of Sections 5, 4, and

3 of Township 38 North, Range 15 West, Camden County, Missouri, to the Northeast corner of said Section 3; thence South along the East line of said Section 3 to the Southeast corner of said Section 3, said point also being the Northwest corner of Section 11, Township 38 North, Range 15 West, Camden County, Missouri; thence East along the North line of said Section 11, to the Northeast corner of said Section 11; thence South along the East line of said Section 11 to the Southeast corner of said Section 11, said point also being the Northwest corner of Section 13, Township 38 North, Range 15 West, Camden County, Missouri; thence East along the North line of Section 13, to the Northeast corner of said Section 13; thence South along the East line of said Section 13 to the Southeast corner of said Section 13, said point also being the Northwest corner of Section 19, Township 38 North, Range 14 West, Camden County, Missouri; thence East along the North line of said Section 19 to the Northeast corner of said Section 19; thence South along the East line of said Section 19 to the Southeast corner of said Section 19, said point also being the Northwest corner of Section 29, Township 38 North, Range 14 West, Camden County, Missouri; thence East along the North line of said Section 29 to the Northeast corner of said Section 29, said point also being the Southwest corner of Section 21, Township 38 North, Range 14 West; thence North along the West line of said Section 21 to the Northwest corner of said Section 21; thence East along the North line of Sections 21, 22, 23, and 24 of Township 38 North, Range 14 West, Camden County, Missouri, to the Northeast corner of said Section 24; said point being on the Camden/Pulaski County Line and the point of ending.