BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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In the Matter of the Joint Application of Farmers' Electric Cooperative and the City of Cameron for Approval of a Written Territorial Agreement designating the boundaries of each electric service) supplier within portions of DeKalb County

Case No.

JOINT APPLICATION

COME NOW Farmers' Electric Cooperative, Inc. ("Farmers'") and the City of Cameron, Missouri ("Cameron"), 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., and 4 CSR 240-2.060, for an order approving Applicants' Territorial Agreement, respectfully state as follows:

APPLICANTS

1. Farmers' is a rural electric cooperative organized and existing under the laws of Missouri with its principal office at 201 W. Business Highway 36, P.O. Box 680, Chillicothe, Missouri 64601. It is a Chapter 394 rural electric cooperative corporation engaged in the distribution of electric energy and service to its members within certain Missouri counties. Farmers' has no pending action or final judgments or decisions against it from any state or federal agency or court that involve its customer service or rates within the three years immediately preceding the filing of this Joint Application. Farmers' has no overdue annual report or assessment fees. A copy of a Certificate of Good Standing from the Office of the Missouri Secretary of State for Farmers' is attached hereto and marked Appendix A.

2. Cameron is a Missouri city of the third class organized and established under the laws of Missouri, existing pursuant to Sections 77.010 and 78.430, RSMo., with its principal office and place of business at 205 North Main Street, Cameron, Missouri 64429. Cameron is engaged

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engaged in the business of providing electrical, water, and sewer services to customers in its municipal service area. Cameron has no pending action or final unsatisfied judgments or decisions against it from any state or federal agency or court which involve customer service or its rates, which have occurred within the three years immediately preceding the filing of this Joint Application. Cameron has no overdue annual report or assessment fees.

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

Padraic Corcoran Williams & Campo, P.C. 400 SW Longview Blvd., Ste. 210 Lee's Summit, MO 64081 816-524-4646 (telephone) 816-524-4645(fax) e-mail: pcorcoran@publiclawfirm.com Megan E. Ray Andereck, Evans, Widger, Lewis & Figg, LLC 3816 S. Greystone Ct., Ste. B Springfield, MO 65804 417-864-6401 (telephone) 417-864-4967 (fax) e-mail: mray@lawofficemo.com

FACTS

4. Subject to the terms and conditions of an Agreement, known as a "Territorial Agreement" between Farmers' and Cameron, 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 DeKalb County, which are more particularly described in the Territorial Agreement. Applicants have attached a copy of the Territorial Agreement to this Application as <u>Appendix B</u>. A metes and bounds description of the boundary established between the Applicants' service areas and a map depicting that boundary are part of <u>Appendix B</u> and are incorporated herein by reference.

5. Farmers' has statutory authority to serve the areas it is proposing to serve. Cameron has statutory authority to serve the areas it is proposing to serve.

6. The following is a list of electric service providers which serve in the vicinity of

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the Territorial Agreement area:

Ameren Missouri

United Electric Cooperative, Inc.

Platte-Clay Electric Cooperative, Inc.

7. The Territorial Agreement is in the public interest because it establishes exclusive service territories for new structures for the two electric suppliers. This Agreement also minimizes a duplication of utility facilities to this particular tract. The establishment of exclusive service territories will prevent future duplication of electric service facilities, promote economic efficiencies and benefit the public safety and aesthetics of the community.

This Agreement will also allow the affected electric service customer to know with certainty the supplier of its electricity will remain the same for any new structures on a particular parcel. The affected customer is in favor of this territorial agreement and its statement of no objection is attached hereto as <u>Appendix C</u>.

8. The Commission's fee required by 4 CSR 240-3.130 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 approve the Territorial Agreement; and
- (b) Authorizing Applicants to perform in accordance with the terms and conditions of the Agreement, Appendix B to the Joint Application.

Respectfully submitted,

Shawn P Battagler, #\$1360 Megan E. Ray, #62037 Andereck, Evans, Widger, Lewis & Figg, LLC 3816 S. Greystone Ct., Ste. B Springfield, MO 65804 (417) 864-6401 (telephone) (417) 864-4967 (fax) Email: mray@lawofficemo.com ATTORNEYS FOR FARMERS' ELECTRIC COOPERATIVE

Padraic Corcoran, #68012 400 SW Longview Blvd., Ste. 210 Lee's Summit, MO 64081 816-524-4646 (telephone) 816-524-4645 (fax) Email: pcorcoran@publiclawfirm.com ATTORNEY FOR THE CITY OF CAMERON

Certificate of Service

The undersigned certifies that a true and correct copy of the foregoing Joint Application was served by electronic mail or U.S. Mail, postage prepaid, this 2014 day of January 2018 upon the following:

Office of the Public Counsel Hampton Williams 200 Madison Street, Suite 650 P.O. Box 2230 Jefferson City, Missouri 65102 opcservice@ded.mo.gov

ATTN: Murad Manjiyani Midwest Mass Investments, LLC 2108 E. US HWY 36 Cameron, MO 64429 Missouri Public Service Commission Staff Counsel Department 200 Madison Street, Suite 800 P.O. Box 360 Jefferson City, Missouri 65102 staffcounselservice@psc.mo.gov

all Megan E. Ray

VERIFICATION

STATE OF MISSOURI))ss COUNTY OF GREENE)

Being first duly sworn, Megan E. Ray states as follows: that she has read the foregoing application and the facts and allegations contained therein are true and correct to the best of her knowledge, information and belief and that the law firm of Andereck, Evans, Widger, Lewis & Figg, LLC is authorized by Farmers' Electric Cooperative, Inc. to make this filing and represent it in this matter.

Megan E. Ray

Subscribed and sworn to before me this 30th day of January, 2018.

Notary Public



VERIFICATION

STATE OF MISSOURI))ss COUNTY OF <u>Clinton</u>)

I, Mark Gaugh, state that I am employed by the City of Cameron (Cameron) as City Manager; that I have read the above and foregoing document; that the statements contained therein are true and correct to the best of my information, knowledge and belief; and that I am authorized to make this statement on behalf of Cameron.

Mark Gaugh

Subscribed and sworn to before me this 27th day of December 2017.

Notary Public

AMY MCVICKER Notary Public - Notary Seal STATE OF MISSOURI Clinton County Commission # 13705835 My Commission Expires: 05-15-2021

STATE OF MISSOURI



John R. Ashcroft Secretary of State

CORPORATION DIVISION CERTIFICATE OF GOOD STANDING

I, JOHN R. ASHCROFT, Secretary of State of the State of Missouri, do hereby certify that the records in my office and in my care and custody reveal that

FARMERS' ELECTRIC COOPERATIVE, INCORPORATED Q00061739B

was created under the laws of this State on the 3rd day of September, 1938, and is in good standing, having fully complied with all requirements of this office.

IN TESTIMONY WHEREOF, I hereunto set my hand and cause to be affixed the GREAT SEAL of the State of Missouri. Done at the City of Jefferson, this 3rd day of November, 2017.

ecretary

Certification Number: CERT-11032017-0019



Appendix B

TERRITORIAL AGREEMENT

THIS AGREEMENT is made and entered into as of this *The* day of *Quark*, 2017, by and between the CITY OF CAMERON, MISSOURI, a city of the third class organized and existing under the laws of Missouri with its principal office located at 205 North Main St., Cameron, Missouri 64429 ("Cameron") and FARMERS' ELECTRIC COOPERATIVE, INC., a Missouri rural electric cooperative organized and existing pursuant to Chapter 394, RSMo. with its principal office located at 201 W. Business Hwy. 36, P.O. Box 680, Chillicothe, Missouri 64601 ("Farmers'").

WITNESSETH:

WHEREAS, Cameron and Farmers' are authorized by law to provide electric service within certain areas of Missouri, including portions of DeKalb County; and

WHEREAS, Sections 394.312 and 416.041 RSMo., provide that competition to provide retail electrical service as between rural electric cooperatives such as Farmers' and electrical suppliers such as Cameron may be displaced by written territorial agreements;

WHEREAS, Cameron and Farmers' desire 1) to promote the orderly development of retail electrical service within a portion of the City of Cameron, DeKalb County, Missouri, 2) to avoid unnecessary and wasteful duplication of electrical facilities therein, and 3) to most effectively avail themselves of prior investment and planning for serving the public.

WHEREAS, this Territorial Agreement does not require any customer of either Cameron or Farmers' to change its supplier;

NOW, THEREFORE, Cameron and Farmers', in consideration of the mutual covenants and agreements herein contained, the adequacy and sufficiency of which are hereby acknowledged, agree as follows:

1. Description of Territory Affected.

A. This Agreement pertains only to one parcel of land in DeKalb County, Missouri. A map of the parcel is attached hereto and marked **Exhibit A**. A description of the parcel is as follows and shall herein after be referred to as "tract":

Tract 1: A tract of land in the Northeast Quarter of Section Thirteen (13), Township Fifty-seven (57) North, Range Thirty (30) West, DeKalb County, Missouri, Beginning at the Southwest corner of the Northeast Quarter of said Section Thirteen (13), thence North 0 degrees 33 minutes 00 seconds West, measured Deed bearing on previously surveyed tract North 0 degrees 33 minutes 00 seconds East 301.34 feet along the West line of said Northeast Quarter to a point on the Northerly Right-of-Way line of State Route 36 Highway, said point being the True Point of Beginning; thence continuing North 0 degrees 33 minutes 00 seconds West, measured Deed North 0 degrees 33 minutes 00 seconds East 502.11 feet, along the West line of said Northeast Quarter; thence South 82 degrees 08 minutes 04 seconds East, measured deed bearing on previously surveyed tract South 81 degrees 02 minutes 04 seconds East 710.44 feet to the Northeast corner of said tract, said corner being Point A; thence South 08 degrees 14 minutes 03 seconds West. 521.93 feet to the Southeast corner of said tract, said corner being on the Northerly Right-of-Way line of State Route 36 Highway, said corner being Point D; thence North 86 degrees 32 minutes 00 seconds West, along said Right-of-Way line, 426.14 feet; thence North 59 degrees 24 minutes 18 seconds West, 168.54 feet, along said Right-of-Way line, thence North 89 degrees 50 minutes 52 seconds West 53.75 feet along said Right-of-Way line to the true point of Beginning. Subject to that part, if any, in any streets, roadways, highways or other right-of-ways.

EXCEPT that part thereof described as follows: Commencing at the Southwest corner of the Northeast Quarter of Section Thirteen (13), Township Fifty-seven (57) North, Range Thirty (30) West, DeKalb County, Missouri; thence with the West line of the Northeast Quarter of said section, North 00 degrees 33 minutes 00 seconds West, 803.02 feet; thence departing from said line South 82 degrees 08 minutes 36 seconds East, 710.20 feet; thence South 08 degrees 13 minutes 47 seconds West, 182.25 feet to the Point of Beginning; thence continuing South 08 degrees 13 minutes 47 seconds West, 339.61 feet to the North Right-of-Way line of U.S. Highway 36; thence along said Right-of-Way line North 86 degrees 29 minutes 35 seconds West, 127.36 feet; thence departing from said Right-of-Way line North 08 degrees 13 minutes 47 seconds East, 352.85 feet; thence South 80 degrees 31 minutes 46 seconds East, 126.96 feet to the Point of Beginning.

B. This Agreement shall have no effect whatsoever upon service by Farmers' or

Cameron in any other area.

C. The described tract is located within the corporate limits of the City of Cameron,

CAMERON, Missouri, and thus is not a "rural area" as defined by Section 394.020(3) RSMo.

2. <u>Definitions.</u>

A. For purposes of this Agreement, the references to "structure" have the same meaning as the statutory definition of the term "structure" found in Sections 91.025 and 394.315 RSMo. in effect at the relevant time. In the event no such statutory definitions exist or are not otherwise applicable, the term shall be construed to give effect to the intent of this agreement which is to designate an exclusive provider, as between the parties hereto, of retail electric service for anything using or designed to use electricity that is located within the Service Areas described herein.

B. The term "permanent service" shall have the same meaning as the definition of "permanent service" found in Section 394.315 RSMo., in effect at the relevant time. The term shall be liberally construed to give effect to the expressed intent of this Agreement.

C. The term "new structure" shall mean (i) one on which construction has not commenced by the Effective Date, or (ii) one on which construction has commenced by the Effective Date but on the Effective Date is not complete from the standpoint that permanent wiring for the electrical power and energy to be utilized by or within in the structure has not been permanently installed and permanently energized by physical connection to the facilities of an electrical supplier, or (iii) one for which the respective electrical inspection authority has not granted a permit by the Effective Date for it to be energized, or (iv) one for which the respective building authority has not granted an occupancy permit by the Effective Date.

D. The term "Effective Date" shall mean 12:01 a.m. of the date on which the Report and Order of the Commission approving this Agreement is effective pursuant to the terms of such Report and Order, unless a writ of review or other proceeding is taken challenging the Report and Order, in which case there shall be no Effective Date of this Agreement until Cameron and Farmers' both execute a document which establishes an Effective Date for purposes of this Agreement.

3. Exclusive Service Areas Established.

A. Farmers', pursuant to this Territorial Agreement, shall be entitled to provide permanent service to all structures now located within the tract described in Paragraph 1A above and all new structures that may be built therein and therefore it shall be considered the exclusive Service Area of Farmers', as between Cameron and Farmers'. Cameron does not now serve any structures, and shall not be allowed to serve any new structures, within the tract.

B. This Agreement does not purport to affect the rights of any electric supplier not a party to this Agreement.

4. <u>Condition Precedent – Regulatory Approvals.</u> This Agreement is conditioned upon receipt of approval of it by the Commission with no changes, or those changes which have been expressly agreed to by Cameron and Farmers'. Either party may file an application for rehearing or other document with the Commission prior to the effective date of a Commission order approving this Agreement if the party objects to the form or content of the Commission's order approving the Agreement. If neither party files such an application for rehearing or document prior to the effective date of the Commission order approving this Agreement, it shall be presumed that the approval is satisfactory in form and content to both parties.

5. <u>Service to Structures Receiving Service as of the Date of this Agreement.</u> Structures within the subject service area are being served by Farmers' Electric Cooperative. To the knowledge of Cameron and Farmers', there are no other suppliers of electricity providing permanent electric service within the tract.

6. Structures Coming Into Existence After the Effective Date.

A. After the Effective Date, Farmers' shall have the exclusive right, as between Cameron and Farmers', to provide permanent service to new structures within the tract described in Paragraph 1A above.

B. During interim period between the date of execution of this Agreement and the Effective Date, the parties shall abide by the territorial division provisions of this Agreement and may provide provisional service to any customer seeking service. Pending the issuance of a decision by the Commission either granting or denying approval of this Agreement, however, neither party shall construct primary or secondary electric facilities within the territory assigned

exclusively to the other pursuant to this Agreement, unless (i) ordered to do so by the Commission or a court of competent jurisdiction or (ii) as a necessary part of the provision of service to its customers in other areas and such construction is within a previously established easement obtained for the purpose of providing service in other areas. In the interim before this Agreement is approved by the Commission, if a new structure should come into existence on one side of the proposed boundary and request service from the party on the opposite side of the boundary, and that party has existing right to provide such service, the parties agree to submit the matter to the Commission for determination in the case docketed for approval of this Agreement. The parties agree to propose to the Commission in such case that the party which will have the exclusive right to serve the customer if this Agreement is approved by the Commission should have the exclusive right and obligation to serve the customer in the interim.

7. <u>Indirect Provision of Service to Structures Not Permitted.</u> The intent of this Agreement is to designate an exclusive provider of electric service for structures or anything else using or designed to use electricity to be located within the described areas. Neither party shall furnish, make available, assist in providing, render or extend electric service to a structure, which that party would not be permitted to serve directly pursuant to this Agreement, by indirect means such as through a subsidiary corporation, through another entity, or by metering services outside of the area for delivery within the area. This shall not be construed to otherwise prohibit sales of electric power and energy between the parties to this Agreement.

8. <u>Term.</u> The initial term of this Agreement shall be thirty-five (35) years from and after the Effective Date ("initial term"). Thereafter, this Agreement shall be automatically renewed for successive ten (10) year terms ("renewal terms") commencing on the anniversary of the Effective Date ("renewal date") unless either party hereto shall notify the other party in writing of its intent to terminate this Agreement at least one (1) year in advance of any such renewal date. The parties agree that a copy of any notice of termination of this Agreement shall be simultaneously served upon the Commission and the Office of the Public Counsel. Termination of this Agreement shall eliminate the exclusive service territories provided for herein, but shall not entitle a party to provide service to a structure lawfully being served by the other party, or allow a change of supplier to any structure in the other's Service Area hereunder, unless such a change is otherwise permitted by law. 9. <u>Cooperation</u>. Cameron and Farmers' agree to undertake all actions reasonably necessary to implement this Agreement. Cameron and Farmers' will cooperate in presenting a joint application to the Commission demonstrating that this Agreement is in the public interest. Applicants shall pay equal halves of all the costs assessed by the Commission for seeking administrative approval of this Agreement. All other costs, including but not limited to the attorney's fees of each party, will be borne by the respective party incurring the costs.

10. General Terms.

A. Land Description. The land description utilized in this Agreement is assumed by the parties to be accurate and sufficiently reliable and to match any maps being submitted; however, where there are maps and the map does not correspond with the metes and bounds description, the map shall be controlling.

B. No Constructive Waiver. No failure of Cameron or Farmers' to enforce any provision hereof shall be deemed to be a waiver.

C. Modifications. Neither the boundaries described in this agreement nor any provision of this Agreement may be modified or repealed except by a signed writing of the parties which is approved by all applicable regulatory authorities.

D. Survival. This Agreement shall inure to the benefit and be binding upon the parties, their respective successors and assigns.

E. Lack of Approval or Termination. If the Commission or any other regulatory authority having jurisdiction does not approve this Agreement, this Agreement shall be nullified and of no legal effect between the parties. If this Agreement is terminated pursuant to its terms, it shall thereafter be nullified and of no further legal effect except as may be necessary to govern disputes concerning situations existing prior to such termination. Further, if any part of this Agreement is declared invalid or void by a court or agency of competent jurisdiction, then the parties shall replace such provision as similarly as possible to the provision which was declared invalid or void so as to return each of them, as much as practical, to the status quo prior to the declaration.

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F. This Agreement shall not be construed to prevent either party from obtaining easements or right of way through or in any part of the Service Area of the other if the acquisition of such easement or right of way is reasonably necessary to or desirable for the performance of the party's duties to provide electric service to its customers in other areas.

G. The subsequent platting, re-platting, subdividing, re-subdividing, or re-naming of any parcel or subdivision covered by this Agreement shall not affect the respective rights of Cameron or Farmers' established by this Agreement.

12. <u>Subsequent Legislation</u>. This Agreement is reached between the parties based upon their understanding of the current state of the law in Missouri under Sections 91.025, 394.312 and 394.315 RSMo., which allow an electrical supplier, once it lawfully commences supplying retail electric energy to a structure through permanent service facilities, to have the right to continue serving such structure. Further, the concept of service under those sections at the current time contemplates not only the physical provision of the conductors to provide an electrical path and connection between the structure and the conductors of the electrical supplier, but also the provision of electrical power and energy through such conductors. In the event the law in Missouri is changed during any term of this Agreement to provide that the provider of the electrical facilities (i.e., conductors) within the Service Area is not also required or assumed to be the provider of electrical power and energy (i.e., the electricity), and thereby give customers a choice as to who provides their electricity, as contrasted with who owns the wires over which such electricity is provided, then nothing in this Agreement shall be construed to prohibit Cameron from providing electrical power and energy to structures within the Service Area of Farmers' established by this Agreement, or Farmers' from providing electrical power and energy to structures within the Service Area of Cameron established by this Agreement, under the terms of such future legislation, notwithstanding the terms of this Agreement to the contrary. However, if Sections 91.025, 394.312 or 394.315 RSMo. are repealed and not reenacted in a form substantially equivalent to their status on the Effective Date, this Agreement shall terminate, coincident with the effective date of the elimination of the current content of Sections 91.025, 394.312 and 394.315 RSMo., as the case may be.

IN WITNESS WHEREOF, the parties have executed this Agreement as of this 27th day of December, 2017.

CITY OF CAMERON, MISSOURI By: Manager Title: City Attest:

(seal)



FARMERS' ELECTRIC COOPERATIVE, INC.

By:

Title: GIENERKL AGEA

Attest:

(seal)





Date: 10/25/17

I, MURAD MANJIYANI (MANAGING MEMBER MIDWEST MASS INVESTMENTS LLC), legal owner or tenant of the property located at (address) 2108 E US HWY 36, CAMERON MO 64429, by signing below do hereby affirm I have no objection to a territorial agreement between the CITY OF CAMERON, MO and FARMERS' ELECTRIC COOPERATIVE, INC. that would allow my property located at the above-referenced address to continue to be served by FARMERS' ELECTRIC COOPERATIVE, INC. and would ensure any new structures erected on the above-referenced property would also be served by FARMERS' ELECTRIC COOPERATIVE, INC.

(Signature of legal owner or tenant)