

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

In the Matter of the Application of Union Electric)
Company d/b/a Ameren Missouri and Farmers') File No. EO-2018-0278
Electric Cooperative, Inc., for Approval of an)
Addendum to an Approved Territorial Agreement.)

**JOINT APPLICATION FOR APPROVAL OF AN
ADDENDUM TO AN APPROVED TERRITORIAL AGREEMENT**

Under authority of and in accordance with Section 394.312.4, RSMo, 4 CSR 240-2.060, 4 CSR 240-3.110, and a territorial agreement previously approved by the Commission, Union Electric Company d/b/a Ameren Missouri ("Company") and Farmers' Electric Cooperative, Inc. ("Cooperative") (individually an "Applicant" and jointly "the Applicants"), requests the Commission approve a second addendum to the Applicants' previously approved territorial agreement. Applicants state the following in support of their application:

I. GENERAL

1. Company, a Missouri corporation, provides electric and gas utility services to customers in its Missouri service areas. Company is an "electrical corporation," a "gas corporation," and a "public utility," as each of those terms is defined in Section 386.020, RSMo, and therefore is subject to the Commission's general regulatory jurisdiction and supervision, as provided by law. Company's principal office is at 1901 Chouteau Avenue, St. Louis, Missouri 63103.

2. Cooperative, a Missouri corporation, is a rural electric cooperative organized under Chapter 394, RSMo, providing electric service to members in portions of Dekalb, Clinton, Daviess, Livingston, Linn, Chariton, Carroll, Caldwell, and Ray Counties. Its principal office is at 201 West Business 36, P.O. Box 680, Chillicothe, Missouri 64601. Cooperative is not an "electrical corporation" or a "public utility," as those terms are defined in Section 386.020, RSMo,

and therefore is not subject to the Commission's regulatory jurisdiction and supervision, as provided by law.

3. Correspondence, communications, orders, and other documents and notices related to this application should be sent to the following representatives of the Applicants:

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4. Company previously filed with the Commission (i) a certified copy of the Company's Articles of Incorporation (Case No. EA-87-105); (ii) a copy of its fictitious name registrations (Case Nos. GO-98-486 and EN-2011-0069); and (iii) a copy of its Certificate of Corporate Good Standing (Case No. EA-2013-0502). Those documents are incorporated by reference and made a part of this application for all purposes, as authorized by 4 CSR 240-2.060(1)(G).

5. Cooperative previously filed with the Commission a copy of its Articles of Incorporation and its Certificate of Corporate Good Standing (File No. EO-2018-0205). Those documents are incorporated by reference and made a part of this application for all purposes, as authorized by 4 CSR 240-2.060(1)(G). Cooperative does not have a fictitious name registration on file with the Missouri Secretary of State.

6. Neither Company nor Cooperative has any overdue Commission annual reports or assessment fees and has no pending or final unsatisfied judgments or decisions against it from any state or federal agency or court that involve customer service or rates and that have occurred within the three years immediately preceding the filing of this application, although Company has various cases pending before the Commission and various state appellate courts. A list of pending cases is attached to this application as Appendix A and is incorporated by reference for all purposes.

II. THE EXISTING TERRITORIAL AGREEMENT

7. In May 1998, Applicants entered into their *Territorial and Exchange Agreement* (“Territorial Agreement”), which designated each Applicant’s respective service areas and provided means to promote orderly development of rural electric service within Caldwell, Chariton, Clay, Clinton, Daviess, DeKalb, Gentry, Linn, Livingston, and Ray counties, minimize disputes, and reduce wasteful duplication of service. The Territorial Agreement also established a process to be used for agreeing on and seeking approval of addenda to the agreement. That process included a requirement the Commission Staff and the Office of the Public Counsel submit objections to such addenda within forty-five days of the date it is submitted for Commission review. The Commission considered the Territorial Agreement in Case No. EO-98-511 and approved it in a *Report and Order* dated September 3, 1998.

8. In July 2013, the Applicants entered into *Addendum No. 1 to Territorial Agreement Between Union Electric Company and Farmers’ Electric Cooperative, Inc.* (“Addendum 1”), which the Commission considered in File No. EO-2014-0044 and approved in its *Report and Order* dated October 9, 2013.

9. Addendum 1 allowed Cooperative to provide retail electric service to a single structure owned by Beetsma Farms, Inc. (“Beetsma Farms”) and located on County Road 412 in

Mooresville, Missouri. Although Beetsma Farms' structure was within Company's service area, Cooperative's facilities were nearer the structure's location. Therefore, because Cooperative could more cost-effectively provide service to Beetsma Farms, Applicants agreed to transfer service responsibility from Company to Cooperative.

III. THE PROPOSED ADDENDUM

10. On March 29, 2018, Company and Cooperative entered into *Addendum No. 2 to Territorial Agreement Between Union Electric Company and Farmers' Electric Cooperative, Inc.* ("Addendum 2"). As required by Article 8.3 of the Territorial Agreement, Addendum 2 includes a notarized statement identifying the structure proposed to be served, the party to serve that structure, the justification for the addendum, and a statement indicating Company's and Cooperative's support for the addendum. A copy of Addendum 2 is attached to this application as **Exhibit A** and is incorporated by reference for all purposes.

11. Addendum 2 reflects Applicants' agreement to amend their Territorial Agreement to allow Cooperative to serve a three-phase irrigation pump Beetsma Farms proposes to construct at its Mooresville site. Although the proposed pump site currently is within Company's service area, because Cooperative already provides service to Beetsma Farms, Cooperative's facilities are nearer the pump site than Company's. Through a minor extension of its facilities Cooperative can serve Beetsma Farms' proposed pump site and can do so more cost-effectively than Company. **Exhibits B and C** (respectively, an aerial photograph and a schematic drawing), which are attached to this application and incorporated by reference for all purposes, show the location of Company's and Cooperative's current electric service facilities to the site where Beetsma Farms proposes to install its irrigation pump. Beetsma Farms consents to Applicants' proposed transfer of a small portion of Company's service area to Cooperative.

12. Except for the minor amendment described in the preceding paragraph, Addendum 2 will not change the Territorial Agreement's terms and conditions. And except for granting Cooperative the exclusive right to provide service to Beetsma Farms' proposed new structure, the exclusive service territories of Company and Cooperative expressed in the Territorial Agreement will remain unchanged.

IV. THE PROCEDURE FOR SECURING APPROVAL OF ADDENDUM 2

13. Under the case-by-case exception procedure prescribed in Article 8 of the Territorial Agreement, a proposed addendum must be filed with the Commission's Executive Secretary, and a copy of that filing must be provided to the Office of the Public Counsel ("OPC"). On this application's filing date, Applicants will serve a copy on the Commission Staff ("Staff") and the OPC, which will put those parties on notice of both Addendum 2 and Applicants' request for approval of that addendum. As prescribed in Article 8.5 of the Territorial Agreement, if within forty-five (45) days of its receipt of such notice Staff and the OPC do not submit pleadings objecting to the addendum, each of those parties will be deemed to have consented to Commission approval of Addendum 2.

14. In addition to exhibits previously identified in this application, Article 8.4 of the Territorial Agreement requires each proposed addendum to include a signed and notarized statement from the customer to be served (a) acknowledging the customer's receipt of notice of electric service Company and Cooperative propose to provide under the addendum and explaining the addendum represents and exception to the service area boundaries approved in the Territorial Agreement, and (b) indicating the customer's consent to the that addendum. Beetsma Farms' statement is attached to this application as **Exhibit D** and is incorporated by reference for all purposes.

WHEREFORE, because Applicants have shown approving Addendum 2 and allowing Cooperative to provide service to the three-phase pump site proposed by Beetsma Farms is in the public interest, because the Applicants have provided notice and otherwise complied with the requirements of the previously approved Territorial Agreement, and for other reasons stated in this application, Applicants request the Commission issue an order:

- a. Approving Addendum 2 and authorizing Cooperative to provide retail electric service to Beetsma Farms' proposed pump site;
- b. Authorizing Company and Cooperative to take such action as may be required to implement authority granted in this case, including but not limited to making, executing, and delivering all documents necessary or advisable to consummate Addendum 2; and
- c. Granting such other relief as the Commission deems appropriate under the circumstances.

Respectfully submitted,

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**AMEREN MISSOURI CASES PENDING BEFORE
THE MISSOURI PUBLIC SERVICE COMMISSION**

File No. EA-2016-0207	File No. EA-2018-0201	File No. EA-2018-0202
File No. EC-2018-0076	File No. EC-2018-0113	File No. EE-2018-0238
File No. EO-2015-0055	File No. EO-2017-0176	File No. EO-2018-0038
File No. EO-2018-0200	File No. EO-2018-0200	File No. EO-2018-0211
File No. EO-2018-0253	File No. ER-2018-0030	File No. ER-2018-0031
File No. ER-2018-0226	File No. ER-2018-0255	File No. ER-2018-0256
File No. ET-2018-0063	File No. ET-2018-0132	