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November 14, 2000

BRIAN D. KINKADE
Executive Director

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Director, Research and Public Affairs

WESS A. HENDERSON
Director, Utility Operations

ROBERT SCHALLENBERG
Director, Utility Services

DONNA M. KOLILIS
Director, Administration

DALE HARDY ROBERTS
Secretary/Chief Regulatory Law Judge

DANA K. JOYCE
General Counsel

FILED³

NOV 14 2000

Missouri Public
Service Commission

Mr. Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102

RE: Case No. EA-2000-308

Dear Mr. Roberts:

Enclosed for filing in the above-captioned case are an original and eight (8) conformed copies of the **PROPOSED LIST OF ISSUES, ORDER OF WITNESSES AND ORDER OF CROSS-EXAMINATION.**

This filing has been mailed or hand-delivered this date to all counsel of record.

Thank you for your attention to this matter.

Sincerely yours,

Dennis L. Frey
Associate General Counsel
(573) 751-8700
(573) 751-9285 (Fax)

DLF/lb
Enclosure
cc: Counsel of Record

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

FILED³
NOV 14 2000

Missouri Public
Service Commission

In the Matter of the Application of the)
City of Rolla, Missouri, for an Order)
Assigning Exclusive Service Territories)
and for Determination of Fair and)
Reasonable Compensation pursuant to)
Section 386.800 RSMo 1994.)

Case No. EA-2000-308

PROPOSED LIST OF ISSUES, ORDER OF WITNESSES
AND ORDER OF CROSS-EXAMINATION

COMES NOW the Staff of the Missouri Public Service Commission ("Staff") and respectfully states as follows:

1. On October 29, 1999, the City of Rolla, Missouri ("City" or "Rolla") filed with the Missouri Public Service Commission ("Commission") an Application seeking an order, pursuant to Section 386.800 RSMo 1994, designating a specific area as the exclusive electric service territory of the City, and setting fair and reasonable compensation to be paid to Intercounty Electric Cooperative ("Intercounty" or "Cooperative") as a result of such designation. According to the Application, the area concerned consists of approximately 1350 acres, recently annexed by the City and presently receiving electric service from Intercounty.

2. On March 29, 2000, the Commission adopted the following procedural schedule:

Procedural Schedule

Prepared Direct testimony (City only)	June 1, 2000 (3:00 p.m.)
Prepared Rebuttal testimony (all other parties)	July 18, 2000 (3:00 p.m.)
Prepared Surrebuttal/Cross-Surrebuttal testimony (all parties)	September 27, 2000 (3:00 p.m.)
Local Public Hearing	October 24, 2000 (5:00 – 8:00 p.m.)
Prehearing Conference	November 1, 2000 (10:00 a.m.)
Statement of the Issues (list and order of witnesses)	November 14, 2000 (3:00 p.m.)
Statement of Positions on the Issues (each party)	November 21, 2000 (3:00 p.m.)
Evidentiary Hearing	December 4-7, 2000 (9:00 a.m.)

3. Pursuant to the ordered procedural schedule, the parties have assembled the following list of issues, list of witnesses, and order of cross-examination. The listing of issues below is not to be considered as an agreement by any party that any particular listed issue is, in fact, a valid or relevant issue. Indeed, in the subsequent filing of position statements, some parties may state that they consider a particular listed issue to not be a valid issue. This “non-binding” listing of issues is not to be construed as impairing any party’s ability to argue about any of these issues or related matters, or to restrict the scope of its response to arguments made by other parties.

LIST OF ISSUES

I. Is the City of Rolla's request for an assignment of the exclusive territory and transfer of Intercounty Electric Cooperative Association's ("Intercounty") facilities in the public interest?

A. What effect will there be with regard to electric distribution lines in the annexed area if the Commission does not approve the application of Rolla Municipal Utilities (RMU)?

B. What effect, if any, will RMU's acquisition of the facilities within the annexed area have on its operations, rates for service and quality of service?

C. What effect, if any, will RMU's acquisition of the facilities in the annexed area have on Intercounty's operations, rates for service and quality of service?

D. What effect, if any, will RMU's acquisition of the facilities in the annexed area have on Intercounty's existing customers in the annexed area?

E. Will RMU's new wholesale electric supplier agreement, and related wheeling agreements, if any, have any effect on customer rates or on service reliability?

F. What effect, if any, will RMU's lease/purchase of trailer mounted generation equipment have on customer rates, or service reliability?

G. Should Intercounty's position on payment of a gross receipts tax or payment in lieu of tax, and other services, and any reliance of the City of Rolla on Intercounty's position, be considered with respect to the interest of the public in this case?

H. Should the City's Revised Plan of Intent be considered with respect to the interest of the public in this case?

II. Should the Commission assign the annexed area, in whole or in part, to the City of Rolla as its exclusive territory?

III. If the Commission determines that the annexed area, in whole or in part, should be assigned to the City of Rolla as its exclusive territory, what is the amount of "fair and reasonable compensation" to be paid Intercounty for its facilities?

A. What is the present day reproduction cost, new, of Intercounty's properties and facilities, serving the annexed area?

B. Should Intercounty's district office building located at 1310 South Bishop Ave. (Highway 63), Rolla, Missouri, be included in the calculation of fair and reasonable compensation, and if so, in what amount?

C. Should Intercounty's reliance, if any, on the City's Plan of Intent be considered in determining whether Intercounty's district office building should be included in the calculation of fair and reasonable compensation?

D. What particular approach should be adopted by the Commission in order to calculate depreciation in this case?

E. What is the amount of depreciation to be deducted from the calculation of present day reproduction cost, new, of the properties and facilities serving the annexed area?

F. What are the reasonable and prudent costs of detaching Intercounty's facilities in the annexed area, and what are the reasonable and prudent costs of reintegrating Intercounty's system outside the annexed area after detachment?

1. Should the reasonable and prudent costs of detaching the facilities and reintegrating the system include:

a) Intercounty's engineering costs related to the detachment of facilities and reintegration of the system?

b) Intercounty's costs for detachment of its main tie lines?

c) Intercounty's costs of pole and line construction for reintegrated lines?

d) Intercounty's transfer of service costs, including final meter readings and crew time?

e) Intercounty's transfer of facilities costs and demolition costs for removal of facilities?

f) Intercounty's costs of acquiring and clearing right of way and obtaining right of way easements?

g) Intercounty's costs to maintain service to stranded customers by the erection of new facilities?

h) Intercounty's costs of reintegrating telephone, fiber optic, computers and communications systems?

i) Intercounty's administrative costs associated with the above?

2. If the Commission determines that an item listed in III-E. 1. above should be included in the reasonable and prudent costs, then how much of the cost of each of the following items should be included?

a) Intercounty's engineering costs related to the detachment of facilities and reintegration of the system

b) Intercounty's costs for detachment of its main tie lines

c) Intercounty's costs of pole and line construction for reintegrated lines

d) Intercounty's transfer of service costs, including final meter readings and crew time

e) Intercounty's transfer of facilities costs and demolition costs for removal of facilities

f) Intercounty's costs of acquiring and clearing right of way and obtaining right of way easements

g) Intercounty's costs to maintain service to stranded customers by the erection of new facilities

h) Intercounty's costs of reintegrating telephone, fiber optic, computers and communications systems

i) Intercounty's administrative costs associated with the above

3. What is 400% of Intercounty's gross revenue less gross receipts taxes, for the twelve-month period preceding the approval of the Rolla city council to begin negotiations with Intercounty for the exclusive territory and for transfer of the facilities?

a) What customers or structures should be included/excluded in the calculation of same?

b) How should the gross revenue calculation be normalized to produce a representative usage?

IV. Other Costs/Issues Related to Calculating Fair and Reasonable Compensation

- A. Should the condition of Intercounty's easements, or lack thereof, in the annexed area be considered in the calculation of fair and reasonable compensation, and if so, in what amount and manner?**
- B. Should the Commission order PCB testing of Intercounty's facilities in conjunction with the transfer, and if so, in what manner?**
- C. Should joint use fees collected pursuant to Intercounty's pole attachment agreements be considered in the calculation of fair and reasonable compensation?**
- D. Should the equity owed to the Intercounty members in the annexed area be considered in the calculation of fair and reasonable compensation?**
- E. Should Intercounty's additional wholesale power costs be considered in the calculation of fair and reasonable compensation?**

ORDER OF WITNESSES

For the City of Rolla/RMU

Andrew A. Marmouget
Dave Stogsdill
Rodney P. Bourne
Dan A. Watkins

For Intercounty Electric Cooperative Association ("IECA")

Jim R. Krewson
James E. Ledbetter
Brian Nelson
Vernon W. Strickland

For Southside Neighbors ("SN")

Don Priest

For the Staff

James L. Ketter

Proposed Schedule:

Monday, December 4, 2000: commencing at 9 a.m.

Opening Statements
Andrew A. Marmouget (RMU)
Dave Stogsdill (RMU)
Rodney P. Bourne (RMU)

Tuesday, December 5, 2000: commencing at 9 a.m.

Dan A. Watkins (RMU)
Jim R. Krewson (IECA)
James E. Ledbetter (IECA)

Wednesday, December 6, 2000: commencing at 9 a.m.

Brian Nelson (IECA)
Vernon W. Strickland (IECA)
Don Priest (SN)
James L. Ketter (Staff)

Thursday, December 7, 2000: commencing at 9 a.m.

(Available if needed)

All parties are expected to have their witnesses available to testify immediately following the conclusion of the previously scheduled witness, since there is no indication at this time that any particular witness needs to be taken out of the order established above.

ORDER OF CROSS-EXAMINATION

Witness:

Cross:

Rolla

Staff

OPC

IECA

SN

IECA

SN

OPC

Staff

Rolla

Southside Neighbors

IECA

OPC

Staff

Rolla

Staff

Rolla

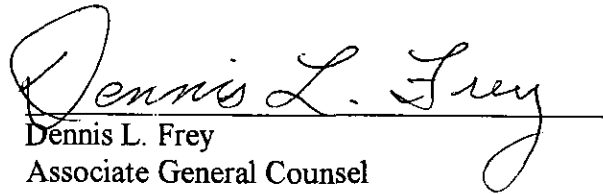
OPC

IECA

SN

Respectfully submitted,

DANA K. JOYCE
General Counsel

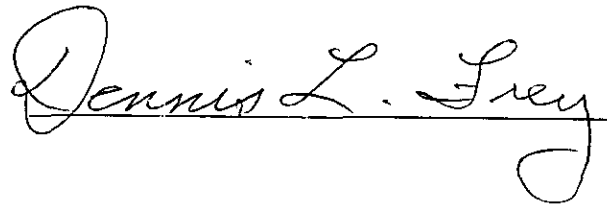
A handwritten signature in cursive script, reading "Dennis L. Frey", written over a horizontal line.

Dennis L. Frey
Associate General Counsel
Missouri Bar No. 44697

Attorney for the Staff of the
Missouri Public Service Commission
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Certificate of Service

I hereby certify that copies of the foregoing have been mailed or hand-delivered to all counsel of record as shown on the attached service list this 14th day of November 2000.

A handwritten signature in cursive script, reading "Dennis L. Frey", written over a horizontal line.

Service List for
Case No. EA-2000-308
Revised: October 18, 2000 (lb)

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