

1. Exhibit 1 is a true and correct copy of the Interconnection Agreement between City Utilities of Springfield, Missouri and the City of Nixa, Missouri, in full force and effect. (City of Nixa response to City Utilities' Request for Admissions 1, attached as Exhibit 7).

2. Exhibit 2 is a true and correct copy of the Electric Line License Agreement between City Utilities of Springfield, Missouri and the City of Nixa, Missouri, in full force and effect. (City of Nixa response to City Utilities' Request for Admissions 2, attached as Exhibit 7).

3. Exhibit 3 is a true and correct copy of the Maintenance Agreement between City Utilities of Springfield, Missouri and the City of Nixa, Missouri, in full force and effect. (City of Nixa response to City Utilities' Request for Admissions 3, attached as Exhibit 7).

4. The Interconnection Agreement, Exhibit 1, may not be assigned by Nixa without the consent of City Utilities. (Exhibit 1, Paragraph 12).

5. The Electric Line License Agreement, Exhibit 2, "shall terminate on the same date as the Interconnection Agreement between City Utilities of Springfield, Missouri and the City of Nixa, Missouri dated September 24, 2004." (Exhibit 2, Paragraph 5).

6. The Electric Line License Agreement, Exhibit 2, is "a revocable license" that allows Nixa to locate and maintain its electric line (Exhibit 2, second paragraph) on approximately 9.53 acres of land owned by City Utilities (Exhibit 2, Exhibit A).

7. The Maintenance Agreement, Exhibit 3, may not be assigned without the written consent of the other party. (Exhibit 3, Paragraph 9).

8. The proposed Transaction between Applicant and the City of Nixa (Sale of Transmission Assets by Nixa to Applicant) requires Nixa to sell, assign, transfer, and convey to Applicant the City of Nixa's interest in certain contracts, including the agreement of City

Utilities to maintain certain assets, which agreement has not been obtained. (Application, Paragraph 12).

9. The Transaction is subject to the condition of Seller (Nixa) having obtained all Seller Consents “substantially equivalent to those requested in the applications filed”, including that “if CUS has not provided its consent to the assignment of buyer of the CUS/Nixa Interconnection Agreement, Buyer and CUS shall have entered into a new Interconnection Agreement, which among other things, terminates the CUS/Nixa Interconnection Agreement.” (Application, Exhibit A, Paragraph 5.1.2, 5.2.2, Schedule 3.1.4, Seller Consents, and Exhibit C, Appendix A, Assignment of Easement).

Material Facts As to Which There is No Genuine Issue, Supported by Affidavit

10. The Interconnection Agreement, Exhibit 1, and the real estate described and which is the subject of the License Agreement, Exhibit 2, are located within the City of Springfield, Missouri.

11. Applicant SCMCN has stated that, if its Application in this proceeding is granted, it intends to place the Transaction Assets in Southwest Power Pool Annual Transmission Revenue Requirement (“ATRR”) Zone 3 (Application, Paragraph 32 and Footnote 9; Direct Testimony of Carl Huslig at 4:17-5:9). To the extent that Applicant SCMCN were to succeed in implementing its stated intention, it has estimated in its application to the Federal Energy Regulatory Commission for authorization to acquire the Nixa Transmission Assets that inclusion of the Nixa Transmission Assets in the SPP Zone 3 ATRR would increase that ATRR by \$1.7 million (SCMCN Section 203 Application at 14-15 n. 24, excerpt attached as Exhibit 4). Were Applicant SCMCN to succeed in its effort, City Utilities’ customers are likely to incur approximately ninety-five percent (95%) of the annual carrying cost of facilities Applicant seeks

to acquire from Nixa, based on the Zone 3 load ratio share. (Affidavit of Steve Stodden, attached hereto as Exhibit 5).

12. At this time, City Utilities has not consented to the assignment of Exhibits 1, 2, or 3, and has no intention to consent to any such assignments. (Affidavit of Steve Stodden).

13. At this time, City Utilities has not entered into an operating agreement with Applicant to operate the assets sought to be sold in the Transaction, has not entered into an Interconnection Agreement with Applicant and has no current intention to do so. (Affidavit of Steve Stodden).

14. The utilities owned and acquired by the City of Springfield, Missouri, are operated under the name "City Utilities of Springfield, Missouri." The utilities owned by City of Springfield, Missouri, include "electric systems," which shall be controlled and operated by a board known as the Board of Public Utilities. Charter, City of Springfield, adopted March 17, 1953, Sections 16.1(1) and (2) and 16.2(1), copy attached as Exhibit 6, Judicial Notice Requested.

15. In approximately 2002 or 2003, Nixa approached City Utilities with the proposal to establish an additional transmission service line to the City of Nixa, to decrease Nixa's costs related to its payments to Southwest Power Pool. City Utilities was reluctant to allow an access or interconnection in close proximity to its facilities, but City Utilities determined to assist Nixa by agreeing to Nixa's request for an interconnection. City Utilities carefully structured the Interconnection Agreement and related agreements, to protect City Utilities customers from any unforeseen negative ramifications. Specifically, City Utilities required, and Nixa agreed to, language requiring the consent of City Utilities to any assignment, and the use of a revocable license agreement coterminous with the Interconnection Agreement, to permit Nixa's occupancy

of City Utilities' property, instead of granting a permanent easement. (Affidavit of Steve Stodden, attached hereto as Exhibit 5).

16. City Utilities has not consented to the assignment of its Interconnection Agreement with Nixa, and has no reason to grant its consent. Termination of the Interconnection Agreement causes termination of the revocable license granted by City Utilities to the City of Nixa for occupancy of 9.53 acres of City Utilities' property by Nixa's transmission facility.

WHEREFORE, the consent of the governmental body Intervenor City Utilities is required not only as a condition for the granting of relief sought by Applicant, but also to the Transaction, under Section 393.170 R.S.Mo. and 4 CSR 240-3.105(1)(D) and (2). As such consent is neither granted nor forthcoming, Intervenor prays that said Application be dismissed with prejudice.

Respectfully submitted,

/s/ John P. Coyle

John P. Coyle (*pro hac vice*)
Duncan & Allen
1730 Rhode Island Avenue, N.W.
Suite 700
Washington, D.C. 20036-3115
Telephone: (202) 289-8400
Email: jpc@duncanallen.com

John F. Black #30352
Rex McCall #29751
Beverly G. Baughman#40038
301 E. Central
Springfield, MO 65802
Telephone: (417) 831-8604 (Black)
Telephone: (417) 831-8605 (McCall)
Telephone: (417) 831-8609 (Baughman)
Email: john.black@cityutilities.net
Email: rex.mccall@cityutilities.net
Email: bev.baughman@cityutilities.net

**ATTORNEYS FOR CITY UTILITIES OF
SPRINGFIELD**

Dated: February 12, 2016.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of City Utilities' Motion For Disposition, was sent to the following parties via () U.S. Mail, postage prepaid, () facsimile, (x) electronic transmission, and/or () hand delivering this 12th day of February, 2016:

Office of the Public Counsel
Dustin Allison
200 Madison Street, Suite 800
P.O. Box 2230
Jefferson City, MO 65102
Email: opcservice@ded.mo.gov

D. Patrick Sweeney
Hall Ansley PC
3275 E. Ridgeview
Springfield, MO 65804
Email: psweeney@hallansley.com

Missouri Public Service Commission
Department Staff Counsel
200 Madison Street, Suite 800
P.O. Box 360
Jefferson City, MO 65102
Email: staffcounsel@psc.mo.gov

Alison M. Nelson, Missouri Bar #58004
Husch Blackwell LLP
190 Carondelet Plaza, Suite 600
St. Louis MO 63105-3433
Email: ali.nelson@huschblackwell.com

Steve Dottheim
Missouri Public Service Commission
200 Madison Street, Suite 800
P.O. Box 360
Jefferson City, MO 65102
Email: Steve.Dottheim@psc.mo.gov

Lowell Pearson, Missouri Bar #46217
Husch Blackwell LLP
235 East High Street, P.O. Box 1251
Jefferson City, MO 65101-3206
Email: lowell.pearson@huschblackwell.com

Beth Emery
Senior Vice President, General Counsel &
Secretary
South Central MCN LLC
2 North LaSalle St.
Chicago, IL 60602
Email: bemery@gridliance.com

Robert L. Daileader, Esq.
Nixon Peabody LLP
799 Ninth Street, N.W.
Suite 500
Washington, D.C. 20001-4150
Email: RDaileader@nixonpeabody.com

Kyle Barry
Husch Blackwell LLP
190 Carondelet Plaza, Suite 600
St. Louis, MO 63105-343
Email: kyle.barry@Huschblackwell.com

/s/ John P. Coyle
John P. Coyle *pro hac vice*

Missouri Public Service Commission
File No. EA-2016-0036
Exhibit CU-1

Interconnection Agreement
Between City Utilities of Springfield, Missouri and the City of Nixa, Missouri

**INTERCONNECTION AGREEMENT BETWEEN
CITY UTILITIES OF SPRINGFIELD, MISSOURI
AND THE CITY OF NIXA, MISSOURI**

Whereas, City Utilities of Springfield, Missouri ("City Utilities") and the City of Nixa, Missouri ("Nixa") have entered into an Electrical Capacity, Energy, and Service Sales Agreement, dated May 21, 1992, and amended by Amendment I on June 21, 1999, and Amendment II on September 9, 2002, pursuant to which City Utilities supplies electrical capacity, energy, and service to Nixa so that Nixa may distribute electrical energy to its inhabitants, and

Whereas, Nixa is connected to the Southwest Power Administration system ("SPA") at the SPA Nixa Substation, and

Whereas, in order to facilitate Nixa's ability to receive electrical capacity, energy, and service from City Utilities, Nixa proposes to construct a 69 kV electric transmission line to interconnect Nixa's electric power system with City Utilities' electric power system, and

Whereas, City Utilities supplies Nixa with energy over and above Nixa's hydroelectric energy allotment from SPA, and

Whereas, such interconnection will permit mutual support of each system during emergencies, facilitate power exchange, and achieve economies in their electric supply operations,

Now, therefore, on this 24th day of September, 2004, City Utilities of Springfield, Missouri ("City Utilities") and the City of Nixa, Missouri ("Nixa") agree as follows:

1. Term. This Agreement shall begin on the date that it is signed and shall terminate 30 years later. This Agreement shall automatically renew for terms of 5 years each, unless either party gives written notice of termination at least 6 months before the end of the initial term or any renewal term.

2. Construction of 69 kV Electric Line. Nixa shall, at its own expense, construct a 69 kV electric transmission line ("69 kV Line") that will interconnect Nixa's electric system with City Utilities' electric system. The 69 kV Line shall begin at the Nixa Tracker Substation ("Beginning Point") and shall end at the bus at City Utilities' James River Power Station ("Interconnection Point.")

(a) Nixa shall design the 69 kV Line so that it is compatible with City Utilities' electric system and so that all components of the 69 kV Line are standardized with the components of City Utilities' system. Nixa shall submit all plans and specifications for the 69 kV Line to City Utilities for its approval before construction. Plans and specifications of any future modifications to Nixa's Portion of the 69 kV Line will require City Utilities' review and approval prior to implementation.

(b) City Utilities shall install electric meters near the Interconnection Point at no cost to Nixa. City Utilities shall install circuit breakers and associated equipment at the Interconnection Point. City Utilities shall invoice Nixa for the Actual Cost of installing the circuit breakers and associated equipment. "Actual Cost" shall mean the actual cost of performing work using City Utilities' standard accounting procedures. Actual Cost shall include, without limitation, labor, materials, equipment, maintaining additional stock (if any), overhead expenses, and administrative and general overhead expenses. City Utilities shall provide Nixa with a written estimate of the Actual Cost of installing the

circuit breakers and associated equipment, which must be approved by Nixa in writing before City Utilities proceeds with the work.

(c) Nixa shall own the 69 kV Line from the electric meters to the Beginning Point ("Nixa's Portion of the 69 kV Line"). City Utilities shall own the electric meters and all of the 69 kV Line from the electric meters to the Interconnection Point, including, without limitation, circuit breakers ("City Utilities' Portion of the 69 kV Line"). Such portion of the 69 kV Line shall be transferred to City Utilities without charge automatically on energization of the line, without further action of either party.

(d) Nixa shall design the 69 kV Line so that City Utilities may underbuild its own 69 kV electric transmission line on the easement described in 3(b) below using the then-existing poles of Nixa's Portion of the 69 kV Line.

3. Acquisition of Easements.

(a) Nixa shall, at its own expense, acquire all easements in Christian County necessary for the construction of the 69 kV Line.

(b) To the extent that it has the legal right to do so, City Utilities shall grant an easement in Greene County to Nixa to construct a portion of the 69 kV Line on City Utilities' easement for the southern loop of City Utilities' 161 kV electric transmission line. City Utilities shall determine the exact location and dimensions of the easement for the 69 kV Line that is granted by City Utilities on the southern loop of City Utilities' 161 kV electric transmission line. The easement granted by City Utilities shall provide that City Utilities has the right to underbuild its own 69 kV electric transmission line on the then-existing poles of Nixa's Portion of the 69 kV Line and shall be substantially in the form shown in Exhibit 1. There shall be no charge for the grant of this easement.

(c) City Utilities shall use its best efforts to obtain any other voluntarily granted easements in Greene County that might be necessary or convenient for the construction of the 69 kV Line. City Utilities shall invoice Nixa for the costs of such easements.

4. Operation and Use of 69 kV Line.

(a) City Utilities shall operate and monitor the circuit breakers for the 69 kV Line.

(b) Before connecting any additional electric lines to the 69 kV Line, Nixa shall obtain City Utilities' written approval of the design of the connection.

(c) With the prior written approval of Nixa, City Utilities may make additional interconnections to the 69 kV Line.

(d) City Utilities shall not make any changes to its electric system that will render the 69 kV Line useless for the transfer of electrical energy from City Utilities to Nixa. If City Utilities does so, then it will pay Nixa its book value of the 69 kV Line, using straight-line depreciation and a useful life of 30 years. This subsection shall not apply to changes governed by Section 9, below.

(e) Nixa recognizes that City Utilities is a member of the Southwest Power Pool (SPP) and is bound by SPP's transmission tariffs. The parties believe that this Agreement is not subject to transmission fees

under those tariffs. However, if this Agreement is or becomes subject to transmission fees under SPP's tariffs, then Nixa shall pay such transmission fees as are required.

(f) The parties shall operate their systems in synchronism. If the interconnection becomes interrupted, the parties shall cooperate to remove the cause of such interruption as soon as practicable and restore the interconnection to normal operating conditions.

(g) To the extent they can control it, the parties shall not impose any unusual real or reactive load upon each other's facilities in excess of their safe and proper capacity. If emergency conditions arise which overload the interconnecting facilities between the systems of the parties, then the parties shall cooperate in taking immediate steps to eliminate or reduce such overload, provided that the party on whose system the original emergency occurs shall have the primary responsibility for such corrective action, even though this might require dropping load on its system.

5. Maintenance of 69 kV Line.

(a) Nixa shall, at its expense, maintain Nixa's Portion of the 69 kV Line. City Utilities shall, at its expense, maintain City Utilities' Portion of the 69 kV Line.

6. Relation to Other Agreements. The parties recognize that each is a party to agreements with other power suppliers that provide for interconnections, pooling, and interchange of electrical services. This Agreement shall not affect obligations and rights of either party with respect to such other agreements.

7. Audit of City Utilities' Records. Nixa shall have the right, at its expense, to audit City Utilities' records to verify invoices anytime during this Agreement or within three years following its termination.

8. Force Majeure. Neither party shall be liable for delays or failures of performance due to causes beyond its reasonable control. The party affected by a force majeure shall use all reasonable diligence to remove or cure the force majeure, provided that no party shall be required to settle or resolve labor disturbances or strikes on terms unfavorable to that party.

9. Changes in Governmental Regulations. In the event that a change in laws, regulatory orders, or governmental regulations substantially increases the obligations of or substantially decreases the benefits to either party under this Agreement, then the parties shall in good faith renegotiate the affected provisions of this Agreement with regard to such change in order to maintain the respective benefits and obligations as originally intended. If the parties are unable to reach agreement, then either party may terminate this Agreement by giving 6 months written notice to the other at any time.

10. Notices. All notices shall be in writing and sent by certified mail, return receipt requested, overnight courier, or facsimile. Facsimile notices shall be confirmed by one of the other two methods, but shall be effective on the date that the facsimile transmission is sent. Notices shall be sent as set forth below, provided that either party can change such information by giving the other party written notice.

City Utilities:

Brent E. McKinney, P.E.
Manager – Electric Transmission and Distribution
City Utilities of Springfield, MO
828 N. Prince Lane
Springfield, MO 65802

Nixa:

Brian Bingle, City Administrator
715 W. Mt. Vernon
P.O. Box 395
Nixa, MO 65714

11. No Third Party Beneficiaries. There are no third party beneficiaries to this Agreement. This Agreement is not intended to and shall not create rights of any kind whatsoever in, without limitation, any person, corporation, association, power supplier, governmental agency, political subdivision, or entity of any kind whatsoever, other than the parties hereto.

12. Assignment. Neither party may assign this Agreement without the written consent of the other party. This Agreement shall be binding on the successors and assigns of the parties.

13. No Joint Venture. This Agreement is not intended to create a partnership or joint venture.

14. Liability and Indemnification.

(a) Nixa shall be liable for all claims, damages, losses, and expenses, including attorney's fees, arising from the ownership, construction, maintenance, or operation of Nixa's Portion of the 69 kV Line , except to the extent they are caused or contributed to by the negligence or willful misconduct of City Utilities or breach of this Agreement by City Utilities.

(b) City Utilities shall be liable for all claims, damages, losses, and expenses, including attorney's fees, arising from the ownership, construction, maintenance, or operation of City Utilities' Portion of the 69 kV Line , except to the extent they are caused or contributed to by the negligence or willful misconduct of Nixa or breach of this Agreement by Nixa.

(c) Each party shall indemnify, defend, and hold harmless the other party, its officers, directors, agents, and employees, from and against all claims, damages, losses, and expenses, including attorney's fees, arising out of this Agreement caused by its breach, negligence, or will misconduct. In cases of concurring fault, each party shall bear its share of the loss. This indemnification agreement shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for the indemnifying party under workers' compensation acts, disability benefit acts, or other employee benefit acts.

15. Payments and Interest. All payments hereunder shall be due within 30 from the date of the invoice. All amounts that are not paid when due shall bear interest at the prime rate of interest published in The Wall Street Journal, plus one percentage point. If Nixa disputes any invoice, it shall pay the undisputed portion to City Utilities. On resolution of the dispute, any amount determined to be owed by Nixa to City Utilities shall bear interest from the original due date as set forth above.

16. Severability. The provisions of the Agreement are severable, and if any of its provisions are declared void in whole or in part, the decision so holding shall not be construed as impairing any other provisions unless such remaining provisions, standing alone, cannot fairly be regarded as reflecting the parties' original mutual understanding.

17. Governing Law. This Agreement is made in the State of Missouri, and shall be governed by, construed, interpreted and enforced in accordance with the laws of the State of Missouri.

18. Entire Agreement. This Agreement sets forth the entire understanding of the parties, and it may not be changed except by a written document signed by both parties.

In Witness Whereof, the parties have signed this Agreement on the date first written above.

City Utilities of Springfield, Missouri

City of Nixa, Missouri

By John Twitty
John Twitty
General Manager

By Doug Marris
Doug Marris
Mayor

Approved: Rex C. McCall

EXHIBIT 1

DO NOT WRITE ABOVE THIS LINE - FOR GREENE COUNTY RECORDER OF DEEDS' OFFICE USE ONLY



ELECTRIC LINE EASEMENT

(CU Activity No.)

KNOW ALL MEN BY THESE PRESENTS: That for and in consideration of the sum of ONE DOLLAR (\$1.00) in cash and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, THE CITY OF SPRINGFIELD, MISSOURI, a municipal corporation, for the use of THE BOARD OF PUBLIC UTILITIES OF SPRINGFIELD, MISSOURI (Grantor), does hereby grant, bargain and convey to the CITY OF NIXA, MISSOURI (Grantee), a municipal corporation, and its successors, a perpetual right of way and easement, with the right, privilege and authority to Grantee to construct, reconstruct, repair, operate, maintain, patrol and/or remove a single, overhead 69 kV electric line and a single overhead communications line for the purpose of transmitting electricity on, through, over, and across the following described land in the County of Greene, State of Missouri, to-wit:

See Exhibit A

together with (a) the right, privilege and authority to trim, cut and remove from said premises any trees, overhanging branches or other obstructions, (b) the right of ingress and egress to, from and over the above-described premises for doing anything necessary or useful for the enjoyment of the easement herein granted, and (c) all other rights, easements, privileges and appurtenances, in or to said lands, which may be required for the full enjoyment of the rights herein granted.

The Grantor, its, tenants, heirs, successors, and assigns shall have the right to use and enjoy the said premises fully, except for the rights and privileges hereinbefore granted to the Grantee; that the use of said premises shall at all times be subject to such acts and uses by Grantee as may be necessary for the purposes herein set forth. Specifically, without limiting the foregoing, Grantor shall have the right to underbuild its own 69 kV electric transmission line and communications line using the then-existing poles of Grantee's 69 kV electric transmission line and shall have the right to build underground gas, water, communications, and electric lines on the premises. Grantee may not assign this easement, in whole or in part.

IN WITNESS WHEREOF, said Grantor has hereunto set its hand and seal this _____ day of _____,

20_____.

_____(Seal) _____(Seal)
_____(Seal) _____(Seal)

PLEASE NOTARIZE BACK PAGE

STATE OF MISSOURI)
COUNTY OF _____) SS.

On this _____ day of _____, 20____, before me, a Notary Public, within and
for the _____ County and _____ State aforesaid, personally appeared _____

_____ to me known to be the person(s) described in, and who executed the foregoing instrument, and who severally
acknowledged that they had read said instrument, and that they had executed the same as their free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and notarial seal the day and year first above
written.

Print Name: _____
Notary Public

My commission expires the _____ day of _____, 20____.

STATE OF MISSOURI)
COUNTY OF _____) SS.

On this _____ day of _____, 20____, before me, a Notary Public, within and
for the County and State aforesaid, personally appeared _____
and _____, to me known to be the persons described in, and
who executed the foregoing instrument, and stated they are
_____ respectively, and
_____ of
_____ a corporation, and acknowledged that they executed said
instrument by authority of the Board of Directors and as the free act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and notarial seal the day and year first above
written.

Print Name: _____
Notary Public

My commission expires the _____ day of _____, 20____.

Missouri Public Service Commission
File No. EA-2016-0036
Exhibit CU-2

Electric Line License Agreement
Between City Utilities of Springfield, Missouri and the City of Nixa, Missouri

ELECTRIC LINE LICENSE AGREEMENT

~~UNITS~~ (UNITS TO NIXA)

THIS AGREEMENT, made and entered into this 13th day of FEBRUARY, 2006, by and between the City of Nixa, Missouri, hereinafter "Nixa", and City Utilities of Springfield, hereinafter "City Utilities".

For and in consideration of the covenants and agreement of Nixa contained herein, City Utilities hereby grants a revocable license to Nixa, its successors and assigns, to locate, relocate, replace, construct, reconstruct, repair, operate, maintain, patrol and/or remove, electrical lines and related equipment, across, on, or under the real estate described in Exhibit "A" attached hereto, at Nixa's own expense.

Nixa agrees to maintain and repair all fixtures and equipment installed in good and safe condition, and shall not cause or permit any environmental contamination to City Utilities' property from the installation.

Nixa shall indemnify, defend, and hold harmless City Utilities, its agents, directors, officers, and employees, from and against all claims, damages, losses, and expenses, including attorney's fees, arising out of this license and caused by the negligent or wrongful acts or omissions of Nixa, any subcontractor, any supplier, or anyone for whose acts or omissions any of them may be liable. Nixa shall not be liable to the extent any claim, loss, damage, or expense is caused by the negligent or wrongful acts or omissions of City Utilities. This indemnification obligation shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for Nixa or its subcontractors or suppliers under workers' compensation acts, disability benefit acts, or other employee benefit acts.

This license shall commence on the date first written above and shall terminate on the same date as the Interconnection Agreement Between City Utilities of Springfield, Missouri and the City of Nixa, Missouri, dated September 24, 2004. Within one hundred twenty (120) days from the date of termination of this license, Nixa shall, at its own expense, remove all fixtures and equipment installed by it and restore the premises to a reasonable condition satisfactory to City Utilities.

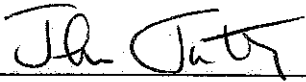
In the event that City Utilities performs improvements which require using the area subject to this license, Nixa agrees that it will relocate its facilities without compensation from City Utilities. City Utilities will provide Nixa with one year's written notice before requiring any such relocation. City Utilities will provide Nixa with a replacement license to accommodate any such relocation.

Nixa shall inform City Utilities in advance concerning the nature of any improvements it intends to install in the licensed area, including the dimensions and character of such improvements. City Utilities may deny use of the license for the installation of any fixtures or equipment it deems incompatible with its operations.

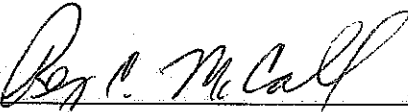
This agreement and every question hereunder shall be governed by the laws of the State of Missouri. In any litigation arising hereunder, venue shall be proper only in the State Circuit Court of Greene County, Missouri.

IN WITNESS WHEREOF, the parties have signed this license on the date first written above.


City Utilities of Springfield, Missouri

By 
General Manager, John Twitty

Approved as to Form and Content:


Legal Counsel

City of Nixa, Missouri

By 
Title Mayor

Approved as to Form and Content:

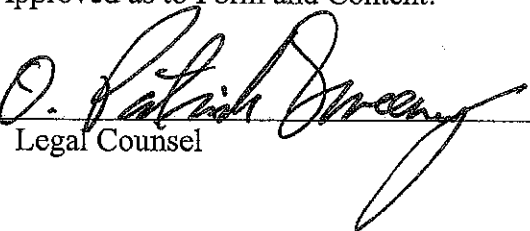
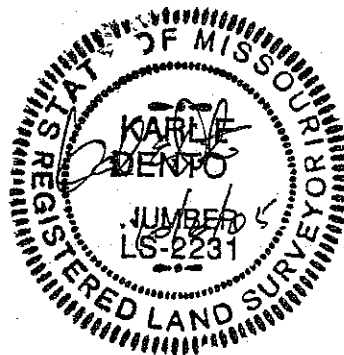

Legal Counsel

EXHIBIT A

COMMENCING AT THE SOUTHWEST CORNER OF SECTION 29, TOWNSHIP 28 NORTH, RANGE 21 WEST; THENCE S87°09'38"E ALONG THE SOUTH LINE OF SAID SECTION 29, 1160.76 FEET TO THE **POINT OF BEGINNING**; THENCE N01°08'42"E, 2121.70 FEET; THENCE N28°56'34"W, 821.39 FEET; THENCE N26°27'09"W, 785.32 FEET; THENCE N32°28'41"W, 570.41 FEET; THENCE S74°50'09"W, 45.13 FEET; THENCE N15°09'51"W, 10.00 FEET; THENCE N74°50'09"E, 45.13 FEET; THENCE N02°08'59"E, 201.99 FEET; THENCE N75°34'37"W, 6.47 FEET; THENCE N14°25'23"E, 20.00 FEET; THENCE S75°34'37"E, 6.47 FEET; THENCE N26°41'47"E, 269.82 FEET; THENCE N07°42'16"E, 956.53 FEET; THENCE N00°12'02"W, 376.25 FEET; THENCE S88°48'50"W, 45.00 FEET; THENCE N00°12'02"W, 10.00 FEET; THENCE N88°48'50"E, 45.00 FEET; THENCE N00°12'02"W, 25.00 FEET; THENCE N88°48'50"E, 20.00 FEET; THENCE N00°12'02"W, 18.00 FEET; THENCE N88°48'50"E, 20.00 FEET; THENCE S00°12'02"E, 18.00 FEET; THENCE N88°48'50"E, 698.83 FEET; THENCE S01°11'10"E, 20.00 FEET; THENCE N88°48'50"E, 20.00 FEET; THENCE S01°11'10"E, 15.00 FEET; THENCE S88°48'50"W, 20.00 FEET; THENCE S01°11'10"E, 50.00 FEET; THENCE S88°48'50"W, 60.00 FEET; THENCE N01°11'10"W, 25.00 FEET; THENCE S88°48'50"W, 619.85 FEET; THENCE S00°12'02"E, 351.41 FEET; THENCE S86°14'53"E, 25.27 FEET; THENCE S03°45'07"W, 10.00 FEET; THENCE N86°14'53"W, 25.27 FEET; THENCE S07°42'16"W, 960.63 FEET; THENCE S72°47'59"E, 20.42 FEET; THENCE S17°12'01"W, 10.00 FEET; THENCE N72°47'59"W, 20.42 FEET; THENCE S26°41'47"W, 271.96 FEET; THENCE S02°08'59"W, 185.71 FEET; THENCE S32°28'41"E, 555.10 FEET; THENCE N60°32'05"E, 45.22 FEET; THENCE S29°27'55"E, 10.00 FEET; THENCE S60°32'05"W, 45.22 FEET; THENCE S26°27'09"E, 782.17 FEET; THENCE S28°56'34"E, 766.39 FEET; THENCE N01°08'42"E, 6.53 FEET; THENCE S88°51'18"E, 10.00 FEET; THENCE S01°08'42"W, 23.79 FEET; THENCE S28°56'34"E, 49.87 FEET; THENCE S01°08'42"W, 39.89 FEET; THENCE S28°56'34"E, 7.42 FEET; THENCE S61°03'26"W, 4.30 FEET; THENCE S01°08'42"W, 2091.13 FEET; THENCE N87°09'38"W, 60.03 FEET TO THE POINT OF BEGINNING, CONTAINING 415,297 SQUARE FEET OR 9.53 ACRES.

City of Nixa / City Utilities
Transmission Line
10/6/05



Missouri Public Service Commission
File No. EA-2016-0036
Exhibit CU-3

Maintenance Agreement
Between City Utilities of Springfield, Missouri and the City of Nixa, Missouri

**MAINTENANCE AGREEMENT BETWEEN
CITY UTILITIES OF SPRINGFIELD, MISSOURI
AND THE CITY OF NIXA, MISSOURI**

Whereas, City Utilities of Springfield, Missouri ("City Utilities") and the City of Nixa, Missouri ("Nixa") have entered into an Interconnection Agreement, dated September 24, 2004, pursuant to which Nixa will construct a 69kV electric transmission line to interconnect Nixa's electric power system with City Utilities' electric power system,

Now, therefore, on this 6th day of October, 2006, City Utilities of Springfield, Missouri ("City Utilities") and the City of Nixa, Missouri ("Nixa") agree as follows:

1. Term. This Agreement shall begin on the date that it is signed and shall terminate when either party gives written notice of termination to the other.

2. Definitions.

(a) 69kV Electric System. The 69kV Electric System shall be defined as follows: 1) The 69 kV line constructed by Nixa pursuant to the Interconnection Agreement ("69 kV Transmission Interconnection Line"). The 69kV Transmission Interconnection Line shall begin at its connection to Nixa's Tracker Substation located on Lots 12 & 13 C&K Corners Subdivision ("Beginning Point") and shall end at the bus at City Utilities' James River Power Station ("Interconnection Point"); 2) Nixa's 69kV line interconnecting the Tracker Substation to Downtown Substation to Southwest Power Administration's Substation to Espy Substation, more particularly depicted on Exhibit A, attached and made a part hereof, and 3) any substation owned by Nixa.

(b) Actual Cost. "Actual Cost" shall mean the actual cost of performing work using City Utilities' standard accounting procedures. Actual Cost shall include, without limitation, labor, materials, equipment, maintaining additional stock (if any), and overhead expenses. If work is performed using third party contractors, then the Actual Cost shall be the cost paid by City Utilities to such third party contractors.

(c) Nixa's Portion of the 69kV Electric System. Nixa shall own the 69kV Electric System up to the meters at City Utilities' James River Power Station.

(d) City Utilities' Portion of the 69kV Electric System. City Utilities shall own the electric meters and all the 69kV Electric System from the electric meters at James River Power Station to the Interconnection Point, including without limitation, circuit breakers.

3. Maintenance of 69kV Electric System. City Utilities shall provide maintenance services to Nixa for the 69kV Electric System as follows. Prior to energizing the 69kV Transmission Interconnection Line and annually thereafter, City Utilities and Nixa shall meet and agree on the maintenance services to be performed by City Utilities for the following year ("Annual Maintenance Services"). Nixa shall pay City Utilities the Actual Cost of the Annual Maintenance Services. City Utilities shall provide a written estimate of the Actual Cost, specifying the Annual Maintenance services to be performed and the schedule for completion of the Annual Maintenance Services. Nixa must approve the estimate in writing before City Utilities performs the Annual Maintenance Services. City Utilities will invoice Nixa monthly for the Annual Maintenance Services. The parties may agree to the performance of additional maintenance

services at any time, using the same procedure. In emergencies, the parties shall mutually agree in writing to the services to be performed and the schedule for completion, but City Utilities shall not be required to estimate the Actual Cost of the services.

4. Duty to Maintain 69kV Electric System. It shall be Nixa's duty to maintain Nixa's portion of the 69kV Electric System and to keep it in a safe condition. City Utilities shall not have any duty to maintain Nixa's Portion of the 69kV Electric System or keep it in a safe condition or to inspect it for unsafe conditions, unless specified in writing pursuant to Section 3, above. It shall be City Utilities' duty to maintain City Utilities Portion of the 69kV Electric System and to keep it in a safe condition. Nixa shall not have any duty to maintain City Utilities' Portion of the 69kV Electric System or keep it in a safe condition or to inspect it for unsafe conditions.

5. Audit of City Utilities' Records. Nixa shall have the right, at its expense, to audit City Utilities' records to verify invoices anytime during this Agreement or within three years following its termination.

6. Force Majeure. Neither party shall be liable for delays or failures of performance due to causes beyond its reasonable control. The party affected by a Force Majeure shall use all reasonable diligence to remove or cure the Force Majeure, provided that no party shall be required to settle or resolve labor disturbances or strikes on terms unfavorable to that party.

7. Notices. All notices shall be in writing and sent by certified mail, return receipt requested, overnight courier, or facsimile. Facsimile notices shall be confirmed by one of the other two methods, but shall be effective on the date that the facsimile transmission is sent. Notices shall be sent as set forth below, provided that either party can change such information by giving the other party written notice.

City Utilities:

Brent McKinney, P.E.
Manager—Electric T & D
828 N. Prince Lane
Springfield, MO 65802

Nixa:

Brian Bingle
Mayor
P.O. Box 395
Nixa, MO 65714

8. No Third Party Beneficiaries. There are no third party beneficiaries to this Agreement. This Agreement is not intended to and shall not create rights of any kind whatsoever in, without limitation, any person, corporation, association, power supplier, governmental agency, political subdivision, or entity of any kind whatsoever, other than the parties hereto.

9. Assignment. Neither party may assign this Agreement without the written consent of the other party. This Agreement shall be binding on the successors and assigns of the parties.

10. No joint Venture. This Agreement is not intended to create a partnership or joint venture.

11. Liability and Indemnification.

(a) Nixa shall be liable for all claims, damages, losses, and expenses, including attorney's fees, arising from the ownership, construction, maintenance, or operation of Nixa's Portion of the 69kV Electric System, except to the extent they are caused or contributed to by the negligence or willful misconduct of City Utilities or breach of this Agreement by City Utilities.

(b) City Utilities shall be liable for all claims, damages, losses, and expenses, including attorney's fees, arising from the ownership, construction, maintenance, or operation of City Utilities' Portion of the 69kV Electric System, except to the extent they are caused or contributed to by the negligence or willful misconduct of Nixa or breach of this Agreement by Nixa.

(c) Each party shall indemnify, defend, and hold harmless the other party, its officers, directors, agents, and employees, from and against all claims, damages, losses, and expenses, including attorney's fees, arising out of this Agreement caused by its breach, negligence, or will misconduct. In cases of concurring fault, each party shall bear its share of the loss. This indemnification agreement shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or from the indemnifying party under workers' compensation acts, disability benefit acts, or other employee benefit acts.

12. Payments and Interest. All payments hereunder shall be due within 30 days from the date of the invoice. All amounts that are not paid when due shall bear interest at the prime rate of interest published in the Wall Street Journal, plus one percentage point. If Nixa disputes any invoice, it shall pay the undisputed portion to City Utilities. On resolution of the dispute, any amount determined to be owed by Nixa to City Utilities shall bear interest from the original due date as set forth above.

In Witness Whereof, the parties have signed this Agreement on the date first written above.

City Utilities of Springfield, Missouri

City of Nixa, Missouri

By John Twitty
General Manager - John Twitty

By Doug Mann
Mayor

Approved: Ray P. McCall

Missouri Public Service Commission
File No. EA-2016-0036
Exhibit CU-4

South Central MCN's Section 203 Application
Filed with FERC
(Excerpts)

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

South Central MCN LLC

)
)
)

Docket No. EC16-____-000

APPLICATION FOR AUTHORIZATION
TO ACQUIRE TRANSMISSION FACILITIES
PURSUANT TO SECTION 203 OF THE FEDERAL POWER ACT
AND REQUEST FOR CERTAIN WAIVERS

Attorneys for South Central MCN LLC:

N. Beth Emery
Senior Vice President & General Counsel
South Central MCN LLC
2 N. LaSalle St.
Suite 420
Chicago, IL 60602
Telephone: 312-283-5222
Facsimile: 312-283-5199
bemery@gridliance.com

William L. Massey
James R. Dean, Jr.
Wilbur C. Earley, Jr.
Shruti C. Barker
COVINGTON & BURLING LLP
One City Center
850 10th Street, N.W.
Washington, DC 20001
Telephone: (202) 662-5322
Facsimile: (202) 662-6291
wmassey@cov.com
jdean@cov.com

Dated: December 22, 2015

The Nixa Transaction will not raise any vertical market power concerns. Transmission service over the Nixa Assets to be acquired by South Central will be provided pursuant to the SPP OATT. The Nixa Transaction involves no inputs to electricity products or electric power production. Therefore, the Nixa Assets cannot be used to erect barriers to entry or exercise vertical market power. The Commission has previously found that “anticompetitive effects are unlikely to arise with regard to... transactions that involve only the disposition of transmission facilities.”²² Accordingly, there are no vertical market power concerns raised as a result of the Nixa Transaction.

2. *The Nixa Transaction Will Have No Adverse Effect on Rates*

Under Order No. 642, the Commission must determine whether a proposed transaction will have any adverse impact on the rates charged to wholesale power and transmission customers.²³ The Nixa Transaction is not a typical merger or acquisition among utilities therefore does not include hold harmless commitments or other ratepayer protection mechanisms. Instead, the important public policy benefits of the proposed transaction outweigh the rate effects.

a. Placing the Nixa Assets into SPP’s Rate is the Driver of Rate Impact

While South Central estimates that the total Annual Transmission Revenue Requirement (ATRR) for SPP Zone 3 will increase by approximately 10-15%, a substantial portion of the increase in the Zone 3 ATRR simply reflects moving costs currently recovered solely through Nixa’s bundled rates for its retail customers to having all customers benefitting from the facilities paying their costs through zonal transmission rates under the SPP Tariff.²⁴ As explained in more detail below, any incremental increase in

18 C.F.R. §§ 33.3 and 33.4. Order No. 642 at 31,903. See also, *Mich. Elec. Transmission Co., LLC*, 109 FERC ¶ 61,080 at P 33 (2004), *order on reh’g*, 110 FERC ¶ 61,384 (2005).

²² *ITC Holdings Corp.*, 143 FERC ¶ 61,256 at P 60 (2013) (citing Order No. 669 at P 190); see also *DTE Energy Co.*, 97 FERC ¶ 61,330 at p. 62,572 (2001).

²³ Order No. 642, FERC Stats. & Regs. ¶ 31,111 at 31,914-15; Order No. 592, FERC Stats. & Regs. ¶ 31,044 at 30,123.

²⁴ The actual impact on Zone 3 ATRR will be determined by SPP following a separate Section 205 filing to amend the SPP Tariff to include South Central’s Formula in Attachment H. The projected 10-15%

the cost of service related to the Transaction is more than offset by the significant benefits that will accrue from having these assets brought into an RTO and, equally importantly, being owned by a Transco.

South Central's initial rates will be based on the price South Central pays Nixa for the Nixa Assets and the return on equity (ROE) approved by the Commission under the Formula.²⁵ The acquisition price has been agreed upon through arm's length negotiations. The Purchase Price noted in the Asset Purchase Agreement is stated as \$12,215,160. Included in that amount is \$10,115,160 for the Nixa Assets based on their estimated original cost less depreciation. Also included is up to \$600,000 to reimburse Nixa for its transaction costs to be paid upon Nixa's submission of evidence of actual expenses. That amount will be capitalized into a regulatory asset in account 182.3 *Other Regulatory Assets*, attributable to the CU pricing zone (Zone 3), for which South Central requests authorization to begin immediate amortization following closing to account 407.3 *Regulatory Debts* over a term of 40 years on a straight-line basis, which approximates the useful life of the Nixa assets.²⁶

b. The Cost of the Nixa Assets has been Appropriately Determined

As explained in the Testimony of Robert E. Pender, it was necessary to estimate the original cost less depreciation value of the Nixa Assets because Nixa operates a municipally-owned electric utility that is a non-jurisdictional utility under the FPA²⁷ The electric utility operates as part of Nixa's Public Works Department, which also includes Nixa's water and sewer utilities. Even though Nixa maintains its accounting books and records in accordance with the Governmental Accounting Standards Board, it does

increase in ATRR is based on a comparison of CU's current ATRR of approximately \$11.8 million and the projected ATRR for the Nixa Assets of approximately \$ 1.7 million.

²⁵ ROE issues are still pending resolution in Docket No. ER15-2594.

²⁶ The stated purchase price in the APA also includes up to \$1,500,000 in Transmission Charge Reimbursements that may become payable to Nixa by Heartland (and not South Central). As described in Sections 4 & 5 of the First Amendment to the APA (**Exhibit I-2**), the Transmission Charge Reimbursements are related to the efforts by Nixa and South Central to negotiate a termination of Nixa's financial obligations to SWPA and ultimate transfer of the Nixa Assets from SPP Pricing Zone 3 to Zone 10 (the SWPA Zone). South Central does not seek rate recovery of these payments.

²⁷ Direct Testimony of Robert E. Pender, **Attachment 2** at 6.

Missouri Public Service Commission
File No. EA-2016-0036
Exhibit CU-5

Affidavit of Steven A. Stodden
Associate General Manager of Electric Supply Division
City Utilities of Springfield, Missouri

land owned by City Utilities under the revocable license granted by City Utilities in the 2006 License Agreement.

The Charter of the City of Springfield, Missouri

3. Under Sections 16.1(1) and (2) and 16.2(1) of the Charter of the City of Springfield, Missouri, the utilities owned by the city include “electric systems,” which shall be controlled and operated by a board known as the Board of Public Utilities. *See* Exhibit 6, Judicial Notice Requested. The utilities owned and acquired by the City of Springfield, Missouri, are operated under the name “City Utilities of Springfield, Missouri.”

City Utilities’ Agreements with the City of Nixa Involving the 69 kV Line

4. In approximately 2002 or 2003, Nixa approached City Utilities with a proposal to establish an additional transmission line between City Utilities’ system and Nixa. City Utilities was reluctant to allow Nixa to access or interconnect in close proximity to City Utilities’ facilities. After considering Nixa’s proposal and situation, City Utilities agreed to Nixa’s request for an interconnection to assist Nixa in improving its reliability and managing its transmission costs. City Utilities and Nixa entered into three agreements over the course of two years; the 2004 Interconnection Agreement, the 2006 License Agreement, and the 2006 Maintenance Agreement. *See* Exhibits 1-3.

5. Under the terms of the Interconnection Agreement, Nixa undertook, at its own expense, to construct the 69 kV Line to interconnect Nixa's electric system with City Utilities' electric system. Nixa’s 69 kV Line traverses 9.53 acres of land owned by City Utilities and interconnects at the bus at City Utilities’ James River Power Station, located within the City of Springfield, Missouri. City Utilities structured the Interconnection Agreement and related agreements to protect City Utilities’ customers from any unforeseen negative consequences of

the interconnection. Specifically, City Utilities required, and Nixa agreed to, language requiring the consent of City Utilities to any assignment of the agreements. *See* Exhibit 1, Paragraph 12.

6. Section 3 of the 2004 Interconnection Agreement (Exhibit 1 at page 2) discusses City Utilities' future grant of an easement in Greene County to Nixa to construct a portion of the 69 kV Line. These easements were never granted. Instead, the parties agreed to an Electric Line License Agreement to enable Nixa's 69 kV Line to cross City Utilities' property. Under the Electric Line License Agreement (Exhibit 2), City Utilities granted Nixa a revocable license to locate, relocate, replace, construct, repair, operate, maintain, patrol and/or remove, electrical lines and related equipment across, on, or under the land owned by City Utilities. The Electric Line License Agreement terminates "on the same date as the Interconnection Agreement between City Utilities of Springfield, Missouri and the City of Nixa, Missouri dated September 24, 2004." (Exhibit 2, Paragraph 5). Within 120 days from the date of termination of the license, Nixa is required to remove all fixtures and equipment installed by it and restore the premises to a reasonable condition satisfactory to City Utilities. (Exhibit 2, Paragraph 5).

City Utilities Has Not Consented to the Assignment of the Interconnection Agreement, the License Agreement, or the Maintenance Agreement

7. On August 17, 2015, SCMCN filed its Application in this proceeding, seeking Commission authorization to acquire Nixa's electric transmission assets, including the 69 kV Line (the "Transaction Assets"). Under the terms of the SCMCN-Nixa Asset Purchase Agreement, Nixa is required to sell, assign, transfer, and convey to SCMCN Nixa's interest in certain contracts, including the agreement of City Utilities to maintain certain assets, which agreement has not been obtained. (Application, Paragraph 12).

8. The Asset Purchase Agreement is also conditioned upon Nixa obtaining Seller Consents "substantially equivalent to those requested in the applications filed," including that "if


[City Utilities] has not provided its consent to the assignment of buyer of the [City Utilities/Nixa] Interconnection Agreement, Buyer and [City Utilities] shall have entered into a new Interconnection Agreement, which among other things, terminates the [City Utilities]/Nixa Interconnection Agreement.” (Application, Appendix A, Paragraph 5.1.2, 5.2.2, Schedule 3.1.4, Seller Consents, and Exhibit C, Appendix A, Assignment of Easement).

9. City Utilities has not consented to the assignment of its Interconnection Agreement with Nixa, and has no reason to grant its consent. Specifically, City Utilities does not propose to consent to the assignment of the Interconnection Agreement to SCMCN because SCMCN has stated in its Application that it intends to place the Transaction Assets in Southwest Power Pool Annual Transmission Revenue Requirement (“ATRR”) Zone 3 (Application, Paragraph 32 and Footnote 9; Direct Testimony of Carl Huslig at 4:17-5:9). SCMCN has estimated that, if it succeeds in implementing its plan, the inclusion of the Nixa Transmission Assets in the SPP Zone 3 ATRR would increase that ATRR by \$1.7 million (SCMCN Section 203 Application at 14-15 n. 24, excerpt attached as Exhibit 4). In the event that SCMCN is successful in persuading the appropriate regulatory authorities to implement its rate proposal, City Utilities’ customers would likely incur approximately ninety-five percent (95%) of the annual carrying cost of the facilities SCMCN seeks to acquire from Nixa, based on the proportion of their respective SPP ATRR Zone 3 load ratio shares. In other words, SCMCN proposes to shift the cost of the 69 kV Line, built for the benefit of Nixa, on to City Utilities. For this reason, City Utilities has not consented to the assignment of Exhibits 1, 2, or 3, and has no reason to consent to any such assignments.

10. If the Interconnection Agreement terminates, the revocable license granted by City Utilities to Nixa for occupancy of 9.53 acres of City Utilities’ property by Nixa’s


transmission facility will also terminate. Therefore, SCMCN would not have City Utilities' consent to enter the 9.53 acres of land owned by City Utilities' that is located in the City of Springfield, Missouri. For the reasons discussed above, City Utilities' has no intention of granting SCMCN a revocable license to enter City Utilities' property.

11. This concludes my affidavit.

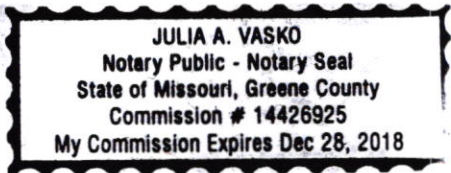


Steven A. Stodden

Sworn to and subscribed
Before me
This 11th day of February, 2016:



Notary Public, State of Missouri
My Commission Expires: 12-28-2018



Missouri Public Service Commission
File No. EA-2016-0036
Exhibit CU-6

Charter, City of Springfield, Missouri
Adopted March 17, 1953
Sections 16.1 and 16.2

ARTICLE XVI. - BOARD OF PUBLIC UTILITIES

Section 16.1. - Definitions.

- (1) The term "public utilities" by way of description, but not as a limitation, shall include electric systems (and appurtenant steam heating apparatus and piping), gas systems, water systems, transit systems, and public communications systems (including all plants, apparatus, equipment, and distribution facilities related to any such system), or any other service or facility commonly considered to be a public utility or so declared to be by any statute, ordinance or court decision.
- (2) The utilities now owned or hereafter acquired by the City shall be operated under the name "City Utilities of Springfield, Missouri."

Section 16.2. - Composition of the board.

- (1) All such public utilities now owned or which may in the future be acquired shall be controlled and operated by a board known as the board of public utilities.
- (2) Such board shall consist of eleven persons appointed as hereinafter provided for terms of three years and who shall serve until their successors are appointed and qualified; however, no person shall be appointed for more than two consecutive three year terms.
- (3) The city manager shall be an ex officio member of such board, but shall not have any vote.
- (4) Nine members of said board shall be residents of the City of Springfield, who have had business or professional experience and who shall have resided in the City at least two years immediately prior to their appointment.

Two members of the board shall live outside the City of Springfield; shall have had business or professional experience; and shall have been record subscribers to at least one of the public utilities (other than transit) owned by the City for at least two years next prior to their appointments which subscription shall be maintained during their terms in office.

Approved by vote of the people April 4, 1989.

Section 16.18. - Condemnation.

The board of public utilities shall have the right of eminent domain to the same extent and to be exercised in the name of the City in the same manner as is now or may hereafter be granted by the statutes of Missouri to any privately owned utility.

Section 16.19. - Area of service.

The board of public utilities shall operate the utilities and furnish the services thereof within the corporate limits and within the area outside of such corporate limits in any county in which the City is located.

Nothing in this section shall be construed to prevent said board from purchasing, leasing, erecting, installing, or otherwise acquiring real and personal property necessary, useful or desirable in the conduct of its operations at any place whether within or without the corporate limits of the City.

Approved by vote of the people November 5, 1991.

City of Nixa's Responses To
City Utilities of Springfield, Missouri
First Set of Requests for Admissions



NIXON PEABODY LLP
ATTORNEYS AT LAW

NIXONPEABODY.COM
@NIXONPEABODYLLP

Robert L. Daileader
Partner
T 202-585-8318
rdaileader@nixonpeabody.com

799 9th Street NW
Suite 500
Washington, DC 20001-4150
202-585-8000

January 4, 2016

VIA E-MAIL

John P. Coyle, Esq.
Duncan & Allen
1730 Rhode Island Avenue, N.W.
Washington, D.C. 20036-3115

RE: Application of South Central MCN LLC – File No. EA-2016-0036
Responses to City Utilities of Springfield, Missouri Discovery

Dear Mr. Coyle:

In accordance with the Order Setting Schedule and Terms of Discovery issued December 22, 2015 by the Missouri Public Service Commission in the above-referenced proceeding, enclosed please find the responses of the City of Nixa, Missouri to the First Requests for Admissions of Fact and Genuineness of Documents from the City Utilities of Springfield, Missouri (CU-RA-1 through CU-RA-3) and certain of the First Set of Data and Discovery Requests of City Utilities of Springfield, Missouri (CU-DR-7, -8 and -10). Also enclosed is the City of Nixa's objection to Data Request CU-DR-11.

Please be advised that the remaining data requests from the First Set of Data and Discovery Requests of City Utilities of Springfield, Missouri require a review of the files of City of Nixa personnel, some of whom have not been available over the holidays. Therefore, the City of Nixa will need additional time to be able to respond. We anticipate being able to respond to these remaining data requests by Tuesday, January 19.

If you have any questions regarding these responses, please contact the undersigned.

Respectfully submitted,

Robert L. Daileader, Jr. (*pro hac vice*)
Counsel to the City of Nixa, Missouri

cc: Service List

Brian Bingle
Douglas Colvin

**In the Matter of the Application of South
Central MCN LLC for Approval of Transfer of
Assets and a Certificate of Convenience and
Necessity**

File No. EA-2016-0036

Date: January 4, 2016

Prepared By: Brian Bingle and Doug Colvin

CU-RA-1(a):

With regard to the attached document Exhibit 1, entitled Interconnection Agreement between City Utilities of Springfield, Missouri and the City of Nixa, Missouri (“Interconnection Agreement”), admit that:

- a. Exhibit 1 is a true and correct copy of the Interconnection Agreement between City Utilities of Springfield, Missouri and the City of Nixa, Missouri.
Response:

Nixa Response to CU-RA-1(a):

Admitted.

CU-RA-1(b):

- b. Neither party (CU nor Nixa) has terminated the Interconnection Agreement.

Nixa Response to CU-RA-1(b):

Admitted.

CU-RA-1(c):

- c. Nixa considers the Interconnection Agreement to be currently in full force and effect.

Nixa Response to CU-RA-1(c):

Admitted.

CU-RA-1(d):

**In the Matter of the Application of South
Central MCN LLC for Approval of Transfer of
Assets and a Certificate of Convenience and
Necessity**

File No. EA-2016-0036

Date: January 4, 2016

Prepared By: Brian Bingle and Doug Colvin

CU-RA-2(a):

With regard to the attached document Exhibit 2, entitled Electric Line License Agreement (“Electric Line License Agreement”), admit that:

- a. Exhibit 2 is a true and correct copy of the Electric Line License Agreement between City Utilities of Springfield, Missouri and the City of Nixa, Missouri.

Nixa Response to CU-RA-2(a):

Admitted.

CU-RA-2(b):

- b. Neither Nixa nor CU have terminated the Electric Line License Agreement.

Nixa Response to CU-RA-2(b):

Admitted.

CU-RA-2(c):

- c. Nixa considers the Electric Line License Agreement to be currently in full force and effect.

Nixa Response to CU-RA-2(c):

Admitted.

CU-RA-2(d):

**In the Matter of the Application of South
Central MCN LLC for Approval of Transfer of
Assets and a Certificate of Convenience and
Necessity**

File No. EA-2016-0036

Date: January 4, 2016

Prepared By: Brian Bingle and Doug Colvin

CU-RA-3(a):

With regard to the attached document Exhibit 3, entitled Maintenance Agreement between City Utilities of Springfield, Missouri and the City of Nixa, Missouri (“Maintenance Agreement”), admit that:

- a. Exhibit 3 is a true and correct copy of the Maintenance Agreement between City Utilities of Springfield, Missouri and the City of Nixa, Missouri.

Nixa Response to CU-RA-3(a):

Admitted.

CU-RA-3(b):

- b. Neither CU nor Nixa has terminated the Maintenance Agreement.

Nixa Response to CU-RA-3(b):

Admitted.

CU-RA-3(c):

- c. Nixa considers the Maintenance Agreement to be currently in full force and effect.

Nixa Response to CU-RA-3(c):

Admitted.

CU-RA-3(d):

**In the Matter of the Application of South
Central MCN LLC for Approval of Transfer of
Assets and a Certificate of Convenience and
Necessity**

File No. EA-2016-0036

Date: January 4, 2016

Prepared By: Doug Colvin

CU-DR-7:

Please identify and document the ways in which, and the reasons why, “the City has worked diligently with City Utilities of Springfield (CU) to assure that CU customers will be shielded from any increase in annual transmission revenue requirements resulting from the Transaction” as stated in Paragraph 4 of the City of Nixa’s Application to Intervene, dated August 26, 2015 in this proceeding.

Nixa Response to CU-DR-7:

As described in the City of Nixa Comments in Preparation for Prehearing Conference filed in this proceeding on November 25, 2015, in negotiating the transmission asset sale with South Central MCN LLC (“SCMCN”), the City of Nixa recognized that because SCMCN intends to become a transmission owner within the Southwest Power Pool, Inc. (“SPP”) and recover its investment in the transmission assets under the SPP open access tariff, one consequence of the sale is that this investment will be recovered from the relevant users of the transmission system under SPP’s existing cost allocation procedures. As a result, the City has understood that CU and its customers will likely be required to share in the costs of those transmission assets for the first time. In recognition of that likely impact and given our desire to facilitate a prompt closing of the sale, the City of Nixa was willing to share in the proceeds from the transmission asset sale with CU as a way to mitigate the rate impacts. The City prepared and circulated to CU a Settlement Agreement providing for the sharing of those proceeds but we were unable to reach agreement. The City of Nixa is not willing and has never offered to pay any portion of those likely cost impacts through wholesale power rates paid to CU under its existing power purchase agreement nor does the City of Nixa have any legal or contractual obligation to pay for those likely transmission cost impacts.

**In the Matter of the Application of South
Central MCN LLC for Approval of Transfer of
Assets and a Certificate of Convenience and
Necessity**

File No. EA-2016-0036

Date: January 4, 2016

Prepared By: Doug Colvin

CU-DR-8:

Please provide all documents exchanged between the City of Nixa and the Southwest Power Pool related to the planning, expansion, function or operational control of any of the transmission facilities identified in Request Nos. 1 through 3 above (*i.e.*, any transmission facility constructed by the City of Nixa that is proposed to be conveyed to South Central MCN, LLC under the Asset Purchase Agreement that appears as Appendix A to the Application, as amended from time to time). If no such documents exist, please so state.

Nixa Response to CU-DR-8:

No such document exists.

**In the Matter of the Application of South
Central MCN LLC for Approval of Transfer of
Assets and a Certificate of Convenience and
Necessity**

File No. EA-2016-0036

Date: January 4, 2016

Prepared By: Doug Colvin

CU-DR-10:

Please produce all documents and communications relating to cost savings that Nixa anticipates in the event that the sale of its 69 kV transmission facilities to South Central MCN, LLC, is consummated.

Nixa Response to CU-DR-10:

No such document exists.

**In the Matter of the Application of South
Central MCN LLC for Approval of Transfer of
Assets and a Certificate of Convenience and
Necessity**

File No. EA-2016-0036

Date: January 4, 2016

Prepared By: Counsel

CU-DR-11:

Please produce all communications between South Central MCN, LLC and the City of Nixa concerning the proposed sale of the 69 kv facilities currently owned by the City of Nixa to South Central MCN, LLC.

Nixa Response to CU-DR-11:

The City of Nixa objects to Data Request CU-DR-11 on the grounds that it is not relevant, not reasonably calculated to lead to the discovery of admissible evidence and seeks the disclosure of attorney work product and documents protected by the attorney/client privilege. The Asset Purchase Agreement entered into between South Central MCN, LLC and the City of Nixa represents the parties' expression of intentions with respect to the sale of the 69 kV facilities and other ancillary documents created during the negotiation of that Agreement are not relevant to the issues pending in this proceeding.