

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION
JEFFERSON CITY
September 1, 2000**

CASE NO: EO-2000-774

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

William B. Bobnar, Esq.
AmerenUE
1901 Chouteau Avenue
P. O. Box 6149 (MC 1310)
St. Louis, MO 63166-6149

Gary W. Duffy
Brydon, Swearingen & England P.C.
P. O. Box 456
Jefferson City, MO 65102

General Counsel
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102

William E. Gladden, Esq.
P. O. Box 217
Houston, MO 65483

Enclosed find certified copy of a NOTICE in the above-numbered case(s).

Sincerely,



**Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge**

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Application of Union)	
Electric Company d/b/a AmerenUE and)	
Intercounty Electric Cooperative Association)	
for Approval of a Written Territorial)	<u>Case No. EO-2000-774</u>
Agreement Designating the Boundaries of Each)	
Electric Service Supplier within Portions of)	
Gasconade, Maries and Phelps Counties in)	
Missouri)	

NOTICE OF CORRECTION

On August 31, 2000, the Commission issued a Report and Order approving a territorial agreement between Union Electric Company d/b/a AmerenUE and Intercounty Electric Cooperative Association. The Report and Order indicated that the proposed territorial agreement was attached as Attachment A. In fact, a copy of the Joint Application was attached to the Report and Order as Attachment A. A copy of the Territorial Agreement¹ is attached to this notice and should be substituted as Attachment A to the Report and Order.

(S E A L)

BY THE COMMISSION



Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

Dated at Jefferson City, Missouri,
on this 1st day of September, 2000.

Woodruff, Regulatory Law Judge

¹ The Territorial Agreement refers to exhibits A, B and C, which are oversized maps showing the agreed upon territories of the parties. Those maps are not attached to this notice but may be viewed at the Commission's office.

TERRITORIAL AGREEMENT

Between

**UNION ELECTRIC COMPANY
d/b/a AMERENUE**

and

INTERCOUNTY ELECTRIC COOPERATIVE ASSOCIATION

TERRITORIAL AGREEMENT

THIS TERRITORIAL AGREEMENT, hereinafter referred to as "Agreement," is entered into between Union Electric Company, d/b/a AmerenUE, hereinafter referred to as "AmerenUE," and Intercounty Electric Cooperative Association, hereinafter referred to as "Intercounty."

WHEREAS, AmerenUE is authorized by law to provide electric service within the State of Missouri, including portions of Maries, Gasconade and Phelps counties; and

WHEREAS, Intercounty is authorized by law to provide electric service within the State of Missouri, including portions of Maries, Gasconade and Phelps counties; and

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

WHEREAS, AmerenUE and Intercounty desire to promote the orderly development of the retail electric service within Maries, Gasconade and Phelps counties, Missouri, to avoid wasteful duplication and to minimize disputes which may result in higher costs in serving the public.

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

1. For purposes of this Agreement:

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

electric service at one structure shall be a new and different customer at each structure at which electric service has been requested.

(b) **“Structure”** shall mean an agricultural, residential, commercial, industrial or other building or a mechanical installation, machinery or apparatus, but shall not include customer-owned meter wiring. A Structure shall include an original structure and any contiguous addition to or expansion thereto. Structure shall not include a metering device or customer-owned meter wiring.

(c) **“Commission”** shall mean the Missouri Public Service Commission.

(d) **“Ameren UE”** shall mean Union Electric Company and any subsidiary, affiliate, or other entity owned or controlled by AmerenUE.

(e) **“Intercounty”** shall mean Intercounty Electric Cooperative Association and any subsidiary, affiliate, or other entity owned or controlled by Intercounty Electric Cooperative Association.

(f) **“New Structure”** shall mean (i) any structure that did not receive electric energy from either party prior to or on the Effective Date of this Agreement, and (ii) the replacement of an existing structure with a structure that does not satisfy the definition of existing structure set forth herein.

(g) **“Existing Structure”** shall mean any structure that receives electric energy from either party prior to or on the Effective Date of this Agreement. “Existing Structure” shall also mean (i) any replacement of an existing structure, provided said structure is totally removed and replaced by a structure used for the same purpose, and (ii) any maintenance, repair, remodeling, or partial replacement of an existing structure.

(h) **"New Outbuilding"** shall mean a garage, barn, gazebo, silo, grain bin, or similar non-residential structure that is not attached to an existing structure and is constructed after the Effective Date of this Agreement.

(i) **"Effective Date"** of this Agreement shall be the effective date of the order issued by the Missouri Public Service Commission, pursuant to RSMo. Section 394.312, approving this Agreement.

2. Pursuant to RSMo Section 394.312, this Agreement designates the boundaries of the electric service area of AmerenUE and Intercounty. In this Agreement, Intercounty agrees not to serve New Structures in an area described in Article 3, hereinafter referred to as the Electric Service Area of AmerenUE. Likewise, AmerenUE agrees not to serve New Structures in an area described in Article 4, hereinafter referred to as the Electric Service Area of Intercounty. Because RSMo 394.312 permits electric supplier to displace competition only by a written agreement, parties that are not signatories to this Agreement are in no way affected by the terms of this Agreement, including, but not limited to, the exclusive service area boundaries set forth herein. Each party shall be entitled to continue serving those Existing Structures it was serving as of the date of this Agreement, wherever those Structures may be located. After the effective date of this Agreement, as between the parties hereto, each shall have the exclusive right and power, pursuant to this Agreement, to furnish electric service to all New Structures located within its respective electric service area described in paragraphs 3 and 4 of this Agreement, regardless of the size of the load or the characteristics of the customer's requirements. Except as provided expressly herein, neither party may furnish, make available, render or extend electric service to Structures or for use within the electric service area of the other party, either directly, indirectly or through a subsidiary, affiliate, or other entity controlled by the party.

3. The Electric Service Area of AmerenUE, as between the parties under this Agreement, shall be that portion of Maries (Exhibit A) and Gasconade (Exhibit B) counties as is described in Exhibit 1 to this Agreement and as substantially illustrated by the line as shown on the maps marked Exhibit A and B to this Agreement, all Exhibits being incorporated herein by reference and made a part of this Agreement, as if fully set out verbatim.

4. The Electric Service Area, as between the parties, of Intercounty under this Agreement, shall be all of Phelps County (Exhibit C) and those Portions of Maries (Exhibit A) and Gasconade (Exhibit B) counties as is described in Exhibit 2 to this Agreement, and as substantially illustrated by the line as shown on the maps marked Exhibits A through C to this Agreement, all Exhibits being incorporated herein by reference and made a part of this Agreement, as if fully set out verbatim.

5. Exhibits A-C depict the service areas of both AmerenUE and Intercounty within Maries, Gasconade and Phelps counties. In cases of conflict among Exhibits A-C and the written legal descriptions in Exhibits 1 and 2, the legal written descriptions shall prevail.

6. The Cities of Rolla and St. James operate and maintain municipally-owned electric systems, which are being presently served wholesale by AmerenUE. Nothing in this Agreement shall restrict or limit AmerenUE's right to continue to serve wholesale the municipally-owned electric systems of Rolla and St. James. Should either municipality cease to exist, operate and maintain a municipally-owned electric system, offer to sell such system, or restructure the municipally-owned electric system from a wholesale system to a retail system, nothing in this Agreement shall preclude or restrict either AmerenUE or Intercounty from acquiring the municipality's interest in the municipal system.

Following the acquisition of either of the municipal systems by either AmerenUE or Intercounty and the receipt of all required regulatory approvals, AmerenUE and Intercounty shall agree on an amendment to this Agreement which excludes from the electric service territory of Intercounty, as between the parties under this Agreement, territory lying within the municipality's incorporated boundaries at the time of acquisition. This amendment shall also provide that (i) the acquiring party shall be entitled to serve all of the Structures served by the municipality prior to the acquisition of the facilities and (ii) Intercounty shall be entitled to serve all of the Structures, located within the city limits of the municipality it was serving prior to the acquisition of the municipal system. In the event the parties cannot agree on the required amendment to this Agreement within one (1) year after the receipt of all required regulatory approvals, the parties shall submit the issue of the appropriate boundaries to determination by the Commission, as provided in Section 394.312.2 RSMo.

This Article does not in any way limit the existing or future service territory of any municipal electric supplier and that any municipal electric supplier shall be free to serve anywhere it may legally choose without regard to this Agreement. Nothing herein (i) prohibits any municipal electric supplier from serving any load or area it may otherwise legally serve now or in the future or (ii) affects the rights of AmerenUE, Intercounty, any municipal electric supplier under § 386.800 RSMo.

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

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

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

Such Addendum shall be filed with the Executive Secretary of the Commission in the same manner as a motion or other pleading, with a copy submitted to the Office of the Public Counsel. There will be no filing fee for these addenda.

Each Addendum shall consist of a notarized statement identifying the Structure, the party to serve the Structure, the justification for the Addendum and indicate that the parties support the Addendum.

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

If the Staff or Office of the Public Counsel do not submit a pleading objecting to the Addendum within forty-five (45) days of the filing thereof, the Addendum shall be deemed

approved by the aforesaid parties. Each Addendum shall contain a statement in bold uppercase typeface indicating that the Staff or Office of the Public Counsel has forty-five (45) days to oppose the Addendum, or else the Addendum shall be deemed approved by the aforesaid parties.

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

10. Either party, if requested by an existing customer whose Structure is located in the electric service area of the other party, may provide its customer with additional facilities and/or electric service to New Outbuildings, so long as the New Outbuildings are located on the customer's contiguous tracts of land. This section shall apply to the original customer's successors who continue to reside at or operate the Structure on the premises. This section shall not apply to a customer who receives electric service from both Intercounty and AmerenUE on the same tract of land, and requests additional electric service. These customers shall receive their additional electric service from the designated exclusive service provider, unless the customer, Intercounty, and AmerenUE agree otherwise and follow the procedures set out in Article 9 of this Agreement.

11. AmerenUE and Intercounty agree to undertake all actions reasonably necessary to implement this Agreement. AmerenUE and Intercounty will cooperate in presenting a joint application showing this Agreement, in total, not to be detrimental to the public interest. AmerenUE and Intercounty will share equally in the costs assessed by the Commission for the

seeking of administrative approval of this Agreement. All other costs will be borne by the respective party incurring the costs.

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

13. This Agreement shall be binding on the parties and all subsidiaries, successors, assigns and corporate parents or affiliates of AmerenuE and Intercounty. Neither party shall make any assignment of any of its rights or interests under this Agreement, without written consent of the other party, which consent shall not be unreasonably withheld, and the approval of the Commission. Notwithstanding the foregoing, in the event of a merger, corporate reorganization, or corporate restructuring of a party, said party may assign this Agreement to the corporate entity responsible for providing distribution level electric service in the area covered by this Agreement and the consent of the other party shall be deemed to be given. The consenting party or party whose consent is deemed to be given shall cooperate in obtaining Commission approval by (a) participating in a joint application requesting Commission approval of the assignment and (b) providing an affidavit, stating it consents to the Assignment, for inclusion in such application.

14. This Agreement shall become effective upon approval by the Commission, pursuant to Section 394.312, RSMo. The term of this Agreement shall be perpetual. Performance of the parties is contingent upon all of the following having occurred no later than December 31, 2000:

(a) required approvals from Intercounty's Board of Directors, and

(b) approval of the transaction by the Commission, including, but not limited to, a (i) finding that this Agreement, in total, is not detrimental to the public interest; (ii) finding that this Agreement shall not impair AmerenUE's certificates of convenience and necessity in any other respect within Maries, Gasconade and Phelps counties, except as specifically limited by the Agreement; and (iii) approving AmerenUE's changes to its Tariffs.

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

16. This Agreement constitutes the entire agreement between the parties relating to the allocation of service rights in the territory described herein. If the Commission does not approve this Agreement or fails to approve or rejects any portion of this Agreement, then the entire Agreement shall be nullified and of no legal effect. Further, if any part of this Agreement is declared invalid or void by a Court or other agency with competent jurisdiction, then the whole Agreement shall be deemed invalid and void.

IN WITNESS WHEREOF, the parties have executed this Agreement this 12th day of May, 2000.

UNION ELECTRIC COMPANY
d/b/a AmerenUE

By Thomas R. Voss
Thomas R. Voss

Title Senior Vice President

ATTEST:

[Signature]
ASS'T. Secretary

INTERCOUNTY ELECTRIC
COOPERATIVE ASSOCIATION

By George A. Baint
Title President

ATTEST:

Bileen Kinney
Secretary

EXHIBITS
to Territorial Agreement

Exhibits

Exhibit A	General Highway Map / Maries County
Exhibit B	General Highway Map / Gasconade County
Exhibit C	General Highway Map / Phelps County
Exhibit 1	Electric Service Area of Union Electric Company Metes and Bounds Description
Exhibit 2	Electric Service Area of Intercounty Electric Cooperative Association – Metes and Bounds Description

EXHIBIT 2

**Electric Service Area of Intercounty Electric Cooperative
Metes and Bounds Description**

PHELPS COUNTY

THE EXTERNAL BOUNDARY OF PHELPS COUNTY AS SET FORTH IN THE 1994
MISSOURI REVISED STATUTES, CHAPTER 46, SECTION 130.

NOTE: Wherever in the foregoing description a corner is stated to be the same as and/or to coincide with another corner, and when in fact, such corners are not the same and/or do not coincide with one another, they shall be treated as if they are the same and do coincide.

MARIES COUNTY

BEGINNING AT THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 1, TOWNSHIP 40 NORTH, RANGE 7 WEST; THENCE WEST A DISTANCE OF 0.75 MILES, MORE OR LESS, TO THE NORTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 1; THENCE SOUTH 0.75 MILES, MORE OR LESS, TO THE SOUTH SECTION LINE OF SAID SECTION 1; THENCE WEST ALONG THE SECTION LINE A DISTANCE OF 1.25 MILES, MORE OR LESS, TO THE NORTHWEST CORNER OF SECTION 11, TOWNSHIP 40 NORTH, RANGE 7 WEST; THENCE SOUTH A DISTANCE OF 0.50 MILES, MORE OR LESS, TO THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF SECTION 10, TOWNSHIP 40 NORTH, RANGE 7 WEST; THENCE WEST A DISTANCE OF 1.50 MILES, MORE OR LESS, TO THE CENTER OF SECTION 9, TOWNSHIP 40 NORTH, RANGE 7 WEST; THENCE SOUTH A DISTANCE OF 1 MILE, MORE OR LESS, TO THE CENTER OF SECTION 16, TOWNSHIP 40 NORTH, RANGE 7 WEST; THENCE WEST 0.50 MILES, MORE OR LESS, TO THE WEST LINE OF SAID SECTION 16, SAID POINT ALSO BEING THE NORTHWEST CORNER OF THE SOUTHWEST QUARTER OF SAID SECTION 16; THENCE SOUTH 1 MILE, MORE OR LESS, TO THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER SECTION 20, TOWNSHIP 40 NORTH, RANGE 7 WEST; THENCE WEST 0.50 MILES, MORE OR LESS, TO THE CENTER OF SAID SECTION 20; THENCE NORTH 1.50 MILES, MORE OR LESS, TO THE NORTH SECTION LINE OF SECTION 17, TOWNSHIP 40 NORTH, RANGE 7 WEST; THENCE WEST ALONG THE NORTH LINE OF SAID SECTION 17 A DISTANCE OF 0.50 MILES, MORE OR LESS, TO THE SOUTHEAST CORNER OF SECTION 7, TOWNSHIP 40 NORTH, RANGE 7 WEST; THENCE NORTH ALONG THE EAST LINE OF SAID SECTION 7, A DISTANCE OF 0.75 MILES, MORE OR LESS, TO THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 7; THENCE WEST A DISTANCE OF 2 MILES, MORE OR LESS, TO THE WEST SECTION LINE OF SECTION 12, TOWNSHIP 40 NORTH, RANGE 8 WEST; THENCE SOUTH 0.75 MILES, MORE OR LESS, TO THE SOUTHWEST CORNER OF SAID SECTION 12;

THENCE WEST A DISTANCE OF 0.50 MILES, MORE OR LESS, TO THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SECTION 14, TOWNSHIP 40 NORTH, RANGE 8 WEST; THENCE SOUTH 1 MILE, MORE OR LESS, TO THE SOUTH LINE OF SAID SECTION 14; THENCE WEST 1 MILE, MORE OR LESS, TO THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SECTION 22, TOWNSHIP 40 NORTH, RANGE 8 WEST; THENCE SOUTH A DISTANCE OF 3 MILES, MORE OR LESS, TO THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER OF SECTION 34, TOWNSHIP 40 NORTH, RANGE 8 WEST; THENCE WEST 0.50 MILES, MORE OR LESS, TO THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 8 WEST; THENCE SOUTH TO THE CENTER OF SAID SECTION 4; THENCE WEST 2.50 MILES, MORE OR LESS, TO THE WEST LINE OF SECTION 6, TOWNSHIP 39 NORTH, RANGE 8 WEST; THENCE SOUTH 6 MILES, MORE OR LESS, TO THE PHELPS/MARIES COUNTY LINE, SAID POINT BEING THE SOUTHWEST CORNER OF SECTION 31, TOWNSHIP 39 NORTH, RANGE 8 WEST; THENCE EAST ALONG SAID PHELPS/MARIES COUNTY LINE 12 MILES, MORE OR LESS, TO THE SOUTHEAST CORNER OF SECTION 36, TOWNSHIP 39 NORTH, RANGE 7 WEST; THENCE NORTH ALONG THE PHELPS/MARIES COUNTY LINE 7 MILES, MORE OR LESS, TO THE NORTHEAST CORNER OF SECTION 1, TOWNSHIP 39 NORTH, RANGE 7 WEST, SAID POINT ALSO BEING ON THE GASCONADE/MARIES COUNTY LINE; THENCE LEAVING SAID PHELPS/MARIES COUNTY LINE ALONG SAID GASCONADE/MARIES COUNTY LINE WEST 0.75 MILES, MORE OR LESS, TO THE SOUTHEAST CORNER OF SECTION 36, TOWNSHIP 40 NORTH, RANGE 7 WEST; THENCE NORTH CONTINUING ALONG SAID GASCONADE/MARIES COUNTY LINE 5.75 MILES, MORE OR LESS, TO THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 1, TOWNSHIP 40 NORTH, RANGE 7 WEST, AND THE POINT OF BEGINNING.

NOTE: Wherever in the foregoing description a corner is stated to be the same as and/or to coincide with another corner, and when in fact, such corners are not the same and/or do not coincide with one another, they shall be treated as if they are the same and do coincide.

GASCONADE COUNTY

BEGINNING AT THE SOUTHEAST CORNER OF SECTION 36, TOWNSHIP 40 NORTH, RANGE 6 WEST; THENCE NORTH ALONG THE RANGE LINE A DISTANCE OF 6 MILES, MORE OR LESS, TO THE NORTHEAST CORNER OF SECTION 1, TOWNSHIP 40 NORTH, RANGE 6 WEST; THENCE WEST ALONG THE TOWNSHIP LINE A DISTANCE OF 6 MILES, MORE OR LESS, TO THE NORTHWEST CORNER OF SECTION 6, TOWNSHIP 40 NORTH, RANGE 6 WEST, TO THE MARIES/GASCONADE COUNTY LINE; THENCE SOUTH A DISTANCE OF 6 MILES, MORE OR LESS, ALONG THE MARIES/GASCONADE COUNTY LINE, TO THE SOUTHWEST CORNER OF SECTION 31, TOWNSHIP 40 NORTH, RANGE 6 WEST; THENCE EAST ALONG THE TOWNSHIP LINE A DISTANCE OF 6 MILES, MORE OR LESS, TO THE SOUTHEAST CORNER OF SECTION 36, TOWNSHIP 40 NORTH, RANGE 6 WEST, AND THE POINT OF BEGINNING.

NOTE: Wherever in the foregoing description a corner is stated to be the same as and/or to coincide with another corner, and when in fact, such corners are not the same and/or do not coincide with one another, they shall be treated as if they are the same and do coincide.

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

I have compared the preceding copy with the original on file in this office and

I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City,
Missouri, this 1st day of September 2000.

Dale Hardy Roberts

Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

