



*GPS designated
lead case*

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August 13, 1992

FILED

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Director, Utility Services

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Executive Secretary
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PUBLIC SERVICE COMMISSION

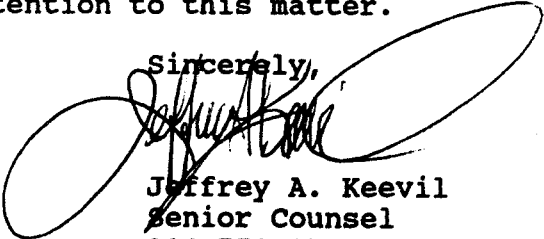
RE: **Case Nos. ~~EE-91-255~~ and EO-92-60 - In the matter of Sho-Me Power Corporation**

Dear Mr. Stewart:

Enclosed for filing in the above-captioned case is an original and fourteen copies of **STAFF MOTION FOR CLARIFICATION AND/OR COMPLIANCE FILING PURSUANT TO COMMISSION ORDER OF FEBRUARY 13, 1992**. Copies have been mailed this date to all parties of record.

Thank you for your attention to this matter.

Sincerely,


Jeffrey A. Keevil
Senior Counsel
314-751-8701

JAK:sgl

Enclosures

cc: Parties of Record

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the matter of Sho-Me Power Corporation for authority to file Tariffs Increasing Rates for Electric Service Provided to Customers in the Missouri Service Area of the Company.

Case No. ER-91-298

In the matter of the application of Sho-Me Power Corporation for an Order Requesting the Commission to Issue its Order Finding that it is Reasonable and Prudent for Sho-Me Power Corporation to be a Member of the Rural Electric Cooperative, System of the State of Missouri, including Membership in Associated Electric Cooperative, Inc., and for Sho-Me Power Corporation to Honor the Electric Power Coordination Agreement Between Associated Electric Cooperative, Inc., and Sho-Me Power Corporation and for an Order Approving and Adopting a Streamlined method of Rate Regulation for Sho-Me Power Corporation which takes into consideration Sho-Me Power Corporation's Position as an Integral Part of the REA Financed Rural Electric Cooperative System of the State of Missouri.

Case No. EO-92-60

FILED

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PUBLIC SERVICE COMMISSION

**STAFF MOTION FOR CLARIFICATION
AND/OR COMPLIANCE FILING PURSUANT TO
COMMISSION ORDER OF FEBRUARY 13, 1992**

Comes now the Staff of the Public Service Commission of the State of Missouri (Staff) and for its Motion for Clarification and/or Compliance Filing Pursuant to Commission Order of February 13, 1992, respectfully states as follows:

1. On February 13, 1992, the Public Service Commission (Commission) issued its Report and Order, effective February 24, 1992, in the above-captioned cases involving Sho-Me Power Corporation (Sho-Me). In the Report and Order, the Commission directed Sho-Me to designate, for regulation purposes, which facilities and plant it owns and which facilities and plant Associated Electric Cooperative, Inc. (AECI) owns. The Report and Order then directed Sho-Me and Staff to submit an agreement, or separate proposals if unable to reach an agreement, on the allocation of the ownership, use, cost, expense and revenue associated with Sho-Me's provision of electric service on or before August 13, 1992.

2. Thereafter, on February 21, 1992, Staff filed a Motion for Clarification in which Staff stated that it interpreted the above directive as placing an affirmative obligation upon Sho-Me to come forward with a proposed designation as to the ownership of facilities and plant, with the corresponding burden of proof as to the reasonableness and appropriateness of such designation on Sho-Me for the reasons set forth in Staff's Motion for Clarification of February 21, 1992. In said Motion, Staff also requested the Commission set a deadline by which Sho-Me was to come forward with its proposed designation, along with supporting documentation, well in advance of the six month deadline in order that Staff might adequately review and respond to it. Staff requested the Commission clarify all of the foregoing matters.

3. The Commission's Report and Order of February 13, 1992, also stated that if there were differing interpretations as to the Uniform System of Accounts, Commission rules and statutory requirements, the parties were to submit the issues to the Commission for resolution, also on or before August 13, 1992. In Staff's Motion for Clarification of February 21, 1992, Staff stated that in light of the fact that the foregoing significant differences in interpretation were litigated in this proceeding and are also the subject of Staff's complaint in Case No. EC-92-22, Staff was uncertain that any significant change in the positions of the parties would occur and requested further guidance from the Commission as to how the parties were to address these differences in the ordered August 13 filing.

4. On March 13, 1992, Sho-Me submitted certain documentation to the Commission which purported to convert Sho-Me from a Chapter 351 corporation to a Chapter 394 rural electric cooperative. By cover letter accompanying such documentation, Sho-Me stated that the Commission no longer has jurisdiction over the rates, service, financing, accounting or management of Sho-Me as a result of such purported conversion. Thereafter, on March 25, 1992, the Commission issued an Order and Notice opening Case No. EO-92-229 to address the issue of Sho-Me's purported conversion from a Chapter 351 corporation to a Chapter 394 rural electric cooperative, and by such order established an April 24, 1992 intervention deadline. On May 22, 1992, the Commission issued an Order Granting Intervention in Case No. EO-92-229 to certain

municipal customers of Sho-Me and established a prehearing conference for June 15, 1992.

Following said prehearing conference, Staff filed a Motion requesting that further substantive activity in Case No. EO-92-229 be delayed pending negotiations between the municipal intervenors and Sho-Me and that the Commission order the municipal intervenors and Sho-Me to file a pleading at the conclusion of their negotiations and in any event within sixty days of the prehearing conference. Staff also requested that in the event the municipal intervenors and Sho-Me are unable to resolve the concerns of the municipal intervenors within said sixty day period, the Commission authorize Staff to file a complaint against Sho-Me for certain violations as set forth in Staff's Motion to Extend Procedural Schedule and for Clarification in Case No. EO-92-229. Thereafter, on July 1, 1992, the Commission issued its Order Staying Proceedings in Case No. EO-92-229 until August 14, 1992, and requiring Sho-Me and the municipal intervenors in said docket to file pleadings as set forth in said Order on or before August 14, 1992.

5. Given (1) that Sho-Me has yet to come forward with a proposed designation as to the ownership of the facilities and plant, with supporting documentation, as set forth in Staff's Motion for Clarification filed on February 21, 1992; (2) that the Commission has yet to respond to Staff's Motion for Clarification filed February 21, 1992; (3) the initiation of Case No. EO-92-229 to address the purported conversion of Sho-Me from a Chapter 351

corporation to a Chapter 394 rural electric cooperative; and (4) the Stay of Proceedings issued in Case No. EO-92-229, no progress has been made toward the agreement or separate proposals directed to be filed by the Commission's February 13, 1992, Report and Order. Furthermore, Staff interprets the foregoing four factors to stay the necessity of filing of an agreement or separate proposals as directed in the Commission's Report and Order dated February 13, 1992, pending resolution of Case No. EO-92-229 and for an appropriate period thereafter to be set by the Commission. If this interpretation is incorrect, Staff requests the Commission issue its order clarifying this matter.

WHEREFORE, Staff prays the Commission enter its order addressing the matters raised in this Motion.

Respectfully submitted,

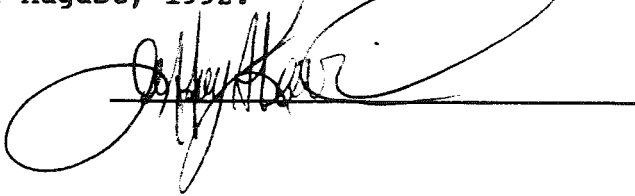


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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed or hand-delivered to all parties of record as shown on the following service list this 13th day of August, 1992.



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