

STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION

At a Session of the Public Service  
Commission held at its office  
in Jefferson City on the 5th  
day of September, 1990.

In the matter of the application of Consolidated )  
Electric Cooperative, Inc. for approval pursuant )  
to Section 394.315, RSMo to provide retail ) CASE NO. EO-90-358  
electric service to certain persons formerly )  
supplied by the City of Paris, Missouri. )

ORDER APPROVING FACILITIES EXCHANGE AGREEMENT

On June 27, 1990, Consolidated Electric Cooperative, Inc. (Applicant or Consolidated) applied for an order from the Commission authorizing Consolidated to exchange certain electric distribution facilities with the City of Paris, Missouri, and, by so doing, acquire sixteen electric customers presently served by the City.

Absent Commission approval, Section 394.315, RSMo 1986<sup>1</sup>, prohibits rural electric cooperatives from providing retail electric energy to the customers of another supplier of electric energy. However, Section (2) of the same statute permits a rural electrical cooperative to provide such retail service on a finding by the Commission that the change in suppliers is in the public interest for a reason other than a rate differential.

Consolidated's sworn application contains the Facilities Exchange Agreement between Consolidated and the City of Paris. This agreement provides for an exchange of distribution facilities whereby Paris is to receive Consolidated's downtown substation and three-phase 12,470 volt overhead lines and Consolidated will receive certain overhead lines from the City.

On August 20, 1990, following an on-site inspection, the Commission Staff submitted its report and recommendation, noting that the sixteen customers who are

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<sup>1</sup>Unless otherwise indicated, all statutes hereafter cited are RSMo 1986.

affected by the Facilities Exchange Agreement would receive upgraded service from Consolidated. Staff also states that the electrical distribution systems of both Applicant and the City of Paris will, through upgrading, benefit under the agreement. As a result, Staff recommends that the Facilities Exchange Agreement be approved.

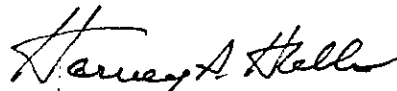
Having examined Consolidated's sworn application, the Facilities Exchange Agreement, and Staff's recommendation, the Commission finds that the proposed agreement is in the public interest for reasons other than a rate differential. The Commission also finds that the change of electric suppliers provided for in the Facilities Exchange Agreement is authorized by Section 394.315(2).

IT IS THEREFORE ORDERED:

1. That the Facilities Exchange Agreement, dated June 15, 1990, including schedules A and B, between Consolidated Electric Cooperative, Inc., and the City of Paris, Missouri, is in the public interest for reasons other than a rate differential and is hereby approved.

2. That this order shall become effective on the 17th day of September, 1990.

BY THE COMMISSION



Harvey G. Hubbs  
Secretary

(S E A L)

Steinmeier, Chm., Mueller, Rauch,  
McClure and Letsch-Roderique, CC., Concur.