

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

In the Matter of the Application of Brian)
and Anna Shrock for Change of Electric)
Supplier from City of Butler to Osage)
Valley Electric Cooperative)
)
)
)

Case No: EO-2023-0046

**RESPONSE OF THE CITY OF BUTLER, MISSOURI TO APPLICATION OF BRIAN
AND ANNA SHROCK TO CHANGE ELECTRIC SERVICE PROVIDER**

COMES NOW the City of Butler, Missouri (“City”) by and through its undersigned counsel, and for its response to the Application (“Application”) of Brian and Anna Shrock (“Mr. and Ms. Shrock”) for Change of Electric Supplier from the City’s Municipal Electric Utility to Osage Valley Electric Cooperative (“Osage Valley”), respectfully states as follows:

1. City admits to the factual allegations of Application Paragraphs 1, 2, 3, and 4.
Application.
2. With regard to Paragraphs 5 and 6 of the Application, the City admits that Mr. and Ms. Shrock’s address referenced in Paragraph 1 lies outside of the corporate boundaries for the City and that Section 386.800 RSMo prohibits the City from providing electricity at retail to any new construction outside of the City’s corporate boundaries. City denies all factual allegations of Paragraphs 5 and 6 not admitted herein.
3. City notes that Section 393.160, commonly known as Missouri’s anti-flip flop law, is applicable to the case at hand. This statute provides that “(o)nce an electrical corporation or joint municipal utility commission, or its predecessor in interest, lawfully commences supplying retail electric energy to a structure through permanent service facilities, it shall have the right to continue serving such structure, and other

suppliers of electrical energy shall not have the right to provide service to the structure . . .” The statute then provides a limited exception: the Commission “upon application made by an affected party, may order a change of suppliers on the basis that it is in the public interest for a reason other than a rate differential.”

4. Regarding the application of this exception to the flip flop prohibition, the basis for the change in supplier must be one other than a rate differential (what a customer pays for service), and customer preference will not suffice. Rather, Section 393.160.2 expresses that the Commission may only order a change of supplier if it “is in the public interest”.
5. In the instant case, the City has provided retail electric in a safe and reliable manner to Mr. and Ms. Shrock’s property since the structure on their property was built in 1994. Earlier in 2022, the City realized that this connection of Mr. and Ms. Shrock’s property was done in error in that their property lies outside of the City’s corporate boundaries. In light of this realization, the City has communicated with Osage Valley to reach a solution so as to allow the City to lawfully continue to provide retail electric in a safe and reliable manner as it has done since the City began serving this property.
6. With great effort and cost, the City and Osage Valley worked together to rectify any concerns raised by Mr. and Ms. Shrock. These efforts have culminated in the filing of a joint application for a territorial agreement pursuant to Sections 386.800.1(2) and 394.312 RSMo, so as to allow the City to lawfully provide retail electric to Mr. and Ms. Shrock’s property and to any new structures that may be built on Mr. and Ms. Shrock’s property. This Territorial Agreement would provide clarity on the question

of who shall lawfully provide retail electric services to Mr. and Ms. Shrock's property as well as their neighbors who also filed petitions to change electric suppliers.

7. With this application for the Territorial Agreement is still pending approval by the Commission, a decision by the Commission to grant Mr. and Ms. Shrock's Application would have a profoundly negative impact on the application for the Territorial Agreement. Moreover, granting Mr. and Ms. Shrock's Application would increase the risk of duplicative services since many of Mr. and Ms. Shrock's neighbors are lawfully sold retail electric by the City and that such neighbors are also subject to the pending Territorial Agreement. Such outcomes would not be in the public's interest.
8. As a result, the City is unaware of any fact or circumstances that would make a change of supplier in the public's interest.

WHEREFORE, City respectfully requests that the Commission dismiss or deny the Application and grant such additional or further relief as is just and proper under the circumstances.

Respectfully Submitted

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ATTORNEYS FOR PLAINTIFF

CERTIFICATE OF SERVICE

The undersigned certifies copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all the below parties and counsel of record on this 5th day of October, 2022

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