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July 13, 2000

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P. O. Box 360  
Jefferson City, MO 65102

FILED<sup>3</sup>

JUL 13 2000

Missouri Public  
Service Commission

**RE: Case No. EO-2000-630**

Dear Mr. Roberts:

Enclosed for filing in the above-captioned case are an original and eight (8) conformed copies of the **STAFF'S SUGGESTIONS IN SUPPORT OF UNANIMOUS STIPULATION AND AGREEMENT**.

This filing has been mailed or hand-delivered this date to all counsel of record.

Thank you for your attention to this matter.

Sincerely yours,

Dennis L. Frey  
Associate General Counsel  
(573) 751-8700  
(573) 751-9285 (Fax)

DLF/lb  
Enclosure  
cc: Counsel of Record

**Service List for**  
**Case No. EO-2000-630**  
**July 13, 2000**

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FILED<sup>3</sup>

JUL 13 2000

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

Missouri Public  
Service Commission

In the Matter of the Application of Union Electric )  
Company d/b/a AmerenUE and Lewis County )  
Rural Electric Cooperative for Approval of a Written )  
Territorial Agreement Designating the Boundaries of )  
Each Electric Service Supplier within Portions of )  
Lewis, Clark, Shelby, Knox, Adair, Schuyler, Scotland )  
and Marion Counties in Missouri. )

Case No. EO-2000-630

**STAFF'S SUGGESTIONS IN SUPPORT OF  
UNANIMOUS STIPULATION AND AGREEMENT**

COMES NOW the Staff ("Staff") of the Missouri Public Service Commission  
("Commission"), and for its Suggestions in Support of Unanimous Stipulation and Agreement,  
respectfully states as follows:

1. On April 7, 2000, Union Electric Company d/b/a AmerenUE ("AmerenUE") and  
Lewis County Rural Electric Cooperative ("Cooperative"), hereinafter collectively referred to as  
"the Applicants," filed a Joint Application requesting Commission approval of a proposed  
Territorial Agreement between the two parties.

2. The Applicants, the Office of the Public Counsel ("Public Counsel") and the Staff  
(collectively, "the Parties") reached an agreement in this matter, and on July 12, 2000, filed a  
Unanimous Stipulation and Agreement ("Stipulation and Agreement") in settlement of all  
outstanding issues.

3. The Stipulation and Agreement is consistent with the Joint Application and  
Territorial Agreement as filed, except for some minor changes to AmerenUE's associated  
illustrative tariffs, filed along with the Joint Application and Territorial Agreement. The  
changes, which resulted from Staff's review of the illustrative tariffs, and which are noted in

Paragraph 7 of the Stipulation and Agreement, correct minor clerical and other errors in the affected sections of AmerenUE's service territory. The Staff has no objection to these changes.

4. Staff has reviewed the Joint Application, investigated the electrical facilities of each utility serving the area covered by the territorial agreement and conducted a field inspection. The area covered by this agreement includes electric service territory of AmerenUE and area served by Cooperative. The proposed boundaries of the service area for each utility are crafted to allow the utility in the exclusive areas to utilize the existing facilities more efficiently. This will allow each utility to better plan for future needs for the areas where there is an exclusive provider of electric service and will also serve to minimize duplication of electric facilities.

5. The Staff finds that the Cooperative has adequate electric facilities in the areas designated as their exclusive service area. Under the terms of the agreement, the Cooperative will serve all new customers within their designated area. Conversely, AmerenUE will serve all new customers requesting electric service in the area identified as the exclusive territory of AmerenUE. This will allow each utility to focus its resources in areas where it is better able to provide reliable electric service. No customers or facilities will be transferred; existing customers will remain with their present electric supplier.

6. The Staff supports this application and is of the opinion that approval of the territorial agreement is in the public interest.

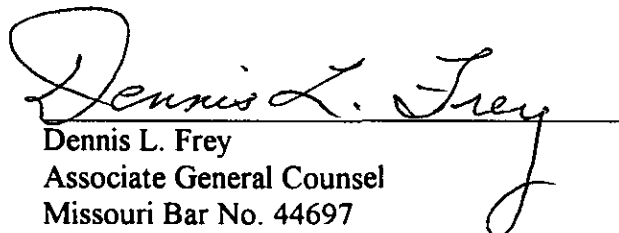
7. As noted earlier, the Territorial Agreement at issue in this case involves absolutely no exchange of either customers or facilities, and the Staff is of the opinion that the transaction will have no impact on customer rates in the future. Accordingly, the Stipulation and Agreement does not include language recommending that the Commission include in an order

approving the Territorial Agreement, a statement indicating that the Commission reserves the right to consider the rate-making treatment to be afforded this transaction in any future rate-making proceeding, including, but not limited to, the determination of customer credits under AmerenUE's Second Experimental Alternative Regulation Plan. Staff will, however, insist on such language in any future cases involving territorial agreements in which Staff believes there may be an impact on the determination of future rates and/or customer credits.

WHEREFORE, the Staff respectfully submits its Suggestions in Support of the Unanimous Stipulation and Agreement entered into by AmerenUE, Cooperative, Staff and Public Counsel, and filed in the instant case on July 12, 2000.

Respectfully submitted,

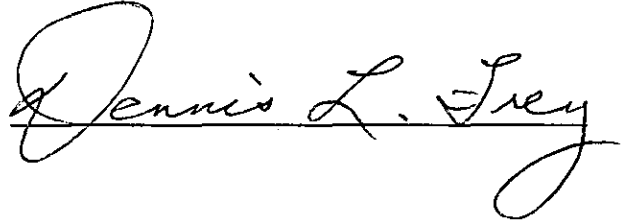
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### **Certificate of Service**

I hereby certify that copies of the foregoing have been mailed or hand-delivered to all counsel of record as shown on the attached service list this 13th day of July 2000.

A handwritten signature in cursive script, reading "Dennis L. Frey", is written over a horizontal line.