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STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

PREHEARING CONFERENCE
September 28, 2001
Jefferson City, Missouri
Volume 1

In the Matter of the Joint)
Application of Union Electric)
Company and Lewis County Rural)
Electric Cooperative for an)
Order Approving the Change in)
Electric Supplier for Reasons in) Case
the Public Interest and) No. EM-2001-695
Authorizing the Sale, Transfer)
and Assignment of Certain)
Electric Distribution Facilities,)
Easements and other Rights)
Generally from Union Electric)
Company to Lewis County Rural)
Electric Cooperative)

BEFORE:

KEVIN THORNBURG, Presiding,
REGULATORY LAW JUDGE.

REPORTED BY:

KRISTAL R. MURPHY, CSR, RPR, CCR
ASSOCIATED COURT REPORTERS
714 West High Street
Post Office Box 1308
JEFFERSON CITY, MISSOURI 65102
(573) 636-7551

1 APPEARANCES:

2

3 WILLIAM B. BOBNAR, Attorney at Law
4 AmerenUE
5 One Ameren Plaza
6 1901 Chouteau Avenue
7 St. Louis, Missouri 63103
8 314.554.4673

9 FOR: Union Electric Company d/b/a AmerenUE

10 DEIDRE D. JEWEL, Attorney at Law
11 Andereck, Evans, Milne, Peace & Johnson
12 700 East Capitol Avenue
13 Jefferson City, Missouri 65101
14 573.634.3422

15 FOR: Lewis County Electric Cooperative.

16 JOHN B. COFFMAN, Deputy Public Counsel
17 P.O. Box 7800
18 Jefferson City, Missouri 65102
19 573.751.5559

20 FOR: Office of Public Counsel and the Public.

21 ROBERT V. FRANSON, Associate General Counsel
22 P.O. Box 360
23 Jefferson City, Missouri 65102
24 573.751.6434

25 FOR: Staff of the Missouri Public Service
Commission.

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1 P R O C E E D I N G S

2 (Written Entries of Appearance filed.)

3 JUDGE THORNBURG: We'll go on the record.

4 We're convening a case for prehearing in the
5 matter of the joint application of Union Electric
6 Company and Lewis County Rural Electric Cooperative
7 for an order approving the change in electric supplier
8 for reasons in the public interest and authorizing the
9 sale, transfer and assignment of certain electric
10 distribution facilities, easements and other rights
11 generally from Union Electric Company to Lewis County
12 Rural Electric Company -- Cooperative. Excuse me.
13 The case number is EM-2001-695.

14 The Commission issued an order setting this
15 for prehearing on September 14th, and today is the day
16 of the prehearing, September 28th. It's 10:00 a.m.

17 At this time I'll ask for entries of
18 appearance.

19 Could I have an entry of appearance from
20 Union Electric?

21 MR. BOBNAR: William B. Bobnar, Ameren
22 Services Company, appearing on behalf of Union
23 Electric Company, which is doing business as AmerenUE,
24 One Ameren Plaza, St. Louis, Missouri, 63103.

25 JUDGE THORNBURG: And is there an appearance

1 on behalf of the Lewis County Rural Electric
2 Cooperative?

3 MS. JEWEL: Yes, your Honor. My name is
4 Deidre, D-e-i-d-r-e, Jewel, and I'm with the Andereck
5 Law Firm, 700 East Capital, P.O. Box 1438, here in
6 Jefferson City. And we represent Lewis County Rural
7 Electric Cooperative.

8 JUDGE THORNBURG: And on behalf of Staff?

9 MR. FRANSON: Robert Franson, Associate
10 General Counsel for the Staff of the Public Service
11 Commission, P.O. Box 360, Jefferson City, Missouri,
12 65102.

13 JUDGE THORNBURG: And on behalf of the
14 Office of Public Counsel?

15 MR. COFFMAN: John B. Coffman on behalf of
16 the Office of the Public Counsel, P.O. Box 7800,
17 Jefferson City, Missouri, 65101.

18 JUDGE THORNBURG: Are there any other
19 appearances?

20 (No response.)

21 JUDGE THORNBURG: And I will note that we
22 did a notice setting an intervention period, and we
23 have not received any requests by other interested
24 persons or parties to intervene in this case.

25 I will also note that under the order I set

1 out that I did provide for the filing of a procedural
2 schedule by, I believe, October 5th.

3 But before we take up that, I'd like to know
4 where we stand on this. Has Staff -- I'll start with
5 Staff.

6 Has Staff done some investigation of the
7 application up to this point?

8 MR. FRANSON: Very limited at this point,
9 your Honor, because we don't have a formal procedural
10 schedule that has led to that. We have had some
11 limited discussions with the parties about the
12 possibility of a Stipulation and Agreement, but
13 certainly nothing has been formalized and there is
14 certainly no overall agreement at this point in time.

15 So we'll probably be preparing a formal
16 procedural schedule would be, at this point, how we
17 anticipate going.

18 JUDGE THORNBURG: All right. As a result of
19 the notices that have been given, has there been any
20 contact received from the public by the Staff?

21 MR. FRANSON: Staff has received very
22 limited contact.

23 JUDGE THORNBURG: And, Mr. Coffman, I'll ask
24 the same of you.

25 MR. COFFMAN: Yeah.

1 JUDGE THORNBURG: Have you gotten any public
2 letters or phone calls?

3 MR. COFFMAN: Yes. The contacts we've
4 received haven't been overwhelming or as great as we
5 had anticipated, but we have maybe half-a-dozen
6 letters or phone calls I've had with customers. And
7 based on that limited response, I haven't felt it was
8 necessary at this time to ask for a local public
9 hearing. Those are sometimes helpful in these cases,
10 but I hadn't received kind of the threshold of public
11 concern that I thought would justify requesting that.
12 So that's -- that's where I'm at at this point.

13 There is definitely some rate impact that
14 would occur to customers who are to be transferred,
15 and we have a list of those, and we're concerned about
16 that. I'm not sure exactly what position we would
17 ultimately take, but I think we're probably at the
18 point where settlement discussions would be
19 worthwhile. And, you know, either --

20 JUDGE THORNBURG: And that's what you're
21 going to do?

22 MR. COFFMAN: Either a settlement or a
23 procedural schedule, I'm sure, can be worked out in
24 the next week or two.

25 JUDGE THORNBURG: All right. Does anybody

1 have any matters to bring to my attention before I
2 leave?

3 MR. FRANSON: Your Honor, I would ask
4 that -- we may, if we file something on the 5th, which
5 I know we're bound to do, it may involve a proposed
6 date for a Stipulation, and then if that is not
7 reached for whatever reason, we might propose a date
8 to file or more formal procedural schedule. We --
9 what I'm suggesting is if that would be acceptable to
10 you.

11 JUDGE THORNBURG: That would be acceptable.
12 Another alternative I'll offer is if you think you
13 need a certain period of time to do some informal
14 discovery or formal discovery and have discussions in
15 regard to a settlement, you could file a proposed
16 procedural schedule that simply allows a period of
17 time, say 60 days, before you have any formal filing
18 or testimony that has to be in, and then that would
19 allow time that if a settlement agreement was reached
20 that resolved everyone's concerns, you could file
21 that, and at that point I could cancel the procedural
22 schedule.

23 So you can go either way. Just to show the
24 Commission that this thing is moving, it might be good
25 to have a procedural schedule but with an open window

1 at the very beginning to allow you time to have
2 discussions.

3 On behalf of the Applicants, is there any
4 particular deadline on this? There is not an
5 operation of law that I'm aware of. Is there a
6 deadline to close this?

7 MR. BOBNAR: Your Honor, you are correct.
8 There is no deadline like a territorial agreement
9 where there is a statutory requirement.

10 Given the nature and the standing where this
11 case lies now, our interest would be served if we
12 could get an order on the case sometime in January or
13 February that would permit transfer of the customers
14 during a period of minimal use and adequate weather
15 conditions to allow cutover, which would be
16 March/April of the upcoming year.

17 JUDGE THORNBURG: All right. And then in
18 your discussions today you might keep that in mind
19 that any window you do allow for further discussions,
20 you might need to take those types of considerations
21 into -- well, consider those things.

22 I know that if we end up needing an
23 evidentiary hearing, my calendar in December looks
24 pretty tough. In January we could possibly do it, but
25 if there is a significant contested issue, then we

1 need time for briefing and writing an order.

2 But I do understand that a cutover in the
3 electric service in the winter months might be more
4 feasible than during the summer.

5 Mr. Franson, do you know if Staff is going
6 to be available to assist you with the discussions
7 with the Applicants and fleshing out what your
8 concerns might be?

9 MR. FRANSON: I guess I'm not -- you mean
10 additional Staff, or --

11 JUDGE THORNBURG: I'm just saying, is your
12 Staff -- the demands on your Staff such that they are
13 going to be available to you to look at this
14 application -- it has been pending here for some
15 time -- to really delve into it.

16 MR. FRANSON: I believe so. Yes. The
17 answer is yes.

18 JUDGE THORNBURG: All right.

19 MR. FRANSON: I don't think that would be --
20 I appreciate the concern, Judge, but at this point I
21 don't see that as a grave concern. If that changes, I
22 will certainly notify you formally and notify the
23 other parties.

24 JUDGE THORNBURG: Uh-huh. All right. Well,
25 with that, I'm finished. I'll look for filing by the

1 deadline noted in the order, and if there is an
2 agreement on the schedule, then the Staff could file
3 that on behalf of all of the parties.

4 MR. FRANSON: Okay.

5 JUDGE THORNBURG: And you just indicated
6 that everyone has consented to the proposal, and I'll
7 be looking for that and calendar it.

8 Thank you very much.

9 WHEREUPON, the on-the-record portion of the
10 prehearing conference was concluded.

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