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POST OFFICE BOX 360 JEFFERSON CITY, MISSOURI 65102 573-751-3234 573-751-1847 (Fax Number)

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December 20, 2000

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Secretary/Chief Regulatory Law Judge

DANA K. JOYCE General Counsel

Mr. Dale Hardy Roberts Secretary/Chief Regulatory Law Judge Missouri Public Service Commission P. O. Box 360 Jefferson City, MO 65102

RE: Case No. EO-2001-240

Dear Mr. Roberts:



Enclosed for filing in the above-captioned case are an original and eight (8) conformed copies of a 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,

Eric W. Anderson Assistant General Counsel (573) 751-7485 (573) 751-9285 (Fax)

EWA/lb Enclosure

cc: Counsel of Record

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

	LILED
ISSION	DEC 2 0 202
	Service Commission
Case No	o. EO-2001-240

In the Matter of the Joint Application of Kansas City Power & Light Company and the City of Marshall For an Order Approving a Territorial Agreement

UNANIMOUS STIPULATION AND AGREEMENT

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COME NOW the undersigned parties to this proceeding and for their Unanimous Stipulation and Agreement ("Stipulation and Agreement"), respectfully state as follows:

I. Procedural History

- 1. On October 11, 2000, Kansas City Power & Light Company ("KCPL"), a regulated utility, and the City of Marshall ("City"), a Third-Class City in the State of Missouri, hereinafter collectively known as "the Applicants", filed a Joint Application requesting that the Commission: 1) approve a Territorial Agreement between the Applicants, based on a finding that it is not detrimental to the public interest; 2) authorize the Applicants to perform in accordance with the terms and conditions of the Territorial Agreement; and 3) grant such other relief as deemed necessary to accomplish the purposes of this Joint Application.
- 2. On October 27, 2000, the Commission issued an Order directing that a procedural schedule be filed in this case by November 27, 2000, with the hearing to be held no later than January 9, 2001; that notice be sent to interested parties; and that any applications to intervene be filed by November 16, 2000. To date, no applications to intervene have been filed.

3. In the Joint Application, KCPL and City seek Commission approval of the Territorial Agreement. KCPL has constructed a service center within the corporate limits and electric service area of the City. KCPL desires to provide electric service to said service center. The legal description of the service center and the area in which KCPL seeks to provide electric service within the City is attached to the Territorial Agreement and marked as Exhibit 1. In return for KCPL providing electric service to its service center, the City will provide electric service to five metered locations within KCPL's electric service area. The legal description of the five metered locations to be served by the City is attached to the Territorial Agreement and marked as Exhibit 2. The Territorial Agreement also provides that five metered locations within the KCPL's current service area will now be serviced by the City and that these customers will not be allowed to switch providers without permission of the Commission. A customer list is provided in paragraph 4 of the Joint Application and Attachment 3 to the Joint Application contains affidavits from each customer indicating that they have been informed of the proposed change and have no objection to the change in electric service providers. The change in electric service providers is in the public interest for a reason other than a rate differential as discussed in paragraph 3(e) of the Joint Application and therefore should be approved under 393.106 RSMo 1994. Each party will continue to provide electric service to all meter locations presently within their respective electric service areas and to all new meter locations within their respective service areas, except as described in the Territorial Agreement. There are no other electric suppliers providing permanent service in the area covered by the Territorial Agreement in Saline County. KCPL and City have agreed to displace competition between them in Saline County, as allowed by law and have set out the terms of the Territorial Agreement, which is attached to the Joint Application and marked as Exhibit A.

- 4. On November 29, 2000, the Commission issued an order setting a procedural schedule, which set the filing of a Stipulation and Agreement for December 20, 2000 at 3:00 PM and an evidentiary hearing on the Territorial Agreement for January 2, 2000 at 8:30 AM.
- 5. The Staff of the Commission, the Office of the Public Counsel, KCPL, and City (hereinafter collectively known as "the Parties"), having reviewed the Joint Application and associated Territorial Agreement and having considered the position of the Parties and the issues to be resolved in this case, have entered into this Stipulation and Agreement.

II. The Parties Have Reached the Following Stipulation and Agreement:

- 6. The Parties assert and, in consideration of the promises and covenants herein contained, state that the Territorial Agreement between KCPL and City is not detrimental to the public interest and therefore should be approved.
- 7. KCPL agrees that within 30 days of the effective date of an Order approving the Territorial Agreement, KCPL will file for review and approval revised tariff sheets for the KCPL's service area in Saline County, which will state the effect of the Territorial Agreement on the rights and obligations of KCPL to provide service and state the effect of the Territorial Agreement on the service area.
- 8. This Stipulation and Agreement shall be binding upon the successors and assigns of KCPL and City.

III. General Matters

- 9. This Stipulation and Agreement has resulted from extensive negotiations among the signatories and the terms hereof are interdependent. In the event the Commission does not adopt this Stipulation and Agreement in total, then this Stipulation and Agreement shall be void and no signatory shall be bound by any of the agreements or provisions hereof. The stipulations herein are specific to the resolution of this proceeding, and all stipulations are made without prejudice to the rights of the signatories to take other positions in other proceedings.
- Agreement, the Parties and participants waive, with respect to the issues resolved herein: their respective rights, pursuant to §536.080 RSMo. 1994, to present testimony, to cross-examine witnesses, and to present oral argument or written briefs; their respective rights to the reading of the transcript by the Commission pursuant to §536.080.2 RSMo. 1994; their respective rights to seek rehearing pursuant to §386.500 RSMo. 1994; and their respective rights to seek judicial review pursuant to §386.510 RSMo. 1994. Notwithstanding the foregoing each party may present oral testimony at the evidentiary hearing supporting the fact that the Territorial Agreement is not detrimental to the public interest. The Parties agree to cooperate with each other in presenting for approval to the Commission this Stipulation and Agreement, and will take no action, direct or indirect, in opposition to the request for approval of this Stipulation and Agreement.
- 11. The Staff shall file suggestions or a memorandum in support of this Stipulation and Agreement, and the other parties shall have the right to file responsive suggestions or prepared testimony.

- 12. The Staff shall have the right to provide, at any agenda meeting at which this Stipulation and Agreement is noticed to be considered by the Commission, whatever oral explanation the Commission requests, provided that the Staff shall, to the extent reasonably practicable, provide the other parties and participants with advance notice of when the Staff shall respond to the Commission's request for such explanation once such explanation is requested from Staff. Staff's oral explanation shall be subject to public disclosure, except to the extent it refers to matters that are privileged or protected from disclosure pursuant to any protective order issued in this case.
- 13. None of the Parties to this Stipulation and Agreement shall be deemed to have approved or acquiesced in any rate-making principle or any method of cost determination or cost allocation underlying or allegedly underlying the Stipulation and Agreement, except as the Commission finds that the Territorial Agreement is in the public interest. Further, the parties recommend that the Commission reserve the right to consider the rate-making treatment to be afforded this transaction in any future rate-making proceeding.

WHEREFORE, the Parties respectfully request the Commission to issue its Order:

- A. Finding that the designated electric service areas are not detrimental to the public interest and approving the Territorial Agreement, (Exhibit A to the Joint Application):
- B. Authorizing KCPL and City to perform in accordance with the terms and conditions of the Territorial Agreement;
- C. Authorizing a change of suppliers from KCPL to City for the five customers listed in paragraph 4 of the Joint Application;
 - D. Finding that the Territorial Agreement does not impair KCPL's certificates of

convenience and necessity, except as specifically limited by the Territorial Agreement; and

E. Directing that KCPL file, within thirty days of the effective date of said Commission Order, revised tariff sheets with respect to its service area in Saline County.

F. Authorizing KCPL to enter into, execute, and perform in accordance with the terms of all other documents reasonably necessary and incidental to the performance of the transactions which are the subject of the Territorial Agreement;

G. Approving all of the terms of this Stipulation and Agreement.

H. Granting such other relief as deemed necessary to accomplish the purposes of the Joint Application.

Respectfully submitted,

DANA K, JOYCE General Counsel

Eric William Anderson, Mo. Bar No. 47253

Assistant General Counsel

P. O. Box 360

Jefferson City, MO 65102

(573) 751-7485 (Telephone)

(573) 751-9285 (Fax)

eanderso@mail.state.mo.us

Huff & Huff

78 S. Jefferson

Marshall, MO 65340

(660) 886-6841

(660) 886-5488 (fax)

Attorney for City of Marshall, Missouri

Michael Rump, Mo. Bar No. 39080
Kansas City Power & Light Company
1201 Walnut, 20th Floor
P.O. Box 418679
Kansas City, MO 64141-9679
(816) 556-2483
(816) 556-2787 (fax)

Attorney for KCPL Attorney for the Staff of the Missouri Public Service Commission John Coffman, Mo. Bar No. 36591 Office of the Public Counsel P.O. Box 7800 Jefferson City, MO 65102 (573) 751-5565 (573) 751-5562 (fax)

Attorney for the Office of the Public Counsel

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 20th day of December, 2000.

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Service List for Case No. EO-2001-240 December 20, 2000 (lb)

Office of the Public Counsel PO Box 7800 Jefferson City, MO 65102

Michael A. Rump Kansas City Power & Light Company 1201 Walnut, 20th Floor P. O. Box 418679 Kansas City, MO 64141-9679 George S. Huff Huff & Huff 78 S. Jefferson Marshall, MO 65340