

|                   |                       |
|-------------------|-----------------------|
| Exhibit No.:      |                       |
| Issues:           | Territorial Agreement |
| Witness:          | Doug Groesbeck        |
| Type of Exhibit:  | Direct Testimony      |
| Sponsoring Party: | AmerenUE              |
| Case No.:         | EO-99-599             |

MISSOURI PUBLIC SERVICE COMMISSION

CASE NO. EO-99-599

FILED

AUG 6 1999

Missouri Public  
Service Commission

DIRECT TESTIMONY

OF

DOUG GROESBECK

Cape Girardeau, Missouri  
August 3, 1999

## TABLE OF CONTENTS

|  | <u>Page</u> |
|--|-------------|
| INTRODUCTION .....                       | 1           |
| THE UE/OZARK TERRITORIAL AGREEMENT ..... | 3           |
| TRANSFER OF CUSTOMERS/MEMBERS .....      | 9           |
| TRANSFER OF FACILITIES .....             | 15          |

1                   **BEFORE THE PUBLIC SERVICE COMMISSION**  
2                   **OF THE STATE OF MISSOURI**  
3                   **Case No. EO-99-599**

4  
5                   **DIRECT TESTIMONY OF**  
6                   **DOUG GROESBECK**  
7

8           **I. INTRODUCTION**

9           Q.     PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

10          A.     My name is Doug Groesbeck and my business address is 45 South Minnesota,  
11 Cape Girardeau, Missouri 63703.

12  
13          Q.     BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

14          A.     I am employed by Union Electric Company d/b/a AmerenUE ("UE") as Manager  
15 of its Southeast District. This district covers an area generally bounded by the Arkansas State  
16 Line on the South, the Mississippi River on the East, Northern Cape Girardeau County on the  
17 North, and Poplar Bluff on the West. In this area, UE serves approximately 60,000 electric and  
18 21,000 gas customers.

19          Q.     PLEASE SUMMARIZE YOUR PRIOR WORK EXPERIENCE AT  
20 AMERENUE.

21          A.     I began work in August 1977 as a Customer Service Adviser for Missouri Power  
22 & Light Company ("MPL"), a former subsidiary of UE. I worked in the Customer Service,  
23 Marketing, and Corporate Planning Departments for MPL prior to 1984. After 1984, MPL was  
24 merged into UE. Since 1984, I have worked in the areas of Human Resources and District  
25 Management of UE.

26          Q.     WHAT ARE YOUR DUTIES AND RESPONSIBILITIES IN YOUR PRESENT  
27 POSITION AS MANAGER OF UE'S SOUTHEAST DISTRICT?

1           A.     As Manager, I am in charge of the day-to-day operations of the district and I  
2     provide direction to a staff of approximately 105 employees.

3           Q.     WHAT IS YOUR EDUCATIONAL BACKGROUND?

4           A.     I received a Bachelor of Science Degree in Business from the University of  
5     Northern Iowa in 1974.

6           Q.     ARE YOU FAMILIAR WITH THE SUBJECT MATTER OF THIS CASE?

7           A.     Yes, I am. This case involves the Missouri Public Service Commission's  
8     ("Commission's") review of the Joint Application of UE and Ozark Border Cooperative  
9     ("Ozark") requesting approval of a Territorial and Exchange Agreement (the "Territorial  
10    Agreement") covering portions of Bollinger, Butler, Carter, Dunklin, Iron, Madison, New  
11    Madrid, Reynolds, Ripley, Stoddard, and Wayne counties. The Territorial Agreement is, in fact,  
12    two separate agreements -- a territorial agreement and an agreement exchanging customers and  
13    electrical distribution facilities -- in the form of a single agreement.

14          Q.     WHY WAS THE TERRITORIAL AGREEMENT STRUCTURED IN THIS  
15    FASHION?

16          A.     The Territorial Agreement was structured in this fashion because the exchange of  
17    customers and facilities complements the Territorial Agreement by maximizing the benefits of  
18    reducing duplicate facilities and increasing facility utilization. Because these benefits are  
19    significant, the companies desire to obtain them as soon as possible. Also, a single agreement  
20    also permits a more economical Commission review and approval process.

21          Q.     CAN THE COMMISSION APPROVE ONE PART OF THE TERRITORIAL  
22    AGREEMENT WHILE REJECTING OTHER PARTS?

1           A.     If the Commission rejects any portion of the Territorial Agreement, Article 23.6 of  
2     said Agreement renders the Territorial Agreement null and void.

3           Q.     WHAT RELIEF ARE UE AND OZARK REQUESTING FROM THE  
4     COMMISSION IN THIS MATTER?

5           A.     UE and Ozark are requesting approval of the Territorial Agreement by the  
6     Commission as required by Section 394.312 RSMo. Also, UE and Ozark will require an order  
7     granting them the authority (i) to change electric service providers for certain customers,  
8     pursuant to Section 393.106.2 RSMo., and (ii) to transfer certain property, pursuant to Section  
9     393.190 RSMo., pursuant to the terms of the Territorial Agreement. Finally, UE will require an  
10    order authorizing it to extinguish all Certificates of Convenience and Necessity under which UE  
11    operates its retail electric business in Butler County and certain land sections in Dunklin, New  
12    Madrid, and Stoddard Counties.

13    **II. THE UE/OZARK TERRITORIAL AGREEMENT**

14           Q.     ARE YOU FAMILIAR WITH THE CONTENTS OF THAT TERRITORIAL  
15    AGREEMENT?

16           A.     Yes, I was responsible for negotiating the Agreement for UE. I have attached, as  
17    Schedule 1 to my testimony, a copy of the Territorial Agreement between UE and Ozark, without  
18    the Exhibits and Figures, because these have been previously filed with the Commission.

19           Q.     PLEASE BRIEFLY DESCRIBE THE PRINCIPAL FEATURES OF THE  
20    TERRITORIAL AGREEMENT.

21           A.     The Territorial Agreement divides electric service responsibilities, for existing  
22    and future customers, between UE and Ozark in Bollinger, Butler, Carter, Dunklin, Iron,  
23    Madison, New Madrid, Reynolds, Ripley, Stoddard, and Wayne counties.

1 Ozark's exclusive service territory is all of Butler, Carter, Ripley, and Wayne  
2 counties and those portions of Bollinger, Dunklin, New Madrid, Reynolds, and Stoddard counties  
3 as set forth by metes and bounds in Exhibit 1 of the Territorial Agreement. Figure 1 is an  
4 overview map depicting Ozark's exclusive service territory. UE's exclusive service territory is  
5 all of Madison and Iron counties, as described by metes and bounds in Exhibit 2, and those  
6 remaining portions of Bollinger, Dunklin, New Madrid, Reynolds, and Stoddard counties. The  
7 Territorial Agreement does not limit UE's or Ozark's right to construct appropriate facilities  
8 within the designated exclusive service territory of the other supplier necessary to provide  
9 reliable electric service in their respective areas. However, the Territorial Agreement provides  
10 for dealing with new structures located precisely on the boundary line; the first owner at the new  
11 structure will be allowed to choose either supplier. The Territorial Agreement also requires the  
12 transfer of certain facilities and sets forth the methods used to implement the transfers of those  
13 facilities. The implementation period for the Territorial Agreement is two (2) years.

14 Q. WHAT WERE THE CONSIDERATIONS THAT WENT INTO DIVIDING THE  
15 SERVICE AREA BETWEEN UE AND OZARK?

16 A. From UE's point of view, we wished to eliminate or prevent existing and future  
17 duplication of power lines, maximize the investment the company has made in our present  
18 facilities, and provide for the ability to serve Poplar Bluff in the future if the opportunity arose.  
19 We also wanted to keep the Territorial Agreement boundaries as simple as possible to avoid any  
20 future problems in implementation.

21 Q. HOW DID THESE GOALS SHAPE THE BOUNDARIES CONTAINED IN  
22 THE TERRITORIAL AGREEMENT?

1           A.     When final agreement was reached between UE and Ozark, Ozark had agreed not  
2     to provide electric service in Iron and Madison Counties. When exclusive territorial boundaries  
3     were being drawn up, the simplest way to express this agreement was to designate “all of Iron  
4     County” and “all of Madison County “as UE’s exclusive territory with respect to Ozark.  
5     However, UE cannot serve the entire county. UE can serve only portions of these counties in  
6     which it has a Certificate of Public Convenience and Necessity. In addition, UE cannot serve in  
7     portions of these counties which are designated an exclusive service area of Black River Electric  
8     Cooperative, Inc., in accordance with the Territorial Agreement between Union Electric  
9     Company and Black Electric Cooperative, approved by the Commission in Case No. EO-95-400.  
10    Likewise, UE had agreed not to serve in Butler, Carter, Ripley, and Wayne Counties, so the  
11    simplest way to treat them was to designate all of these counties as Ozark’s exclusive territory  
12    with respect to UE.

13           Q.     HOW DID THESE GOALS SHAPE THE AGREEMENT BOUNDARIES IN  
14    THE OTHER COUNTIES?

15           A.     The exclusive service areas of the companies were drawn up in these counties in a  
16    manner which recognized the location of each party’s facilities and customers. Consideration  
17    was given to recognize natural barriers, such as rivers. To keep the boundary lines simple,  
18    section lines were used as boundaries wherever feasible. In addition, one key UE goal was to  
19    preserve the ability to provide retail electric service to the City of Poplar Bluff, in the future, if  
20    the opportunity arose. This was accomplished by including Article 5.1 in the Territorial  
21    Agreement to permit the UE/Ozark boundary to be modified, if UE purchased Poplar Bluff’s  
22    facilities in the future.

1 Q. WHAT IMPACT DOES THE DIVISION OF SERVICE AREAS CONTAINED  
2 IN THE TERRITORIAL AGREEMENT HAVE ON OTHER ELECTRIC SUPPLIERS  
3 SERVING BOLLINGER, BUTLER, CARTER, DUNKLIN, IRON, MADISON, NEW  
4 MADRID, REYNOLDS, RIPLEY, STODDARD, AND WAYNE COUNTIES?

5 A. The Territorial Agreement applies only to UE and Ozark and has no impact on the  
6 other electric suppliers' right to serve. Missouri law, particularly Section 394.312 RSMo.,  
7 permits territorial agreements to specifically designate the boundaries of the electric service  
8 territory of the electric service suppliers subject to the agreement. Since only UE and Ozark have  
9 signed the Territorial Agreement, they are the only electric suppliers subject to said Agreement.  
10 UE recognizes that other electric suppliers serve in the counties covered by the Territorial  
11 Agreement and understands that the Agreement neither changes or limits the existing or future  
12 territorial rights or duties of those suppliers nor restrains their ability to provide electric service  
13 within the area covered by the Agreement. If the Territorial Agreement is approved, UE  
14 promises it will not assert any rights arising out the Territorial Agreement against any other  
15 electric supplier, not subject to the Territorial Agreement.

16 Q. DOES THE TERRITORIAL AGREEMENT INCLUDE A PROVISION  
17 RELATED TO CERTAIN MUNICIPALLY-OWNED ELECTRIC SYSTEMS?

18 A. Yes, it does. Article 5.1 of the Agreement deals with a potential situation that  
19 may arise in the future. To wit, the municipality of Poplar Bluff elects to cease operating its  
20 municipal electric systems and sells its facilities to either UE or Ozark. This section sets forth a  
21 procedure for establishing the UE/Ozark service area boundary after the occurrence of this  
22 potential situation. I believe it is extremely remote that Poplar Bluff would cease to operate its  
23 municipal system. However, since the Territorial Agreement is perpetual, it is desirable to



1 address this situation, for without this provision UE would be prevented by the Territorial  
2 Agreement from bidding for, and, if it were the successful bidder, operating Poplar Bluff's  
3 system. Again, as I previously testified, UE understands that the Territorial Agreement neither  
4 changes or limits Poplar Bluff's existing or future rights or duties nor restrains it in providing  
5 electric service with the area covered by the Territorial Agreement. If approved, UE promises it  
6 will not assert any rights arising out of the Territorial Agreement against Poplar Bluff.

7 Q. DOES THE TERRITORIAL AGREEMENT CONTAIN ANY PROVISION TO  
8 ALLOW A STRUCTURE TO RECEIVE SERVICE FROM ANY PARTY THOUGH THE  
9 STRUCTURE IS LOCATED IN THE ELECTRIC SERVICE AREA OF THE OTHER?

10 A. The Territorial Agreement contains a case-by-case addendum procedure similar to  
11 that approved by the Commission in Case Numbers EO-95-400 and EO-97-6.

12 Q. HOW LONG DOES THE AGREEMENT REMAIN IN EFFECT?

13 A. The Agreement's term is perpetual.

14 Q. WHAT PUBLIC INTEREST GOALS ARE ADVANCED BY THIS  
15 TERRITORIAL AGREEMENT?

16 A. Several public interest goals are served by this Territorial Agreement. First, the  
17 Agreement will eliminate some existing duplication of facilities now existing between UE and  
18 Ozark. Attached to my testimony, as Schedule 2, is a map showing both UE's and Ozark's  
19 facilities in the Dexter area. Schedule 2 shows that there is significant duplication of facilities in  
20 many areas. In some areas, UE's facilities are on one side of the street and Ozark's are on the  
21 other. The Territorial Agreement will eliminate duplication of this type.

22 Second, all in-place and acquired facilities can be utilized to serve new customers  
23 in the parties' exclusive service areas. After the Territorial Agreement is approved, neither UE

1 nor Ozark will have to build redundant and wasteful facilities simply to compete with the other.  
2 Therefore, each electric supplier will be able to focus its efforts on efficiently utilizing its  
3 resources to better serve its customers.

4 Third, the resulting service territories will also be exclusive for future customers,  
5 relative to UE and Ozark, which will benefit the public. The public will have more certainty in  
6 whom to call for service and service issues. UE's system planning ability will be improved. By  
7 knowing that UE will be serving all the new customers in our exclusive service area, we can  
8 better plan substation and feeder locations and sizes. Therefore, the Territorial Agreement will  
9 improve UE's system planning ability and all facilities will be utilized to their fullest, based on  
10 the load in the area.

11 Fourth, the resulting UE service territory will be more consolidated and compact,  
12 which will enable UE to better serve its customers. After the exchange of facilities with Ozark is  
13 complete, UE will have a more densely populated service area around Dexter, and a less far-flung  
14 distribution system. We will be eliminating service areas at a distance from our works  
15 headquarters, such as rural Butler County. UE will be more efficient in its maintenance and  
16 operation of this more consolidated service territory, thus allowing it to improve customer  
17 service and reliability and reduce expenses. This should decrease the call-out, dispatch,  
18 patrolling and switching times required for service restoration. Overall, we estimate that the  
19 Territorial Agreement will result in an annual Operation and Maintenance savings of  
20 approximately \$139,000.

21 Fifth, the facilities acquired under the Territorial Agreement will also reinforce  
22 the reliability of the existing facilities. These facilities can also be used in the future to serve new  
23 customers in UE's exclusive service area. This reduces capital costs in facility construction.

1 Additional capital cost savings are realized by not having to install approximately 400 automated  
2 meters.

3 Finally, both UE and Ozark provide services to the community, including but not  
4 limited to, aiding industrial and residential development. The Territorial Agreement will allow  
5 UE and Ozark to work together to improve their communities without worrying about the legal  
6 boundaries of their service territory.

### 7 **III. TRANSFER OF CUSTOMERS/MEMBERS**

8 Q. DOES THE TERRITORIAL AGREEMENT REQUIRE THE EXCHANGE OF  
9 CUSTOMERS/MEMBERS?

10 A. Yes, it does. Article 10 of the Territorial Agreement requires UE and Ozark to  
11 transfer certain customers/members to the other party, simultaneous with the facilities serving  
12 those customers/members, within two (2) years of the effective date of the Territorial Agreement.  
13 UE will transfer approximately 800 customers to Ozark. In return, Ozark will transfer  
14 approximately 430 members to UE.

15 Q. HOW DID UE AND OZARK DETERMINE THE NUMBER OF CUSTOMERS  
16 TO BE EXCHANGED?

17 A. In negotiating territorial agreements, parties transfer customers for various  
18 reasons. First, customers are transferred to obtain facilities needed by a party to serve within its  
19 exclusive service area. Second, customers are transferred to minimize any revenue loss as a  
20 result of the agreement. Third, customers are transferred when the parties mutually believe it is  
21 in the customer's best interest. Here, to obtain the full benefits of the Territorial Agreement, the  
22 negotiated customer exchange ratio turned out to be approximately 2:1. We were unable to  
23 equalize revenue between UE and Ozark. Therefore, the customer transfer results in an annual

1 reduction in UE's revenues of \$618,471. To offset some of this annual revenue reduction,  
2 Article 10.2 of the Territorial Agreement requires that Ozark pay UE at closing two hundred fifty  
3 thousand dollars (\$250,000.00).

4 Q. HAS UE PERFORMED AN ECONOMIC ANALYSIS TO JUSTIFY THIS  
5 LOSS OF ANNUAL REVENUE?

6 A. I have attached, as Schedule 3 to my testimony, a copy of the economic analysis  
7 which was prepared under my supervision. This transaction was analyzed using UE's EVA  
8 EVALUATE program, version 1999. Schedule 3 contains the output from the EVA  
9 EVALUATE program, along with a description of key assumptions and inputs. The results of  
10 the EVA EVALUATE show a positive benefit to UE during the first five (5) years after the  
11 transfer of the facilities and customers, which is UE's internal acceptance criteria for entering  
12 into a transaction of this type.

13 Q. HAS UE DONE A BILL COMPARISON FOR THE TRANSFERRED  
14 CUSTOMERS?

15 A. Yes, I have attached, as Schedule 4 to my testimony, the results of a bill  
16 comparison, which was prepared by my staff with the assistance of Ozark. This bill comparison  
17 was based upon the existing rates of both companies and each customer's/member's monthly  
18 kwh usage for 1998. The comparison does not include capital credits received by Ozark  
19 members and credits received by UE customers under the existing Alt. Reg. Plan. (It should be  
20 noted that Ozark members transferred to UE, pursuant to the Territorial Agreement, will continue  
21 to receive capital credits for some time.) The comparison shows that sixty-six percent (66%) will  
22 see a decrease in their annual bills. The bill comparison also shows that the change in a

1 customer's annual bill can vary due to the customer's individual usage pattern and the differing  
2 rate structures between the companies.

3 Q. IN THE REPORT AND ORDER ON REHEARING FOR CASE NO. EO-98-511  
4 ET AL., THE COMMISSION OPINED THAT, IN THE FUTURE, ELECTRIC SUPPLIERS  
5 WHO ENTER INTO TERRITORIAL AGREEMENTS INVOLVING EXCHANGE OF  
6 CUSTOMERS SHOULD PROVIDE AFFECTED CUSTOMERS WITH A PROCESS FOR  
7 DIRECT INPUT INTO THE TRANSACTION. WHAT EFFORTS HAVE UE AND OZARK  
8 TAKEN TO PROVIDE FOR DIRECT INPUT FROM THEIR CUSTOMERS AFFECTED BY  
9 THE TERRITORIAL AGREEMENT?

10 A. Both UE and Ozark agree that it is desirable to obtain direct input from the  
11 customers potentially affected by the Territorial Agreement early in the process. By soliciting  
12 input early, the customers' concerns can be identified, questions can be answered, and the terms  
13 of the Territorial Agreement modified, as required. Therefore, UE and Ozark developed a  
14 process to solicit customer input in advance of the companies' entering into the Agreement.

15 Q. PLEASE DESCRIBE THE PROCESS USED TO INVOLVE AFFECTED  
16 CUSTOMERS?

17 A. The first contact between UE and Ozark and their affected customers/members  
18 was in late 1996. Once it became apparent that a territorial agreement between the UE and Ozark  
19 was feasible and sufficient details concerning the agreement had been developed, UE and Ozark  
20 sent letters to each affected customer/member to inform him/her of the potential territorial  
21 agreement. At that time the Applicants were considering an agreement which would require the  
22 exchange of approximately 970 UE customers in Butler, Stoddard, and Wayne counties and 580  
23 Ozark members in Stoddard county. On November 15, 1996, a letter was sent to each affected

1 customer/member of the proposed agreement. Each letter was accompanied by a brochure that  
2 provided information on the customer's/member's proposed new electric supplier. On the same  
3 day the letters were to be mailed, a joint news release was issued to inform everyone in the  
4 combined service area of both companies of the proposed agreement. While each company was  
5 responsible to notify its customers/members, both companies cooperated in the development of  
6 the notification letter and brochure.

7 I am attaching, as Schedule 5 to my testimony, a copy of the November 15, 1997,  
8 customer letter, a copy of the UE/Ozark joint news release, and copies of the brochures  
9 describing UE and Ozark that were enclosed with the customer letters.

10 Next, UE and Ozark held customer information meetings at locations selected to  
11 cover the affected area of the Territorial Agreement. Both UE and Ozark felt that face-to-face  
12 meetings would maximize customer input. Since the area covered by the proposed territorial  
13 agreement was large and both companies wanted the meetings to be well attended and  
14 convenient, we decided to hold multiple meetings. These meetings were held as follows: in  
15 Williamsville, at the City Hall on December 3, 1996; in Fisk, at the Community Center on  
16 December 4; and in Dexter, at the Dexter Inn on December 5 and 6, 1996. This schedule, along  
17 with an open invitation to attend a meeting, was included in both the November 15, 1996,  
18 customer information letter and the joint news release. During each meeting, personnel from UE  
19 and Ozark were available from 1 p.m. to 8 p.m. to answer customer/member questions.

20 Q. DID YOU PERSONALLY ATTEND ANY OF THE MEETINGS?

21 A. I attended all public meetings along with my associate, Larry Simon, Supervising  
22 Engineer, and other UE staff members. Representatives from Ozark were also present at all  
23 meetings.

1 Q. AS A RESULT OF THESE MEETINGS, DID UE AND OZARK MODIFY THE  
2 PROPOSED TERRITORIAL AGREEMENT?

3 Q. Yes. The western, southern, and northern Territorial Agreement boundaries were  
4 moved closer to the Dexter community, thereby providing additional service area – more rural in  
5 nature -- to Ozark. This change was consistent with our earlier stated goals. After all the  
6 modifications were made, the revised Agreement required the exchange of approximately 800  
7 UE customers in Butler, Stoddard, and Wayne counties and 430 Ozark members in Stoddard  
8 county. To offset the revenue loss to UE, Ozark also agreed to pay UE \$250,000 at closing. This  
9 Agreement formed the basis of the Territorial Agreement, whose approval is the subject matter of  
10 this case.

11 Q. WERE ADDITIONAL CUSTOMER MEETINGS UNDERTAKEN AFTER THE  
12 COMPANIES FINALLY AGREED TO THE TERRITORIAL AGREEMENT?

13 A. The second contact between the companies and their affected customers/members  
14 was in early 1999. UE and Ozark sent letters to each affected customer/member to inform  
15 him/her of the proposed Territorial Agreement. Again, while each company was responsible to  
16 notify its customers/members, both companies cooperated in the development of the notification  
17 letter.

18 I am attaching, as Schedule 6 to my testimony, a copy of my customer letter that  
19 was mailed to each affected customer on or about February 24, 1999. Again, customer  
20 notification meetings were held in Fisk at the Fisk Community Center from 3 p.m. - 7 p.m. on  
21 March 3, 1999, and in Dexter at the UAW Hall from 3 p.m. - 7 p.m. on March 5, 1999. This  
22 schedule, along with an open invitation to attend a meeting, was included in the customer

1 information letter. During each meeting, personnel from UE and Ozark were available to answer  
2 customer questions.

3 Q. DID YOU PERSONALLY ATTEND ANY OF THESE MEETINGS?

4 A. I attended both public meetings along with other UE staff members.  
5 Representatives from Ozark were also present at all meetings.

6 Q. HOW WERE QUESTIONS FROM THE PUBLIC HANDLED?

7 A. During the customer meetings, personnel from UE or Ozark provided answers to  
8 each of the customer's/member's questions.

9 Q. DID YOU FEEL THAT THE MEETINGS WERE WORTHWHILE?

10 A. Yes, I felt the meetings were helpful in relieving some of the apprehensions and  
11 anxieties of changing electrical suppliers. The meetings also gave Ozark members an  
12 opportunity to talk to UE representatives.

13 Q. WAS THE COMMISSION INFORMED OF THE MEASURES UE WAS  
14 TAKING TO INFORM CUSTOMERS AFFECTED BY THE PROPOSED TERRITORIAL  
15 AGREEMENT?

16 A. Yes. As a matter of fact, both the Commission Staff and the Office of the Public  
17 Counsel were sent letters dated February 26, 1999, inviting them to attend the public meetings.  
18 A representative from the Commission Staff, Jim Ketter, attended the meeting held in Fisk. In  
19 addition, a representative from the Office of the Public Counsel, Shannon Cook, attended the  
20 Dexter meeting.



1 IV. TRANSFER OF FACILITIES

2 Q. PLEASE GENERALLY DESCRIBE UE'S ELECTRIC FACILITIES TO BE  
3 TRANSFERRED TO OZARK AS THEY EXIST NOW IN THE AREA OF THE PROPOSED  
4 TERRITORIAL AGREEMENT.

5 A. Attached, as Schedule 6 to my testimony, is a listing of the facilities to be  
6 transferred, pursuant to the Territorial Agreement.

7 Q. THE JOINT APPLICATION ALSO REQUESTS THAT THE MISSOURI  
8 PUBLIC SERVICE COMMISSION GRANT UE THE AUTHORITY TO TRANSFER  
9 CERTAIN PROPERTY, PURSUANT TO THE TERMS OF THE TERRITORIAL  
10 AGREEMENT. PLEASE DESCRIBE THE NATURE OF THIS EXCHANGE OF  
11 FACILITIES.

12 A. The electric distribution facilities described in Schedule 7 will be transferred to  
13 Ozark. Ozark will extend its electric distribution system and connect to the feeders we are  
14 transferring to them after we have disconnected these feeders from our system. Similarly, UE  
15 will connect to the Ozark facilities around Dexter, which will be transferred to UE. We will  
16 connect to these feeders after Ozark has disconnected them from their system. In this facility  
17 exchange, the work and effort needed to affect the transfer of facilities is minor, for both  
18 companies each have facilities in the immediate area.

19 Q. DOES THIS TERRITORIAL AGREEMENT REQUIRE ANY ADDITIONAL  
20 TRANSFERS OF PROPERTY OR FACILITIES?

21 A. No, it does not.

22 Q. WILL UE MAINTAIN FACILITIES IN THE SERVICE TERRITORY OF  
23 OZARK?

1           A.     Yes, UE will continue to have facilities beyond the boundaries of the Territorial  
2     Agreement. UE may also have to construct additional facilities through Ozark exclusive service  
3     territory to serve new loads beyond the area of this Territorial Agreement or within UE's  
4     exclusive service territory.

5           Q.     WILL UE TRANSFER ANY FRANCHISES TO OZARK?

6           A.     No.

7           Q.     WHAT IS THE EXTENT OF THE COMPANY'S CERTIFICATE AUTHORITY  
8     IN THE AREA OF THIS AGREEMENT?

9           A.     Under certificates of convenience and necessity issued by the Commission, UE  
10    has authority to provide electric service in the areas it will receive from Ozark, pursuant to the  
11    Territorial Agreement. Therefore, UE is not seeking any additions to its certificate of public  
12    convenience and necessity.

13                   However, UE, as a result of the Territorial Agreement, intends never to serve in  
14    Butler County and certain land sections in Dunklin, New Madrid, and Stoddard Counties. These  
15    sections are shown in Schedule 8 to my testimony. Therefore, UE will also require an order  
16    authorizing it to extinguish all Certificates of Convenience and Necessity under which UE  
17    operates its retail electric business in these land sections.

18          Q.     WILL UE NEED ANY ADDITIONAL FRANCHISES TO SERVE IN THE  
19    AREAS IT IS NOW SEEKING A CERTIFICATE TO SERVE?

20          A.     No.

21          Q.     ARE YOU ASKING THAT THE COMMISSION APPROVE THE  
22    TERRITORIAL AGREEMENT AS PRESENTED?

23          A.     Yes.

1 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

2 A. Yes, it does.

## **LIST OF SCHEDULES**

- Schedule 1***     Union Electric Company / Ozark Border Electric Cooperative Territorial Agreement
- Schedule 2***     Map of Dexter Area Showing Duplication of UE and Ozark Facilities
- Schedule 3***     UE / Ozark Annual Bill Comparison
- Schedule 4***     EVA Analysis
- Schedule 5***     Customer letter, UE / Ozark joint news release, and customer information brochures
- Schedule 6***     Second Customer Notification Letter; Letter to Commission Staff; Letter to the Office of the Public Counsel.
- Schedule 7***     Description of Electrical Distribution Facilities to be Transferred from UE to Ozark
- Schedule 8***     List of Land Sections in which UE will be Terminating its Retail Electric Service upon Implementation of the Territorial Agreement

## TERRITORIAL AND EXCHANGE AGREEMENT

This Agreement is made and entered into as of the 11<sup>th</sup> day of July, 1999, by and between UNION ELECTRIC COMPANY d/b/a/ AmerenUE (hereinafter "Company") and OZARK BORDER ELECTRIC COOPERATIVE, Inc. (hereinafter "Cooperative").

### RECITALS

- A. Company is authorized by law to provide electric service within the State of Missouri, including all or portions of Bollinger, Butler, Dunkin, Iron, Madison, New Madrid, Reynolds, and Stoddard Counties;
- B. Cooperative is authorized by law to provide electric service within the State of Missouri, including all or portions of Bollinger, Butler, Carter, Dunklin, New Madrid, Reynolds, Ripley, Stoddard and Wayne Counties;
- C. The Missouri Legislature, by RSMo. Section 394.312 (1994), has authorized electrical corporations and rural electric cooperatives to enter into written territorial agreements;
- D. Company and Cooperative desire to promote the orderly development of the retail electric service within portions of the above-referenced counties in Missouri, and to minimize disputes which may result in higher costs in serving the public; and
- E. Company and Cooperative desire to reduce the wasteful duplication of Customer Service Equipment and offer improved levels of service to their Customers.

### AGREEMENT

For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties agree as follows:

#### ARTICLE 1. DEFINITIONS

In addition to terms defined elsewhere herein, when used herein, the following terms shall have the definitions set forth below. Words importing persons include corporations or other entities, as applicable, and words importing on the singular include the plural and vice versa when the

context requires.

- 1.1 Agreement shall mean this document including any appendices or exhibits hereto.
- 1.2 Customer shall mean any person, partnership, corporation, limited liability company, political subdivision, or any agency, board, department or bureau of the state or federal government, or any other legal entity that has requested or is receiving electric service. Any Customer who has requested or is receiving electric service at one structure shall be a new and different Customer at each structure at which electric service has been requested.
- 1.3 Customer Service Equipment shall mean all lines or conductors with nominal voltage of 15,000 volts or less, phase to phase; all transformers, regulators, capacitors, poles, meters, equipment and installations connected thereto necessary for the distribution of electricity through said lines or necessary for the support of said lines; and all rights, privileges, easements, appurtenances and immunities in land on which such lines, conductors, poles, equipment and installations are located; provided, however, "Customer Service Equipment" shall not include poles and any structures supporting lines and conductors with nominal voltage of more than 15,000 volts, regardless of whether such poles or structures also support lines and conductors with nominal voltage of 15,000 volts or less.
- 1.4 Effective Date of this Agreement shall be the effective date of the order issued by the Missouri Public Service Commission, pursuant to RSMo. Section 394.312, approving this Agreement.
- 1.5 Electric Power Provider shall mean any other electric corporation and/or rural electric cooperative.
- 1.6 Existing Structure shall mean any structure that receives electric energy from either party prior to or on the effective date of this Agreement. "Existing Structure" shall also mean (i) any replacement of an existing structure, provided said structure is totally removed and replaced by a structure used for the same purpose, and (ii) any maintenance, repair, remodeling, or partial replacement of an existing structure.
- 1.7 New Outbuilding shall mean a garage, barn, gazebo, silo, grain bin, or similar non-residential structure that is not attached to an existing structure and is constructed after

the Effective Date of this Agreement.

- 1.8 **New Structure** shall mean (i) any structure that did not receive electric energy from either party prior to or on the effective date of this Agreement, and (ii) the replacement of an existing structure with a structure that does not satisfy the definition of existing structure set forth herein.
- 1.9 **Period of Implementation** shall mean that time period that begins on the Effective Date of this Agreement and ends on the date when all transfers required under this Agreement have been completed. The "Period of Implementation" shall include the beginning and ending dates.
- 1.10 **Structure** shall mean an agricultural, residential, commercial, industrial or other building or a mechanical installation, machinery or apparatus, but shall not include customer-owned meter wiring. A Structure shall include an original structure and any contiguous addition to or expansion thereto. Structure shall not include a metering device or customer-owned meter wiring.
- 1.11 **Transferee** shall mean the party receiving any and all interests in the Customer Service Equipment and any and all rights to serve Customers. Any reference herein to Transferee shall apply to both parties in their capacity accepting such transfer.
- 1.12 **Transferor** shall mean the party granting, conveying, or assigning any and all interests in the Customer Service Equipment and any and all rights to serve Customers. Any reference herein to Transferor shall apply to both parties in their capacity in effecting such transfer.
- 1.13 **Laws and Regulations** shall mean all applicable statutes, regulations, codes, laws, licenses, decisions, interpretations, policy statements, regulatory guides, rules, criteria, all license requirements enforced or issued by any government, federal, state, or local, or any governmental agency, authority, or body, and industry-recognized guidelines and professional standards.

## ARTICLE 2. EXCLUSIVE RIGHT TO SERVE

- 2.1 After the Effective Date, each party shall have the exclusive right to furnish electric service to all New Structures located within its respective exclusive service area

described in Articles 3 and 4 of this Agreement, regardless of the size of the load or the characteristics of the Customer's requirements. Except as provided expressly herein, neither party may furnish, make available, render, or extend electric service to New Structures or for use within the exclusive service area of the other party, either directly, indirectly or through a subsidiary corporation or other entity controlled by the party.

- 2.2 Pursuant to this Agreement, both parties will transfer on the Closing Date the Customer Service Facilities identified in Exhibits 3 and 4. Said Customer Service Facilities are used by the parties to distribute electric energy to certain Existing Structures (hereinafter the "Associated Existing Structures"). After the Closing, each Party shall have the exclusive right to furnish electric service to all Associated Existing Structures located within its respective exclusive service area as described in Articles 3 and 4 of this Agreement, regardless of the size of the load or the characteristics of the Customer's requirements. Except as provided in the foregoing, both Parties retain the right to furnish electric service to all other Existing Structures that they are serving on the Effective Date of this Agreement, regardless of their location.
- 2.3 For new electric service requests during the Period of Implementation, the parties will meet and determine the party and means to serve the new customer. Unless otherwise agreed to by the parties, the new Customer shall be served from such customer equipment that will be more efficient to serve the Customer. In the event that one party extends its facilities to the new Customer who, pursuant to this Agreement, shall be transferred to the other party, the extending party shall be entitled to reimbursement of its actual cost for extending said facilities. In the event that the Commission fails to approve this Agreement, this paragraph shall become void and the extending party shall be entitled to continue to serve the Customer.

### ARTICLE 3.

#### EXCLUSIVE SERVICE AREA OF COOPERATIVE

An overview of the exclusive service territory of Cooperative is shown on Figure 1.

The exclusive service area of Cooperative under this Agreement shall be all of Butler County



(Figure 3), Carter County (Figure 4), Ripley County (Figure 9), Wayne County (Figure 12), and those portions of Bollinger County (Figure 2), Dunklin County (Figure 5), New Madrid County (Figure 6), Reynolds County, (Figure 8), Stoddard County (Figure 11) and, as is described by metes and bounds in Exhibit 1 and as illustrated by the lines shown on the above-referenced figures. Cooperative may serve within municipalities that are located in Cooperative's exclusive service area, pursuant to this Agreement.

#### ARTICLE 4.

##### EXCLUSIVE SERVICE AREA OF COMPANY

The exclusive service area of Company under this Agreement shall be all of Madison County (Figure 7) and Iron County (Figure 10) as is described by metes and bounds in Exhibit 2, and the remaining portions of Bollinger County (Figure 2), Dunklin County (Figure 5), New Madrid County (Figure 6), Reynolds County, (Figure 8), and Stoddard County (Figure 11) and as illustrated by the line shown on the maps marked as Figures 2, 5, 6, 8, and 11. Company may serve within municipalities that are located in Company's exclusive service area, pursuant to this Agreement.

#### ARTICLE 5.

##### OTHER ELECTRIC SYSTEMS

5.1 The exclusive service area of Cooperative, as defined in Article 3, includes the city of Poplar Bluff, which operates and maintains municipally-owned electric facilities. Notwithstanding this Agreement, should Poplar Bluff cease to operate and maintain its municipally-owned electric facilities and sell such facilities to either party, either party may serve within the incorporated boundaries of Poplar Bluff, as it exists on the date municipality and such party agree on a sale of Poplar Bluff's facilities to such party ("Sale Date"), pursuant to the following terms and conditions:

In the event that Poplar Bluff sells its facilities to Company, then;

- A. Company shall have the power to serve the Structures being served by such municipal on the Sale Date.

B. Following the purchase of such municipality's facilities by Company and the receipt of all required regulatory approvals, Company and Cooperative shall agree on an amendment to this Agreement ("the Amendment"). If a territorial agreement between Cooperative and the municipality exists prior to the Sale Date, the Amendment shall exclude from the exclusive service area of Cooperative under this Agreement, the exclusive service area of the municipality under the territorial agreement between Cooperative and the municipality. If no such territorial agreement exists on the Sale Date, the Amendment shall exclude from the exclusive service area of the Cooperative under this Agreement, certain territory lying within the municipality's incorporated boundaries. The boundaries of the area to be excluded from the exclusive service area, under this Agreement, of the Cooperative, shall be that portion of the municipal's incorporated boundary as it exists on the Effective Date of this Agreement, plus such portion of any territory annexed by the municipal after the Effective Date of this Agreement, which territory is closer to the facilities acquired by Company from the municipal than to facilities of Cooperative, as both such facilities exist on the Sale Date. In the event the parties cannot agree on the boundaries defined above within twelve (12) months after the Sale Date, the parties shall submit the issue of the appropriate boundaries to determination by the Missouri Public Service Commission, as provided in RSMo. Section 394.312.2.

5.2 Notwithstanding the foregoing Article 5.1, Cooperative shall be entitled to serve all of the Structures it was serving prior to the purchase of the municipal system by Company, regardless of whether the Structures are located in territory deemed to be served by Company or Cooperative.

5.3 The exclusive service area of Company, as defined in Article 4, includes other Electric Power Providers. Notwithstanding this Agreement, should any Electric Power Provider cease to operate and maintain its electric facilities and sell such facilities, merge, or otherwise transfer the service and facilities to Cooperative, or Cooperative's surviving entity, Cooperative and/or its surviving entity shall have the power to serve the structures

which are receiving permanent service, as that term is defined in RSMo. § 394.315, from said Electric Power Provider and/or Cooperative as of the date Cooperative and Electric Power Provider close and consummate the sale and/or merger (hereinafter "Reorganization Date").

5.4 Following the purchase, merger or other acquisition of any other Electric Power Provider's facilities by Cooperative and the receipt of all required regulatory approvals, Company and Cooperative shall, within twelve (12) months after the Reorganization Date, submit an amendment to this Agreement ("the Amendment") to the Missouri Public Service Commission modifying this Agreement as follows:

- A. For all counties covered by this Agreement, the parties shall determine if a territorial agreement between Company and the Electric Power Provider exists prior to the Reorganization Date. If a territorial agreement does exist, then the Amendment shall exclude from the Exclusive Service Area of Company under this Agreement, the Exclusive Service Area of the other Electric Power Provider as defined in the territorial agreement between Company and the other Electric Power Provider.
- B. If no territorial agreement exists between Company and the other Electric Power Provider as of the Reorganization Date, Company and Cooperative shall submit an Amendment which removes all sections where the Electric Power Provider had Customer Service Equipment and customers/members from the Exclusive Service Area of Company as defined in this Agreement. Nothing in this section prohibits the parties in the Amendment from establishing new exclusive service areas in the affected service area in lieu of the above procedures.

## ARTICLE 6.

### LOCATION OF A STRUCTURE

- 6.1 The location of a Structure for purposes of this Agreement shall be the geographical location at which electric energy is used, regardless of the metering point or point of delivery.
- 6.2 The first owner of a New Structure, who requests and receives electric service at said

Structure, which is located on or crossed by any mutual boundary line, as described in Articles 3 and 4 defining the exclusive service areas of the parties, shall be permitted to choose either party for permanent electric service; provided that the Customer's meter is installed within that party's exclusive service area. Thereafter, that party shall exclusively serve that Structure.

- 6.3 Either party, if requested by an existing Customer who is located in the exclusive service area of the other party, may provide its Customer with additional facilities and/or electric service to New Outbuildings, so long as the New Outbuildings are located on the Customer's contiguous tracts of land, and the Purpose of the New Outbuildings, such as, but not limited to, agricultural or industrial, remains the same as the Existing Structure on the premises. This section shall apply to the original Customer's successors who continue to reside at or operate the premises. This section shall not apply to a Customer who receives electric service from both Company and Cooperative on the same tract of land, and requests additional electric service. These Customers shall receive their additional electric service from the designated exclusive service provider, unless the Customer, Company, and Cooperative agree otherwise and follow the procedures set out in Article 8.

#### ARTICLE 7.

##### RIGHT TO CONSTRUCT FACILITIES

This Agreement shall in no way affect either party's right to construct such electric distribution and transmission facilities within the designated exclusive service area of the other as that party deems necessary, appropriate or convenient, to provide electric service to its Customers, not inconsistent with the terms of this Agreement, and as otherwise allowed by law.

#### ARTICLE 8.

##### CASE-BY-CASE EXCEPTION PROCEDURE

- 8.1 The parties may agree on a case-by-case basis by an Addendum hereto to allow a Structure to receive service from one party though the Structure is located in the exclusive service area of the other party.

- 8.2 Such Addendum shall be filed with the Executive Secretary of the Commission in the same manner as a motion or other pleading, with a copy submitted to the Office of Public Counsel. There will be no filing fee for these addenda.
- 8.3 Each Addendum shall consist of a notarized statement identifying the Structure, the party to serve the Structure, the justification for the Addendum, and indicating that the parties support the Addendum.
- 8.4 Each Addendum shall be accompanied by a notarized statement, signed by the Customer to be served, which acknowledges such Customer's receipt of notice of the contemplated electric service to be provided, and that the Addendum represents an exception to the territorial boundaries approved by the Commission, and shall indicate the Customer's consent to be served by the service provided contemplated by the Addendum.
- 8.5 If the Commission Staff or Office of Public Counsel do not submit a pleading objecting to the Addendum within forty-five (45) days of the filing thereof, the Addendum shall be deemed approved by the aforesaid parties. Each Addendum shall contain a statement in bold uppercase typeface indicating that the Staff or Office of Public Council have forty-five (45) days to oppose the Addendum, or else the Addendum shall be deemed approved by the aforesaid parties.
- 8.6 Each party, pursuant to an executed Addendum, shall have the right to provide temporary service, as defined in Section 393.106 RSMo., until the Commission approves or disapproves the Addendum. No party shall be required to remove any facilities installed pursuant to an agreement, until the effective date of an Order of the Commission or a court regarding the removal of same.

#### ARTICLE 9.

##### TERM AND CONDITIONS OF PERFORMANCE

- 9.1 **Effective Date.** The Effective Date of this Agreement shall be the effective date of the Order issued by the Missouri Public Service Commission, pursuant to Section 394.312, RSMo., approving this Agreement

9.2 **Term of Agreement.** The term of this Agreement shall be perpetual.

9.3 **Conditions of Performance.** Performance of the parties is contingent upon all of the following having occurred no later than December 31, 1999, unless such condition is waived, extended or modified by agreement, in writing, signed by an officer of each party hereto:

- A. All required approvals of both Company's and Cooperative's Board of Directors;
- B. Approval of the transaction by the Commission, including, but not limited to, a waiver of provisions of the Utility Billing Practices Rule, 4 CSR 240-13.010 et seq., which would prohibit Company or Cooperative from discontinuing service for a Customer's failure to pay a delinquent account owed to the other party;
- C. Company reaching agreement with M&A Electric Power Cooperative and Associated Electric Cooperative regarding generation and transmission issues affected by this Agreement;
- D. Approval by the Federal Energy Regulatory Commission to the extent of its jurisdiction, if required;
- E. Approval by the Securities and Exchange Commission to the extent of its jurisdiction, if required; and
- F. Approval by the Commission of an Application for a Certificate of Public Convenience and Necessity by Company, to own, operate and maintain the electric transmission and distribution facilities which Company is acquiring pursuant to this Agreement.

#### ARTICLE 10.

##### CLOSING AND TRANSFER OF CUSTOMER SERVICE EQUIPMENT AND CUSTOMERS

10.1 **Closing.** The parties shall mutually agree on a closing date ("the Closing Date") in order to close as promptly as possible, but in no event later than two (2) years after the Effective Date of this Agreement. Closing shall be during business hours at such time

and place as the parties mutually agree.

10.2 **Duties.** At the time of closing, each party shall (i) deliver the documents of title, including a Bill of Sale to the Customer Service Equipment; (ii) deliver the assignment agreements (excepting railroad licenses which will be delivered as soon as practical after closing) and consents thereto, where applicable, for the easements and contractual arrangements; and (iii) deliver the release of Customer Service Equipment, the easements, and contractual arrangements from all liens created by Seller, which are of a definite or ascertainable amount, which may be removed by the payment of money, including, as appropriate, the lien of its indenture of Mortgage and Deed of Trust, dated June 15, 1937, as amended and supplemented ("Company's Mortgage") or all liens held by Rural Utility Services or National Utilities Cooperative Finance Corporation (CFC) ("Cooperative's Mortgages"), and shall have made a good faith effort to release the easements from all such liens. Notwithstanding the foregoing, the parties shall have no obligation to release the following liens and encumbrances: (1) private and public utility and drainage easements; (2) rights-of-way for roads, alleys, streets, and highways; (3) zoning regulations; and (4) building, lines and use or occupancy restrictions, conditions and covenants. In addition to the consideration of this Agreement, Cooperative shall pay Company the sum of \$250,000, to be wire transferred in accordance with the instructions provided by Company to Cooperative.

10.3 **Recording Fees.** Each party shall bear the costs for recording fees for the instruments that it desires to record.

10.4 **Customer Service Equipment**

A. **Company.** Company shall transfer all of its Customer Service Equipment described in Exhibit 3, which is located within Cooperative's exclusive service area, to Cooperative, in accordance with Section 10.4.C. Company's right to serve the associated Existing Structures transfers to Cooperative upon transfer of said Customer Service Equipment.

B. **Cooperative.** Cooperative shall transfer all of its Customer Service Equipment

described in Exhibit 4, which is located within Company's service area, to Company in accordance with Section 10.4.C. Cooperative's right to serve the associated Existing Structures transfers to Company upon transfer of said Customer Service Equipment.

- C. **Method of Transfer.** Customer Service Equipment shall be transferred by identifiable lines or line segments during the Period of Implementation. The exact timing of such transfers shall be in accordance with future agreement of the parties. The Period of Implementation shall be one (1) year starting from the Effective Date. The parties may mutually agree to extend the Period of Implementation, provided, however, that the Period of Implementation shall not exceed two (2) years.
- D. **Time of Transfer.** The transfer of any line shall be deemed to have occurred at the point in time the line is energized by the Transferee's system, or at such time as the parties agree the Transferee is receiving power, pursuant to the Interchange Agreement between Associated Electric Cooperative and Company, entered into on June 28, 1978, as amended, without regard to the execution or delivery of any documentation evidencing the Transfer.
- E. **Title and Risk of Loss.** Upon the transfer of the Customer Service Equipment, the Risk of Loss shall pass from Transferor to Transferee and Transferee shall become responsible and liable for the condition of the Customer Service Equipment and service provided by such Customer Service Equipment. Title to the Customer Service Equipment, easements, and contractual arrangements shall pass upon transfer of the documents of title at the Closing.

- 10.5 **Customers.** In accordance with the procedure set forth in Article 11, each party shall transfer its Customers to the other party, simultaneous with the Facilities serving the Customers. Except as provided in Article 11 herein, Transferee shall thereafter provide electric service to the transferred Customer's Structures, and Transferor shall not provide electric service to those Structures. Transferor shall retain all accounts receivable related to Transferor's electric business at the time of closing and through the time that



Customers are transferred to Transferee's facilities. Transferor shall be entitled to receive all money paid to either Transferor or Transferee on said accounts. As each Customer is transferred from Transferor to Transferee, Transferor shall read the Customer's meter and provide a final bill to him for the service received. Security deposits and accrued interest existing at the time of transfer shall be credited to the Customer on the final bill. If the Transferor does not receive payment of the final bill within sixty (60) days of the date of its remittance, it may identify the other Transferee as its agent to collect the accounts receivable. The Transferee agrees to take all actions as may be necessary to collect the final bill, including, but not limited to, the disconnection of service. Any payments on said accounts received by the Transferee shall be remitted promptly to Transferor.

#### **ARTICLE 11.**

##### **IMPLEMENTATION OF THE TRANSFERS**

- 11.1 Interim Operations and Continued Service.** Transferee shall take responsibility for the operation and maintenance of the Customer Service Equipment at the time of transfer as defined in Article 10 above. Until Customers are transferred from Transferor's facilities to Transferee's facilities, Transferor will continue to provide electricity, respond to emergency service calls, read meters, and bill Customers. The parties agree to cooperate during this interim period in order to minimize any adverse impact on Customers.
- 11.2 Limited Access Granted.** In order to implement this Agreement, each party ("Licensor") hereby grants the other party ("Licensee") a license to access and use the Customer Service Facilities being transferred under this Agreement and their respective Easements ("the Licensed Property"), and to perform those tasks necessary to implement this Agreement as set forth in Exhibit 5. This license shall be in effect during the Period of Implementation.

#### **ARTICLE 12.**

##### **RECORDS**

Each party shall give to the other party, its accountants, counsel and other representatives, during

normal business hours from the date hereof to the appropriate Closing Dates, access to its books, records, contracts and commitments related to this transaction and shall furnish the other party with such information concerning its affairs as the other party may reasonably request with respect to the various transactions contemplated hereby. In the event that, after closing, any controversy or claim by or against either party arises out of this transaction or the subject matter hereof, either party shall make available to the other, copies of such relevant records as may reasonably be requested pertaining thereto.

#### ARTICLE 13.

##### ACCESS FOR SURVEYS AND INSPECTIONS

- 13.1 **Surveys and Inspections.** Each party, by the limited licenses granted in Article 11, permits the other party or the other party's representatives to enter upon the Easements for the purposes of making surveys and environmental and other inspections. Each party shall provide the other party with true copies of all documents pertaining to this transaction, reasonably requested by the other party.
- 13.2 **Environmental Inspections.** Each party may, at its expense, make or cause to be made, an environmental study of the Customer Service Facilities and/or Easements. That party shall be excused from performance of this Agreement if its environmental study reveals significant potential liability arising from environmental causes in connection with the Facilities and/or Easements; provided, however, that in order to exercise this option to be excused, said party must so notify in writing the other party not later than two (2) months from the date of this Agreement. Both parties shall cooperate fully in any environmental study, and both parties shall answer questions and give such permission for entry and for sampling as may be reasonably required therefor.

#### ARTICLE 14.

##### WARRANTIES AND DISCLAIMERS OF WARRANTIES OF TRANSFEROR

- 14.1 **Transferor** represents and warrants to Transferee that all Customer Service Equipment, exchanged and transferred, pursuant to this Agreement, is transferred by Transferor and accepted by Transferee AS IS and where they stand at the Transferee's risk. ANY DESCRIPTION OF THE CUSTOMER SERVICE EQUIPMENT CONTAINED IN

THIS AGREEMENT IS FOR THE SOLE PURPOSE OF IDENTIFYING THE CUSTOMER SERVICE EQUIPMENT, IS NOT A PART OF THE BASIS OF THE BARGAIN, DOES NOT CONSTITUTE A WARRANTY THAT THE CUSTOMER SERVICE EQUIPMENT SHALL CONFORM TO THAT DESCRIPTION. NO AFFIRMATION OF FACT OR PROMISE MADE BY TRANSFEROR, NOT CONTAINED IN THIS AGREEMENT, SHALL CONSTITUTE A WARRANTY THAT THE CUSTOMER SERVICE EQUIPMENT WILL CONFORM TO THE AFFIRMATION OR PROMISE.

14.2 DISCLAIMER. EXCEPT AS STATED IN THE FOREGOING PROVISION, TRANSFEROR MAKES NO WARRANTIES OF ANY KIND AND DISCLAIMS ALL WARRANTIES, WHETHER STATUTORY, WRITTEN, ORAL, EXPRESSED, OR IMPLIED (INCLUDING ANY WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE AND MERCHANTABILITY AND WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OF TRADE) WITH RESPECT TO THE PROPERTY TRANSFERRED TO TRANSFEREE UNDER THIS AGREEMENT.

ARTICLE 15.  
NO ASSUMPTION OF LIABILITIES

Both parties acknowledge that the other party is acquiring the Customer Service Equipment, Easements and Contractual Arrangements without any assumption of the transferring party's liabilities, except as expressly assumed in writing prior to the Closing Date, by the party acquiring the Customer Service Equipment, Easements and Contractual Arrangements, after full disclosure of the nature of liability by the transferring party. Both parties covenant that they shall fully and timely satisfy their liabilities, not assumed by the other party hereunder, but relevant to the transactions contemplated hereunder, or the subject matter hereof, including, without limitation, all and any liabilities which shall have accrued prior to the Closing Date.

ARTICLE 16.  
CONSEQUENTIAL DAMAGES

Except as expressly provided for in this Agreement, whether under contract, tort (including

negligence, gross negligence, and strict liability), warranty, or otherwise, shall either party to this Agreement be liable to the other for any incidental, special, or consequential damages or indirect losses of any nature arising out of, connected with, or resulting from the performance of, or failure to perform under, this Agreement, including, without limitation, lost future profits, loss of use of facilities, or costs of capital.

**ARTICLE 17.**  
**INDEMNIFICATION AND RELEASE**

- 17.1 **Indemnification.** After each Transfer, the Transferee shall indemnify, defend and hold harmless its Transferor, the directors, officers, employees, attorneys, and agents of said Transferor, from and against any loss, harm, claim or cost, including reasonable attorneys' fees, incurred by the Transferee arising out of the possession or operation of the Customer Service Equipment transferred pursuant to this Agreement, including, but not limited to, any death or personal injury to employees of the Transferee, damage to the property of any employee of Transferee, and death or personal injury or property damage of persons not parties to this Agreement. The foregoing release and indemnity shall apply, irrespective of whether said loss, damage, personal injury, or death **WAS CAUSED BY THE LICENSED PROPERTY OR ALLEGED TO HAVE BEEN CAUSED BY THE NEGLIGENCE OF THE TRANSFEROR.** For purposes of the foregoing indemnification, neither party hereto shall be deemed the agent of the other party.
- 17.2 **Interim Period.** The parties intend, that during the term of the license provided for in Section 11.2, each Licensee shall assume the risks of loss and of liability respecting the Licensed Property due to Licensee's access and use. Accordingly:
- A. Each Licensee hereby releases its Licensor, the directors, officers, employees, attorneys, and agents of said Licensor, from any loss of or damage to any of the Licensed Property caused by Licensee's access and use during the term of said license; and
  - B. Each Licensee shall indemnify and hold harmless its Licensor, the directors, offices, employees, attorneys, and agents of said Licensor (collectively

"Indemnatee") from and against all liabilities, costs and expenses, including, without limitation, reasonable attorneys' fees incurred by the Indemnatee, by reason of any injury to or death of any employee of Licensee or third party; or damage to the property of any employee of Licensee or third party arising out of, or involving Licensee's access or use of the Licensed Property, and occurring during the term of said license. The foregoing release and indemnity shall apply, irrespective of whether said loss, damage, personal injury, or death WAS CAUSED BY THE LICENSED PROPERTY OR ALLEGED TO HAVE BEEN CAUSED BY THE NEGLIGENCE OF THE LICENSOR. For purposes of the foregoing indemnification, neither party hereto shall be deemed the agent of the other party.

#### ARTICLE 18.

##### FORCE MAJEURE

- 18.1 **Force Majeure.** Neither party shall be liable under this Agreement for damages occasioned by delay in performance or failure to perform its obligations under this Agreement, if the delay or failure results from causes beyond its reasonable control and without the fault or negligence of the party so failing to perform, or its contractors or agents.
- 18.2 **Notice.** The party whose performance is affected shall immediately notify the other party, indicating the cause and expected duration of such failure, and the delay which it will cause, and shall continue to keep the other party notified of the situation.
- 18.3 **Obligations of Affected Party.** The party whose performance is affected by an event of force majeure shall use all reasonable efforts to avoid or minimize the consequences of delay or failure, shall continue with its obligations after the cause of the delay or failure ceases to exist, but shall not be required to settle a strike, work stoppage, or other labor disputes.

## ARTICLE 19.

### TAXES

- 19.1 **Taxes Upon Transfer.** This transaction is exempt by law from any sale or transfer taxes, and, thus, the parties do not anticipate that there will be any taxes on the sale or transfer of the Customer Service Equipment or real property transferred hereunder. If any such taxes are assessed, the parties may choose, either to contest such assessments, in which case costs shall be divided equally between the parties, or to pay the tax, in which case the parties shall agree to contribution percentages.
- 19.2 **Property Taxes.** Each party shall be responsible for paying for the Property taxes associated with the Customer Service Equipment and real property for the calendar year of the closing, regardless of the Closing Date.
- 19.3 **Other Taxes.** Transferor shall be responsible for all license, gross receipts, and franchise taxes owed to the appropriate governmental agency, on service to individual Customers, until those Customers are transferred to Transferee's facilities. Transferor shall be solely responsible for any interest and/or penalties to the extent of any failure of Transferor to pay when due, any license, gross receipts, and franchise taxes that Transferor is responsible for paying, as provided above.

## ARTICLE 20.

### TERMINATION

- 20.1 **Termination Events.** This Agreement, and the transactions contemplated by this Agreement, may be terminated by either Company or Cooperative if (i) the requirements of Section 13.2 of this Agreement are met, or (ii) the requirements of Section 22.2 of this Agreement are met.
- 20.2 **Effect of Termination.** If the transactions contemplated by this Agreement are terminated as provided herein, each party shall pay the costs and expenses incurred by it in connection with this Agreement, and no party (or any of its officers, directors, employees, agents, attorneys, representatives, or shareholders) shall be liable to any other party for any costs, expenses, or damages; except as provided herein, neither party shall

have any liability or further obligation to the other party to this Agreement.

**ARTICLE 21.**  
**FITNESS OF PROPERTY**

- 21.1 Each party shall repair and maintain the Customer Service Equipment to be transferred to the other party under this Agreement, in good state of repair, through the date of closing, ordinary wear and tear excepted, and shall not dispose of any of such items, except in the normal course of business, without the other party's consent.
- 21.2 If, between the time this Agreement is executed and the Closing, a significant portion of the Customer Service Equipment to be transferred to a Party is damaged or destroyed beyond normal wear and tear, by fire, flood, tornado, high wind, or other Act of God or Nature, the parties shall attempt, in good faith, to achieve a mutually, satisfactory agreement for the repair and restoration of such equipment. In the event the parties cannot agree upon terms for the repair and restoration of such equipment, either party shall have the option of terminating this Agreement.
- 21.3 If any portion of a party's Facilities, Easements or Contractual Arrangements is taken through condemnation, during the period between execution of this Agreement and the Closing, the other party shall be entitled to the condemnation award(s).

**ARTICLE 22.**  
**NOTICES**

All notices, reports, records, or other communications which are required or permitted to be given to the parties under this Agreement, shall be sufficient in all respect if given, in writing, and delivered in person, by fax, by overnight courier, or by registered or certified mail, postage prepaid, return receipt requested, to the receiving party at the following address:

If to Cooperative:

**OZARK BORDER ELECTRIC COOPERATIVE**  
Attention: Stanley Estes  
Manager  
P.O. Box 400  
Poplar Bluff, Missouri 63902

If to Company:

**AMERENUE**  
Attention: William J. Carr  
One Ameren Plaza  
1901 Chouteau Avenue (MC 820)  
St. Louis, Missouri 63103

Phone: 573-785-4631  
Telecopy: 573-785-1853

Phone: 314-554-3990  
Telecopy: 314-554-6454

or to such other address as such party may have given to the other by notice pursuant to this Section. Notice shall be deemed given on the date of delivery, in the case of personal delivery or fax, or on the delivery or refusal date, as specified on the return receipt, in the case of overnight courier or registered or certified mail.

#### ARTICLE 23. MISCELLANEOUS

- 23.1 **Assignment.** This Agreement shall be binding on the parties and subsidiaries, successors, assigns and corporate parents or affiliates of Company and Cooperative. Neither party shall make any assignment of any of its rights or interests under this Agreement without the written consent of the other party, which consent shall not be unreasonably withheld, and approval of the Commission. Notwithstanding the foregoing, in the event of a merger, corporate reorganization, or corporate restructuring of a party, said party may assign this Agreement to the corporate entity responsible for providing distribution level electric service in the area covered by this Agreement and the consent of the other party shall be deemed to be given. The consenting party or party whose consent is deemed to be given, shall cooperate in obtaining approval of the assignment by (a) participating in the joint application requesting Commission approval of the assignment and (b) providing an affidavit stating that it consents to the Assignment, for inclusion in such application.
- 23.2 **Governing Law.** This Agreement shall be governed by, construed, and enforced in accordance with, and its validity shall be determined under, the laws of the State of Missouri.
- 23.3 **Amendments.** No modification, amendment, deletion, or other change in this Agreement or the boundaries described in the Agreement, shall be effective for any purpose, unless specifically set forth, in writing, and signed by both parties and approved by the Commission.
- 23.4 **Headings.** Headings and titles contained in this Agreement are included for convenience only and shall not be considered for purposes of interpretation of this Agreement.



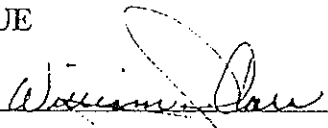
- 23.5 **Joint Application and Impact of Commission or Court Orders.** Each party will cooperate in presenting a joint application showing such transfer to be in the public interest. The filing fee for this application, pursuant to 4 CSR 240-21.010, shall be split between the parties. If the Commission does not approve the provisions of this Agreement, then it shall be nullified and of no legal effect between the parties. Further, if any part of this Agreement is declared invalid or void by a Court or agency of competent jurisdiction, then the whole Agreement shall be deemed invalid and void. Notwithstanding the foregoing, any Customer Service Equipment transferred by bill of sale and assignment of rights, pursuant to this Agreement, prior to the date of such court or agency decision, shall remain the property of the Transferee.
- 23.6 **Survival.** Obligations under this Agreement, which by their nature would continue beyond the termination, cancellation or expiration of this Agreement, shall survive termination, cancellation or expiration of this Agreement. All representations and warranties, and rights and duties hereunder, except for those that are fully executed at the Closing, shall survive the Closing.
- 23.7 **No Waiver.** If a party has waived a right under this Agreement on any one or more occasions, such action shall not operate as a waiver of any right under this Agreement on any other occasion. Likewise, if a party has failed to require strict performance of an obligation under this Agreement, such action shall not release the other Party from any other obligation under this Agreement, or the same obligation on any other occasion.
- 23.8 **Further Assurances.** The parties shall execute such other documents and perform such other acts as may reasonably be necessary in order to give full effect to this Agreement.
- 23.9 **Company's Service Territory Outside This Agreement.** Company has service territories outside of the areas covered by this Agreement. For service outside of the areas described by this Agreement, Company will continue to operate without regard to this Agreement.
- 23.10 **Cooperative's Service Territory Outside This Agreement.** Cooperative has service territories outside of the areas covered by this Agreement. For service outside of the

areas described by this Agreement. Cooperative will continue to operate without regard to this Agreement.

- 23.11 Expenses. Except as otherwise expressly provided herein, all expenses incurred by the parties hereto, in connection with or related to the authorization, preparation and execution of this Agreement and the closing of the transactions contemplated hereby, including, without limitation, the fees and expenses of agents, representatives, counsel and accountants employed by any such party, shall be borne solely and entirely by the party which has incurred same.

The parties have entered into this Agreement as evidenced below by the signature of their duly authorized representatives as of the date set forth on the first page hereof.

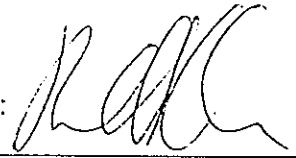
UNION ELECTRIC COMPANY d/b/a  
AmerenUE

By: 

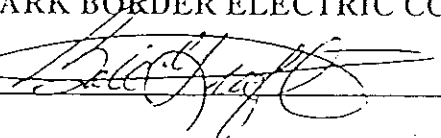
Name: William J. Carr

Title: Vice President

ATTEST:

By:   
Asst. Secretary

OZARK BORDER ELECTRIC COOPERATIVE

By: 

Name: Bob Griffin

Title: President

ATTEST:

By:   
Secretary

**UE/Ozark**  
**Annual Bill Comparison Summary**

A. Summary – Total All Accounts (1246)

814 Consumers (66%) will see an annual bill decrease  
89 Consumers (7%) will see an annual bill increase of less than a 6 percent  
175 Consumers (14%) will see an annual bill increase between 6 and 15 percent  
77 Consumers (6%) will see an annual bill increase between 15 and 20 percent  
91 Consumers (7%) will see an annual bill increase more than 20 percent

B. UE Customers Transferred to Ozark – 812 Accounts

709 Consumers will see an annual bill decrease  
35 Consumers will see an annual bill increase of less than a 6 percent  
17 Consumers will see an annual bill increase between 6 and 15 percent  
51 Consumers will see an annual bill increase more than 16 percent

C. Ozark Members Transferred to UE – 434 Accounts

105 Consumers will see an annual bill decrease  
54 Consumers will see an annual bill increase of less than a 6 percent  
158 Consumers will see an annual bill increase between 6 and 15 percent  
68 Consumers will see an annual bill increase between 15 and 20 percent  
49 Consumers will see an annual bill increase more than 20 percent

## EXHIBIT H

### EVA Evaluate Analysis

#### List of EVA Analysis Key Assumption

##### I. AmerenUE Revenue

|              | CUSTOMERS | ANNUAL KWH |
|--------------|-----------|------------|
| AmerenUE     | 867       | 14,980,416 |
| Ozark Border | 474       | 6,424,150  |
| NET TRADE    | -393      | -8,556,266 |

The reduction of 8,556,266 kwh represents a reduction of about 3,474 kw demand and an annual revenue reduction of about \$618,471.

##### II. AmerenUE O&M Savings

- A. \$13,160/Year Avoided Maintenance Tree Trimming Costs.
- B. \$70,250/Year Avoided Line Maintenance Costs.
- C. \$2,358/Year (In 2000) Avoided Service Charges for 393 Automated Meter Reading ("AMR") Meters.
- D. \$4,716/Year (Beginning In 2001) Avoided Service Charges for 393 AMR Meters.
- E. \$4,012/Year Avoided Substation Maintenance Costs for Two Substations.
- F. \$47,780/Year Savings for Reduction in Personnel, Equipment, Associated Costs.

Overall: \$137,560 Annual Savings in First Year and \$139,918 Thereafter.

##### III. AmerenUE Capital Costs

###### A. Year 2000

\$20,000 Cost to Integrated Ozark Border and AmerenUE Distribution Facilities.  
\$4,070 Cost Savings for Not Installing 393 AMR Meters.

Overall: \$15,930 Net Cost

###### B. Year 2001

\$28,000 Cost to Integrate Ozark Border and AmerenUE Facilities.



November 15, 1996

Dear Ozark Border Electric Cooperative Customer:

Ozark Border Electric Cooperative (OBEC) and Union Electric Company (UE) are discussing a territorial agreement to exchange some facilities and define service areas. The proposed agreement, which would be subject to approval by the Missouri Public Service Commission, would enable both utilities to operate more efficiently by eliminating costly duplication of service. It would also benefit customers by helping to keep rates down while improving service.

Under the agreement, about 970 customers in Butler, Stoddard and Wayne Counties now served by Union Electric Company would be served by Ozark Border Electric Cooperative, while about 580 OBEC customers in Stoddard County would be served by UE. You are one of the customers who would be served by UE under the proposed agreement.

We recognize that changing to a new electricity supplier may cause some anxiety—especially about rates and quality of service. We want to assure you that both utilities have comparable rates, and that both would work to ensure that you continue to receive quality service.

Enclosed is a pamphlet providing information about Union Electric Company and answering some of the questions you may have. To aid in answering your questions, representatives of both OBEC and UE will be available from 1 to 8 p.m. at the following locations:

- Williamsville—City Hall, Tuesday, December 3
- Fisk—Community Center, Wednesday, December 4
- Dexter—Dexter Inn, U.S. 60 at Two Mile Road, Thursday, December 5
- Dexter—Dexter Inn, U.S. 60 at Two Mile Road, Friday, December 6

If you have questions and are unable to attend one of these sessions, you may call or write as follows:

Ozark Border Electric Cooperative  
P.O. Box 400  
Poplar Bluff, MO 63901  
1-800-392-0567

Union Electric Company  
P.O. Box 40  
Cape Girardeau, MO 63702-0040  
573-651-5656

We hope through this process that we can answer all of your questions.

Sincerely,

STANLEY ESTES  
General Manager  
Ozark Border Electric Cooperative

DOUG GROESBECK  
District Manager  
Union Electric Company

DAILY STATESMAN  
12/24/96

# U.E. and Ozark Border Electric Cooperative talk territory swap

By The Statesman Staff

Several hundred Stoddard Countians now served by Ozark Border Electric Cooperative would become customers of Union Electric under a territory swap being discussed by the two utilities.

Four public meetings this week - including two in Dexter - are being held to allow customers to ask questions of the two utilities.

The Dexter meetings will be from 1-8 p.m. Thursday and Friday, Dec. 5 and 6, at Dexter Inn, Business 60 and Two Mile Road.

A meeting is set today from 1-8 p.m. at the Fisk Community Center.

About 600 Stoddard County residents currently receiving electricity from Ozark Border, headquartered in Poplar Bluff, would become customers of Union Electric if the swap being discussed takes place.

The change in energy providers is subject to approval by the Missouri Public Service Commission.

The possible swap is aimed at helping both utilities operate more efficiently by eliminating costly duplication of service, UE and Ozark officials said.

Under the plan, Ozark Border would receive more miles of lines and customers while UE would acquire areas with a higher population density.

"This agreement would make good sense for Union Electric because it would enable us to serve growing areas close to our existing works headquarters in Dexter, says Doug Groesbeck, manager of UE's Southeast District.

"While it's a tough decision to give up customers we have served for many years, this agreement would help both utilities operate more efficiently, controlling costs and improving service. This would benefit all customers in the long," he said.

"This agreement would be good for Ozark Border Electric Coopera-

tive as a whole; however, the decision to give up members of the cooperative is difficult," said Stanley Estes, Ozark Border general manager.

"This would eliminate line duplication, improve operating efficiency and reduce future operating costs of the cooperative. A number of other territorial agreements between UE and rural electric cooperatives in Missouri are already in effect and benefits are being realized," he said.

The utilities sent letters and pamphlets explaining the proposal to all customers who would be affected.

Customers with questions can call UE at (573) 651-5656 or Ozark Border at 1-800-392-0567.

Ozark serves more than 31,000 customers in 11 counties of Southeast Missouri. UE serves 1.2 million customers in a 24,500-square-mile area of Missouri and Illinois.

# NEWS RELEASE

---

*Contact:*

Mike Cleary  
Union Electric Company  
(573) 681-7137

*Contact:*

Stanley Estes  
Ozark Border Electric Cooperative  
1-800-392-0567

## FOR IMMEDIATE RELEASE

### ELECTRIC SUPPLIERS DISCUSS PROPOSAL TO EXCHANGE SOME FACILITIES AND DEFINE SERVICE AREAS

CAPE GIRARDEAU, MO., DECEMBER 2, 1996—Union Electric Company and Ozark Border Electric Cooperative are discussing a proposed territorial agreement that would exchange some facilities and define service areas in a portion of southeast Missouri. The proposed agreement, which would be subject to approval by the Missouri Public Service Commission, is aimed at helping both utilities operate more efficiently by eliminating costly duplication of service.

Under the proposal, about 970 customers in three counties now served by Union Electric would be served by Ozark Border Electric Cooperative, while about 600 OBEC customers in Stoddard County would be served by UE.

Both utilities have comparable rates. Although OBEC would receive more miles of line and customers, UE would acquire areas that have a higher population density.

"This agreement would make good sense for Union Electric, because it would enable us to serve growing areas close to our existing works headquarters in Dexter," says Doug Groesbeck, manager of UE's Southeast District.

\* more \*



first add

"While it is a tough decision to give up customers we have served for many years, this agreement would help both utilities operate more efficiently, controlling costs and improving service. This would benefit all customers in the long run," Groesbeck adds.

"This agreement would be good for Ozark Border Electric Cooperative as a whole, however the decision to give up members of the cooperative is difficult," says Stanley Estes, OBEC general manager. "This would eliminate line duplication, improve operating efficiency and reduce future operating costs of the cooperative. A number of other territorial agreements between UE and rural electric cooperatives in Missouri are already in effect and benefits are being realized," he adds.

The utilities sent letters and pamphlets explaining the proposal to all customers who would be affected. This week, they are also holding a series of joint informational sessions in which customers who would be affected can ask questions and learn more about the proposed agreement. UE and OBEC representatives will be available from 1 to 8 p.m. at the following locations:

- Williamsville—City Hall, Tuesday, December 3
- Fisk—Community Center, Wednesday, December 4
- Dexter—Dexter Inn, U.S. 60 at Two Mile Road, Thursday, December 5
- Dexter—Dexter Inn, U.S. 60 at Two Mile Road, Friday, December 6

Customers with questions can also call UE at 573-651-5656 or OBEC at 1-800-392-

0567.

\* more \*

second add

Based in Poplar Bluff, Ozark Border Electric Cooperative serves more than 31,000 customers in 11 counties of southeast Missouri. St. Louis-based Union Electric provides energy services to 1.2 million customers in a 24,500-square-mile area of Missouri and Illinois.

# # #

**Q:** How would switching to Union Electric affect my service?

**A:** Customers should notice little, if any, difference in their basic service. However, UE is a much larger utility than OBEC, with many resources that add to reliability. The company's size and strength can be especially important in an emergency. For example, when a tornado struck downtown Moberly, July 4, 1995, knocking out power to most of the city, UE had 30 crews on the scene within hours to repair the damage!

**Q:** What are some of the other benefits of having UE service?

**A:** For routine business—not just emergencies—customers can call UE anytime day or night. This toll-free service is available even on holidays! UE also offers many services for customers with special needs, such as Braille or large print bills for customers with vision problems; Telephone Device for the Deaf (TDD) for persons with hearing difficulties; and the Customer Assistance Program, which provides financial counseling to customers having difficulty paying their utility bills.

Existing customers give UE high marks for service. In 1995, 85% of customers surveyed gave UE a "favorable" to "very favorable" rating.

# Union Electric/ Ozark Border Territorial Agreement

Answers to your  
Questions

## UNION ELECTRIC COMPANY FACTS AND FIGURES

Union Electric Company was founded in 1902, in St. Louis, with the merger of several smaller companies. Today, UE has 6,200 employees, and provides energy services to 1.2 million customers in a 24,500-square-mile area of Missouri and Illinois. UE is an investor-owned company listed on the New York Stock Exchange (symbol UEP).

- Four coal-fired power plants produce 71% of UE's annual electric generation. Another 24% comes from the Callaway Nuclear Plant—which ranks as one of the best in the world in both safety and performance. The remaining 5% is produced at three hydro stations.

UE has almost 3,500 circuit miles of transmission lines. It is interconnected with 18 other utilities—which enables UE to buy, rather than generate, energy when prices or circumstances warrant. UE also sells energy to other utilities

For more information,  
call UE at (573) 651-5656.

U Ozark Border Electric Cooperative (OBEC) are discussing a proposed territorial agreement that would exchange some facilities and define service areas. The agreement, which would be subject to approval by the Missouri Public Service Commission, is aimed at enabling both utilities to operate more efficiently—improving service and helping to keep rates down.

Under the proposal, some customers now served by UE would become customers of OBEC, and some OBEC customers would become customers of UE. Since you are in one of the areas that would switch to UE service, we have prepared this pamphlet to provide information about UE and answer questions you may have.

**Q: What is a territorial agreement and why do UE and OBEC feel one is needed?**

**A:** Rural Electric Cooperatives were created to bring electric service to rural areas, while investor-owned utilities like Union Electric have primarily served cities and towns. However, as Missouri has become increasingly urbanized, cooperatives and investor-owned utilities now find themselves serving many of the same areas. This causes wasteful duplication of power lines and other facilities, which results in higher costs for everyone.

Law enables investor-owned companies, cooperatives, and municipal utilities to establish *territorial agreements*, which define the areas each will serve.

**Q: Wouldn't it be better to have multiple suppliers, so residents and businesses could pick the one with the best rates or best service?**

**A:** While in most businesses a "monopoly" is bad for consumers, in the electric utility industry having multiple electricity suppliers results in costly duplication of facilities—and *higher* costs.

**Q: How will switching to Union Electric affect electric rates?**

**A:** Unlike OBEC, any change in UE rates—up or down—must be approved by the Missouri Public Service Commission (PSC).

On average, UE's present rates are comparable to those of OBEC. The major difference is that UE rates are higher in summer than in winter. But the higher summer rates are in effect for only four months, (June through September) while the lower winter rates are in effect for the remaining eight months.

the average cost of *producing* electricity is lower in winter than in summer—an pass the savings onto customers.

**Q: How do UE's rates compare with other utilities around the country?**

**A:** UE's residential rates are 17% less than the national average for investor-owned utilities. Commercial rates are 23% below the national average and industrial rates 10% below.

**Q: Is UE planning any rate increases in the near future?**

**A:** No. In fact, UE has *reduced* rates three times since 1990 due to efficiency improvements and cost savings.

The latest reduction came on July 21, 1995, when the PSC approved a 1.8% across-the-board rate decrease for all Missouri customers, plus a one-time \$3 million credit to current customers.

The new rates also include a unique "earnings sharing" plan, in which UE will split earnings above a 12.61% regulatory return on equity equally between stockholders and customers. Earnings above a 14% return on equity will go entirely to customers.

☐ Water Heater Rebates: OBEC offers a \$100.00 rebate for the new installation or replacement of gas of a 40 gallon or larger electric water heater. A \$50.00 rebate is paid for the replacement of an electric water heater with another electric water heater of 40 gallon or larger capacity.

☐ Electric Heat Rebates: OBEC has rebates available to its members for the installation of electric heating systems.  
\$200.00 - Per system for installation of air source heat pump, electric furnace or baseboard heating system.  
\$250.00 - Per ton for the installation of a high efficiency ground source heat pump.

☐ Annual Payment Plans: The Cooperative will allow residential consumers who have been on the lines for a minimum of 12 months the option of paying their electric bills annually.

## OZARK BORDER ELECTRIC COOPERATIVE

Founded in 1938, Ozark Border Electric Cooperative provides service to over 31,000 consumers and maintains over 5,000 miles of electric lines in 11 counties.

The operating policies and electric rates of the Cooperative are established by a 12 member Board of Directors. The members of the Board are residents of OBEC's service area and each is a member of the Cooperative. Each year at the annual membership meeting in August, four directors are elected for a 3 year term.

Any person, business, or legal entity receiving service from the Cooperative must be a member of the Cooperative. One of the advantages of receiving electric service from a Cooperative is that you are both a consumer and an owner. As a consumer you share in the quality of service and lower rates. As an owner your investment is returned to you in the form of capital credits.

Capital credits are unique to Cooperatives since no other form of utility has capital credits.

OBEC exists in order to provide service to its members, however, it must make a profit if it is to continue to exist. Any year in which OBEC has revenues greater than its expenses, that portion of its revenue which exceeds expenses is referred to as margins. Those margins are assigned to members receiving service during the year. Capital credits are refunded as the financial condition of the cooperative permits.

**Union Electric**  
**&**

**Ozark Border**  
**Electric Cooperative**

*Proposed*  
♦TERRITORIAL AGREEMENT♦



Ozark Border  
Electric Cooperative

PO Box 400  
Poplar Bluff MO 63902-0400

Telephone: (573) 785-4631  
1-800-392-0567

# UNION ELECTRIC and OZARK BORDER ELECTRIC COOPERATIVE

...are discussing a proposed territorial agreement aimed at eliminating costly duplication of service in parts of Southeast Missouri. The proposed agreement, which would be subject to approval by the Missouri Public Service Commission, would enable both utilities to operate more efficiently - helping to keep future rates down while improving service. It would involve the transfer of some Union Electric customers to Ozark Border Electric Cooperative and some Ozark Border customers to UE.

Rural Electric Cooperatives were created to bring electric service to rural areas, while investor-owned utilities like UE have primarily served cities and towns. However, as Missouri has become increasingly urbanized, cooperatives and investor-owned utilities now find themselves serving many of the same areas. This causes wasteful duplication of power lines and other facilities, which results in higher costs for everyone. To help remedy the situation, Missouri Law enables investor-owned companies, cooperatives, and municipal utilities to establish territorial agreements, which define the areas each will serve.

Since you are in one of the service areas that would transfer to OBEC service, we have prepared this pamphlet to provide information about Ozark Border Electric Cooperative.

## Reliable Service

### Affordable Rates

### Valuable Programs

The electric rates of Ozark Border Electric Cooperative have remained very stable during the past few years. In fact, in March 1995, OBEC reduced its retail rates a total of 9.5%. The power cost for OBEC is projected to remain stable for a number of years. OBEC is part of a three-tier cooperative system in Missouri which includes the generation, transmission and distribution of electricity. In order to keep the operating costs low, members of the cooperative read their own meters each month.

☐ Service Centers: OBEC has 5 full service offices in Southeast Missouri: Poplar Bluff, Puxico, Van Buren, Doniphan and Malden.

☐ 24 Hour Service: OBEC has a dispatcher on duty to take outage calls 24 hours a day, 365 days a year. Service personnel are maintained at each of OBEC's 5 offices to provide reliable electric service.

☐ Toll Free Telephone Service: OBEC provides a toll free telephone number to be used by its consumers to report power outages, ask billing questions, or inquire about service.

☐ Budget Billing Plan: OBEC offers residential consumers the option of paying their bills on a budget billing plan which levelizes their payments. The consumer must be connected for at least 12 months and have a good payment record.

☐ Service Extensions: OBEC provides service equipment currently not furnished by Union Electric such as the meter base. OBEC provides service to permanent residences within 1,000 feet of existing lines with no construction cost to the consumer. OBEC provides meter loops to mobile homes for a one-time nonrefundable charge of \$150.00.

☐ Community Development: OBEC provides service to a number of cities and communities. OBEC is active in economic development, community functions, safety programs in area schools and lighting of school ball fields. OBEC also works with industries to meet their electric needs and help them grow.

☐ Newsletter: OBEC publishes a monthly newsletter for its consumers in order to keep them informed and to promote safety issues.

☐ Payments at Banks: Many of the banks in the OBEC service area allow consumers to pay their electric bills at the banks' facilities.

May 14, 1999

Dear AmerenUE Customer:



AmerenUE and Ozark Border Electric Cooperative (OBEC) have, over the past several years, studied the potential for a territorial agreement that would define service areas. The intent of such agreements is to enable each utility to operate more efficiently by eliminating costly duplication of facilities. This would benefit customers over time by helping to keep rates down, while also improving service.

A territorial agreement is being proposed, subject to approval by the Missouri Public Service Commission, that would include an exchange of customers between our two organizations. You are one of the customers who would have an account served by OBEC under the proposed agreement.

Using experience gained from previous exchanges, AmerenUE and OBEC will work together so that the transfer of electric service will be of only minimal inconvenience and no cost to you. In addition, any deposits on record will be returned to you, in accordance with existing AmerenUE procedures.

We recognize that changing to a new electricity supplier is bound to cause anxiety among some customers. We want to assure you that both utilities have comparable rates and that both would work to ensure that you continue to receive quality service.

Since this proposed action would result in your electric service being provided by OBEC, we encourage you to contact an OBEC representative at 1-800-392-0567 or 1-573-785-4631, between 8:00 a.m. and 8:00 p.m., on May 19 or May 20, with your questions or comments. OBEC has made arrangements for additional staffing of phone lines for those two days.

AmerenUE can also be reached at 1-573-651-5653.

Sincerely,

A handwritten signature in black ink, appearing to read "Doug Groesbeck".

Doug Groesbeck  
Manager – Southeast District

Via Fax & US Mail

February 26, 1999

Ms. Martha Hogerty  
Public Counsel  
Office of the Public Counsel  
P.O. Box 7800  
Jefferson City, Missouri 65102



RE: *Notice of a Proposed Sales Agreement between AmerenUE and Ozark  
Border Electric Cooperative*

Dear Ms. Hogerty:

Union Electric Company, now doing business as AmerenUE, (AmerenUE) and Ozark Border Electric Cooperative (Ozark) are proposing to enter into a territorial agreement that would define the exclusive service areas of both suppliers and transfer certain electric distribution facilities and customers. We expect to be filing the territorial agreement in the near future. AmerenUE will be notifying its affected customers of the potential transfer by letter. (Enclosed, for your information, is a copy of the notification letter.)

As you can see from the letter, both companies want to assure customer questions are answered. To that end, representatives of both companies will be available at the following location to answer questions:

FSK: Fisk Community Center, March 3, 1999, 3-7 p.m.  
DEXTER: UAW Hall, Park & Houston, March 5, 1999, 3-7 p.m.

You or members of your staff should feel free to attend these meetings.

Sincerely,

A handwritten signature in cursive script, appearing to read "William B. Bobnar".

William B. Bobnar  
Attorney

Enclosures

cc: Dale Hardy Roberts (MPSC)  
Shannon Cook (OPC Staff)  
Victor Scott, Esq. (Andreck, Evans, Milne, Peace & Baumhoer)



Dear AmerenUE Customer:

AmerenUE and Ozark Border Electric Cooperative (OBEC) have, over the past several years, studied the potential for a territorial agreement that would define service areas. The intent of such agreements is to enable each utility to operate more efficiently by eliminating costly duplication of facilities. This would benefit customers over time by helping to keep rates down, while also improving service.



A territorial agreement is being proposed, subject to approval by the Missouri Public Service Commission, that would include an exchange of customers between our two organizations. You are one of the customers who would have an account served by OBEC under the proposed agreement.

Using experience gained from previous exchanges, AmerenUE and OBEC will work together so that the transfer of electric service will be of only minimal inconvenience and no cost to you. In addition, any deposits on record will be returned to you, in accordance with existing AmerenUE procedures.

We recognize that changing to a new electricity supplier is bound to cause anxiety among some customers. We want to assure you that both utilities have comparable rates and that both would work to ensure that you continue to receive quality service. AmerenUE and OBEC will host informational sessions to answer questions regarding this change:

| CITY   | DATE     | TIME              | LOCATION                 |
|--------|----------|-------------------|--------------------------|
| Fisk   | 03/3/99  | 3:00 PM – 7:00 PM | Fisk Community Center    |
| Dexter | 03/05/99 | 3:00 PM – 7:00 PM | UAW Hall, Park & Houston |

Should you be unable to attend these informational sessions, please feel free to contact us at the phone number or address noted below with your questions or comments.

Sincerely,

Doug Groesbeck  
Manager – Southeast District  
45 S. Minnesota Ave.  
Cape Girardeau, MO 63703  
(573) 651-5653

Via Fax & US Mail

February 26, 1999

Mr. Dale Hardy Roberts  
Missouri Public Service Commission  
P.O. Box 360  
Jefferson City, Missouri 65102



RE: *Notice of a Proposed Sales Agreement between AmerenUE and Ozark  
Border Electric Cooperative*

Dear Mr. Roberts:

Union Electric Company, now doing business as AmerenUE, (AmerenUE) and Ozark Border Electric Cooperative (Ozark) are proposing to enter into a territorial agreement that would define the exclusive service areas of both suppliers and transfer certain electric distribution facilities and customers. We expect to be filing the territorial agreement in the near future. AmerenUE will be notifying its affected customers of the potential transfer by letter. (Enclosed, for your information, is a copy of the notification letter.)

As you can see from the letter, both companies want to assure customer questions are answered. To that end, representatives of both companies will be available at the following location to answer questions:

FISK: Fisk Community Center, March 3, 1999, 3-7 p.m.  
DEXTER: UAW Hall, Park & Houston, March 5, 1999, 3-7 p.m.

Members of the Commission or its Staff should feel free to attend these meetings.

Sincerely,

A handwritten signature in dark ink, appearing to read "William B. Bobnar", followed by a horizontal line.

William B. Bobnar  
Attorney

Enclosures

cc: Office of Public Counsel  
Jim Ketter (MPSC Staff)  
Victor Scott, Esq. (Andereck, Evans, Milne, Peace & Baumhoer)

Dear AmerenUE Customer:

AmerenUE and Ozark Border Electric Cooperative (OBEC) have, over the past several years, studied the potential for a territorial agreement that would define service areas. The intent of such agreements is to enable each utility to operate more efficiently by eliminating costly duplication of facilities. This would benefit customers over time by helping to keep rates down, while also improving service.



A territorial agreement is being proposed, subject to approval by the Missouri Public Service Commission, that would include an exchange of customers between our two organizations. You are one of the customers who would have an account served by OBEC under the proposed agreement.

Using experience gained from previous exchanges, AmerenUE and OBEC will work together so that the transfer of electric service will be of only minimal inconvenience and no cost to you. In addition, any deposits on record will be returned to you, in accordance with existing AmerenUE procedures.

We recognize that changing to a new electricity supplier is bound to cause anxiety among some customers. We want to assure you that both utilities have comparable rates and that both would work to ensure that you continue to receive quality service. AmerenUE and OBEC will host informational sessions to answer questions regarding this change:

| CITY   | DATE     | TIME              | LOCATION                 |
|--------|----------|-------------------|--------------------------|
| Fisk   | 03/3/99  | 3:00 PM – 7:00 PM | Fisk Community Center    |
| Dexter | 03/05/99 | 3:00 PM – 7:00 PM | UAW Hall, Park & Houston |

Should you be unable to attend these informational sessions, please feel free to contact us at the phone number or address noted below with your questions or comments.

Sincerely,

Doug Groesbeck  
Manager – Southeast District  
45 S. Minnesota Ave.  
Cape Girardeau, MO 63703  
(573) 651-5653

**DESCRIPTION OF ELECTRICAL DISTRIBUTION FACILITIES TO BE  
TRANSFERRED FROM UE TO OZARK**

**General Description of Lines**

**RCHL-73, 34.5 kV Circuit:**

A three-phase, 34.5 kV line beginning at the UE-Ozark boundary line in Stoddard County on U.S. Highway 60 and Route ZZ in T25N, R10E, Section 24; running westerly along US Highway 60 into Butler County, then continuing westerly along Route 51 to Fisk Substation in Fisk, then continuing westerly along Route 51 and route B in Butler County to Inman Substation located west of Route AA and south of Route B in T24N, R7E, Section 6, a total distance of about 18.6 miles.

**TOWN-71, 34.5 kV Circuit:**

A three-phase, 34.5 kV line beginning at Townley Switching Substation located on Route D, east of Highway 25 in Dunklin County in T23N, R10E, Section 22, running easterly along route D in Dunklin and New Madrid Counties to the UE-Ozark boundary line in Lorwood, in T23N, R11E, Section 27, a total distance of about 5.7 miles.

**BERN-71, 34.5 kV Circuit:**

A three-phase, 34.5 kV line beginning at the south city limits of Bernie in Stoddard County in T23N, R10E, Section 10, running southerly along Highway 25 in Stoddard and Dunklin Counties, to the Townley Switching Substation located on Route D, just east of Highway 25 in Dunklin County in T23N, R10E, Section 22, a total distance of about 3.4 miles.

**PRTC-71, 34.5 kV Circuit:**

A three-phase, 34.5 kV line beginning at the intersection of County Road 322 and Route B in Dunklin County in T21N, R9E, Section 20, running northwesterly a distance of about 1.8 miles to the Jim Hill Substation near the southeast corner of Highway 62 and County Road 303 in Dunklin County in T21N, R9E, Section 17.

**Townley Feeder 778-2:**

All of the circuitry supplied by the Townley pole mounted distribution substation. About 1.4 miles of single-phase, 2.4 kV distribution circuit located east of Highway 25 and generally along and north of Route D in Dunklin County near the Townley Switching Substation in T23N, R10E, Section 22.

**Bernie Rural Feeder 769-57:**

All of the circuitry supplied by the Bernie Rural pole mounted substation. About 0.4 mile of single-phase, 7.2 kV underground distribution circuit located west of Highway 25 and south of County Road 684 in Stoddard County in T23N, R10E, Section 15.

**Bernie Feeder 824-3:**

About 1200 ft. of three-phase, 4.16 kV distribution circuit and one associated three-phase underground lateral, beginning at a point about 2600 ft. west of North Rd., running west along the north side of County Road 672 in Stoddard County in T24N, R10E, Section 28.

**Bernie Feeder 824-5:**

About 800 ft. of single-phase, 2.4 kV underground distribution circuit serving a communication tower near the southwest corner of the Bernie city limits in Stoddard County in T23N, R10E, Section 9.

**Parma Feeder 620-8:**

Two small single-phase 2.4 kV taps, about 600 ft. total length, located in Lorwood in New Madrid County, on the south side of the Stl-Sw Railroad, in T23N, R11E, Section 27.

**Three Mile Feeder 656-57:**

A three-phase, 12.4 kV distribution circuit beginning at the UE-Ozark boundary line at Highway 60 and Route ZZ in Stoddard County in T25N, R10E, Section 24, running westerly along Highway 60 to Dudley, a distance of about 4.5 miles, then running southerly along Center Street and Route TT a distance of about 1.0 mile, then running westerly along Stoddard County Road 624 a distance of about 0.6 mile. The total length of backbone circuit is about 6.1 miles. There are several associated taps connected to the backbone throughout its length.

About 1000 ft. of three-phase, 12.4 kV distribution circuit running west of County Road 437 along the north side of Highway 60 in Stoddard County in T25N, R10E, Section 18.

**Three Mile Feeder 656-55:**

About 600 ft. of single-phase 7.2 kV distribution circuit beginning at the UE-Ozark boundary line and running south on Three Mile Road in Soddard County in T24N, R10E, Section 6.

**Gibson Feeder 457-52:**

About 1.5 miles of single-phase, 7.2 kV distribution circuit, beginning at the UE-Ozark boundary line on the west side of Clarkton, in Dunklin County in T21N, R10E, Section 21, running westerly along Dunklin County Road 316.

**AP&L Supply from St. Francis Arkansas:**

About 1800 ft. of single-phase, 2.4 kV distribution circuit beginning at the Arkansas-Missouri State Line, in Dunklin County in T21N, R9E, Section 18, running northeasterly along Highway 62.

**Fisk Feeders 842-3 and 842-7:**

All of the 4.16 kV, three-phase distribution circuitry and associated taps supplied by Fisk Substation. Fisk Substation is located in Butler County, between Highway 51 and Second Street, west of Gleason Street in T25N, R8E, Section 28. The circuitry is located in and around the City of Fisk in Butler County, generally in the area South of Highway 60 and west of the St. Francis

**List of Land Sections in which AmerenUE will be Terminating its  
Retail Electric Service upon Implementation of the Territorial Agreement.**

**Butler County**

| <u>Township</u> | <u>Range</u> | <u>Section/U.S. Survey</u>                         |
|-----------------|--------------|--|
| 24 North        | 6 East       | 1, 12, 13, 24                                      |
| 24 North        | 7 East       | 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 17, 18              |
| 24 North        | 8 East       | 3, 4, 5, 6   |
| 25 North        | 6 East       | 25, 36   |
| 25 North        | 7 East       | 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36 |
| 25 North        | 8 East       | 17, 18, 19, 20, 21, 28, 29, 30, 31, 32, 33, 34     |

**Dunklin County**

| <u>Township</u> | <u>Range</u> | <u>Section/U.S. Survey</u> |
|-----------------|--------------|----------------------------|
| 21 North        | 9 East       | 7, 18, 19, 30              |
| 21 North        | 10 East      | 7, 8, 9, 17, 18            |
| 23 North        | 10 East      | 21, 22, 27, 28             |

**New Madrid County**

| <u>Township</u> | <u>Range</u> | <u>Section/U.S. Survey</u> |
|-----------------|--------------|----------------------------|
| 23 North        | 11 East      | 19, 20, 21, 28, 29, 30     |

**Stoddard County**

| <u>Township</u> | <u>Range</u> | <u>Section/U.S. Survey</u>  |
|-----------------|--------------|---|
| 23 North        | 10 East      | 5, 8, 14, 15, 16  |
| 24 North        | 8 East       | 3   |
| 24 North        | 9 East       | 3, 4, 5, 6, 7, 8, 9, 10   |
| 24 North        | 10 East      | 20, 21, 29, 32  |
| 25 North        | 8 East       | 13, 14, 15, 16, 21, 22, 23, 24, 25,<br>26, 27, 28, 33, 34, 35, 36 |
| 25 North        | 9 East       | 2, 3, 4, 7, 8, 9, 10, 11, 12, 13, 14,                             |

**Stoddard County (continued)**

| <u>Township</u> | <u>Range</u> | <u>Section/U.S. Survey</u>  |
|-----------------|--------------|---|
|                 |              | 15, 16, 17, 18, 19, 20, 21, 22, 23,<br>26, 27, 28, 29, 30, 31, 32, 33, 34 |
| 25 North        | 10 East      | 6   |
| 26 North        | 10 East      | 31, 32, 33  |



**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a copy of the foregoing has been served via U.S. mail this 4<sup>th</sup> day of August 1999, to the following parties of record:

**Office of Public Counsel**  
P.O. Box 7800  
Jefferson City, Missouri 65102

**Victor S. Scott / Patrick A. Baumhoer**  
Andereck, Evans, Milne, Peace & Baumhoer  
305 E. McCarty Street  
P.O. Box 1438  
Jefferson City, Missouri 65102

**Mark Kennedy, Esq.**  
Kennedy and Kennedy  
P.O. Box 696  
Poplar Bluff, Missouri 63901

**General Counsel**  
Missouri Public Service Commission  
P.O. Box 360  
Jefferson City, Missouri 65102



---

William B. Bobnar