

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

In the Matter of the Application of Gary Roof)
for Change of Electric Supplier.) **File No. EO-2010-0166**

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission (“Staff”), by and through the undersigned counsel, and files this *Recommendation* with the Missouri Public Service Commission (“Commission”) respectfully stating the following:

Procedural Background

1. On November 30, 2009, Gary Roof (“Applicant”) filed an *Application For Change Of Electric Service Provider* (“*Application*”) to allow a change of supplier from Platte-Clay Electric Cooperative, Inc. (“Platte-Clay”) to Union Electric Company d/b/a AmerenUE (“AmerenUE” or “Company”). The Applicant cites reliability concerns as the reason for the *Application*.

2. On December 1, 2009, the Commission issued its *Notice Of Contested Case And Order Directing Filings* (“*Notice*”), which directed the parties to file any responses no later than January 4, 2010. Further, the *Notice* directed the Staff to file a recommendation no later than January 22, 2010.

3. On December 31, 2009, AmerenUE filed its *Answer*, which admits the Company has electric lines located in front of the Applicant’s property, but opposes the *Application* because the Applicant “has not alleged sufficient ‘public interest’ under Missouri Revised Statute § 393.106.2 to support a finding that a change of supplier at his residence is warranted.”

4. On January 4, 2010, Platte-Clay filed its *Answer* asserting that since 2006, the Applicant’s service address has experienced 99.99% in service reliability.

Further, the *Answer* asserts proper responses on the part of Platte-Clay to the Applicant's inquires, and that the Applicant has failed to satisfy Commission rule 4 CSR 240-3.140 for the cited service problems.

5. On January 22, 2010, the Staff filed a *Motion For Extension To File Staff Recommendation* ("Motion") due to scheduling and the press of other matters before the Commission. The Commission granted the *Motion*, allowing the Staff until February 3, 2010, to file its *Recommendation*.

Legal Analysis and Recommendation

6. On January 27, 2010, the Staff conducted a site visit and discussed the *Application* with the Applicant and Platte-Clay. Attached is a *Memorandum* prepared by Daniel I. Beck, Staff Utility Regulatory Engineer, which contains the details of the visit and recommendation.

7. Sections 393.106 and 394.315 RSMo authorize the Commission upon application by an affected party, to order a change of electrical suppliers if it is in the public interest for a reason other than a rate differential.

8. Based on the site visit and review of the case file, the Staff recommends the Commission deny the Applicant's request due to insufficient evidence to support a finding that a change is in the public interest for a reason other than a rate differential.

WHEREFORE, the Staff respectfully requests that the Commission deny the *Application For Change Of Electric Service Provider.*

Respectfully submitted,

/s/Jennifer Hernandez

Jennifer Hernandez

Legal Counsel

Missouri Bar No. 59814

Attorney for the Staff of the

Missouri Public Service Commission

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all parties of record this 3rd day of February 2010.

/s/ Jennifer Hernandez

MEMORANDUM

TO: Missouri Public Service Commission Official Case File No. EO-2010-0166,
Change in Electric Supplier filed by Gary Roof to change from Platte-Clay
Electric Cooperative to AmerenUE.

FROM: Daniel I. Beck, Energy Department – Engineering Analysis

/s/ Daniel I. Beck 01/03/10
Energy Department / Date

/s/ Jennifer Hernandez 01/03/10
General Counsel's Office / Date

Subject: Staff Recommendation

Date: February 3, 2010

OVERVIEW

Gary Roof of Excelsior Springs, Missouri (Mr. Roof or Applicant) filed an Application with the Commission on November 30, 2009 requesting the approval of a change of electric supplier from Platte-Clay Electric Cooperative, Inc. (Platte-Clay) to Union Electric Company d/b/a AmerenUE (AmerenUE). On December 31, 2009 AmerenUE filed its Answer which opposes the request. On January 4, 2009 Platte-Clay filed its Answer, which also opposes the request.

DISCUSSION

The Application states that: 1) “Applicant has reason to doubt reliability of electric provided to his residence because of prior flickering problems.”; 2) the “Applicant has made numerous calls to current provider with concerns about service or usage. No satisfaction except standard form letter.”; 3) Mr. Roof is concerned about the lack of priority he would receive during a major outage; and 4) that “using and maintaining AmerenUE lines would be financially advantageous for company and customer.”

The Staff conducted a site visit on January 27, 2010, and discussed the prior flickering problems with Mr. Roof and Platte-Clay. The Staff also reviewed the documents that Platte-Clay attached to their Answer. Based on the discussions and document review, the Staff maintains that over approximately a 5-month period from May to October 2007, Platte-Clay worked to solve this problem and that work included replacing the meter loop and ultimately the electric transformer. Since that time, the only work required on the line was to move the yard light at Mr. Roof's request. Given two years of no outages, the Staff maintains that Mr. Roof is currently receiving reliable service.

Additionally, the Staff discussed the concern for the lack of satisfactory response from the Platte-Clay with both Mr. Roof and Platte-Clay. The Staff also reviewed the documents that Platte-Clay attached to their Answer. Based on the discussions and document review, the Staff has concluded that Mr. Roof is not satisfied with Platte-Clay's opposition to his request for a change of supplier and the unsatisfactory response is not directly related to the quality of service he receives or any related billing issues. During the visit, Mr. Roof stated that during the 5-month period where he was experiencing flickering, Platte-Clay did not communicate with him effectively, but the Staff is not aware of any communication issues regarding current service or billing issues.

Mr. Roof states in the Application that he is concerned about the lack of priority the line serving him would receive during a major outage. Platte-Clay's web site includes a power restoration refresher that specifically states "individual repairs begin once all other lines are repaired". Platte-Clay, like all of the electric utilities in Missouri, restore power during a major outage with the goal of getting the most customers restored

in the least amount of time. Mr. Roof is correct in his observation that restoring his power will not be a priority of Platte-Clay, however, Platte-Clay's restoration plan during a major outage is in the best interests of all customers, not just Mr. Roof. Mr. Roof is also correct in his observation that AmerenUE's three phase line that runs in front of his house would receive a high restoration priority. The three-phase line is basically a dedicated line that powers the well pumps for the City of Excelsior Springs. Since restoring power to these pumps could benefit thousands of customers, it would be a high priority restoration line during a major outage. However, adding individual customers to this line could complicate the restoration of the line.

Finally, Mr. Roof asserts in the Application that "using and maintaining AmerenUE lines would be financially advantageous for company and customer." Since the standard for granting a change of supplier request is in the public interest for a reason other than rate differential, the public would include not just AmerenUE and the customer, but would also include Platte-Clay.

At this time, the transfer does not appear to be in Platte-Clay's financial interest. Although it appears that Mr. Roof began service with Platte-Clay on July 24, 2006, it is clear that the line to Mr. Roof's property has been in service long before 2006. The list of equipment that Platte-Clay has installed to serve Mr. Roof's property includes 11 poles, approximately 0.76 mile of lines, a service pole, a meter loop and a transformer. Much of this equipment would only be worth its salvage value if Platte-Clay no longer served Mr. Roof. (The line the transformer would most likely be reused.) Any costs that have not been paid for through rates would be stranded costs that would then be the responsibility of the current Platte-Clay customers. In addition, it appears that Platte-

Clay is concerned that granting this change of supplier could result in additional requests which would, in turn, result in more stranded costs.

Section 394.315 addresses the change of supplier from an electric cooperative to another electric utility. The Staff believes there is insufficient evidence for the Commission to find that the change of supplier Application is in the public interest for a reason other than rate differential.

AmerenUE is an investor owned electric utility regulated by the Commission. The Staff is not aware of any pending or final unsatisfied judgments or decisions against AmerenUE from any state or federal agency which involve customer service or rates, which have occurred within the three years immediately preceding this filing. AmerenUE has no overdue Commission annual reports or assessment fees. The Staff is not aware of any other matter before the Commission that affects or is affected by this filing.

Platte-Clay Electric Cooperative is a rural electric cooperative that provides electric service to its members, and no annual reports or assessments are required from the Commission. The Staff is not aware of any pending or final judgments or decisions against it from any state or federal agency that involve its customer service or rates within the three years immediately preceding the filing of the Application.

STAFF RECOMMENDATION

The Staff recommends that the Commission deny the Applicant's request for change of electric supplier.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Application of Gary)
Roof for Change of Electric Supplier.)

Case No. EO-2010-0166

AFFIDAVIT OF DANIEL I. BECK

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

Daniel I. Beck, of lawful age, on oath states: that he participated in the preparation of the foregoing Staff Recommendation in memorandum form, to be presented in the above case; that the information in the Staff Recommendation was given by him; that he has knowledge of the matters set forth in such Staff Recommendation; and that such matters are true to the best of his knowledge and belief.

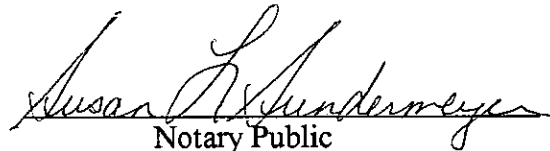


Daniel I. Beck

Subscribed and sworn to before me this 3rd day of February, 2010.



SUSAN L. SUNDERMEYER
My Commission Expires
September 21, 2010
Callaway County
Commission #06942086


Notary Public