

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

In the Matter of the Joint Application of Farmers')	
Electric Cooperative and the City of Cameron for)	
Approval of a Written Territorial Agreement)	Case No. EO-2018-0205
Designating the Boundaries of Each Electric Service)	
Supplier Within Portions of DeKalb County)	

OFFICE OF THE PUBLIC COUNSEL COMMENTS

COMES NOW the Office of the Public Counsel and comments on the territorial agreement between Farmers' Electric Cooperative and the City of Cameron as follows:

1. Farmers' Electric Cooperative and the City of Cameron's application is based on § 394.312, RSMo. Section 394.312, RSMo., includes a framework of Public Service Commission oversight of territorial agreements. It requires that the Commission approve them, if "approval of the territorial agreement in total is not detrimental to the public interest"¹ and, upon complaint, to revoke or suspend them if it finds they are "no longer in the public interest." This agreement, as Staff notes, is for a term of 35 years, with perpetual automatic 10-year renewals, unless either Farmers' Electric Cooperative, the City of Cameron, or both provide notice of termination at least one year in advance of a renewal. The Office of the Public Counsel is concerned with effectively shifting the decision on whether this agreement should not continue in effect from the Commission, which would act under the standard of "no longer in the public interest," to Farmers' Electric Cooperative and the City of Cameron, without any standard.

2. The Office of the Public Counsel is perplexed as to how this territorial agreement displaces competition between Farmers' Electric Cooperative and the City of Cameron.

¹ § 394.312.5, RSMo.

Subsection 394.312.1, RSMo., provides: “Competition to provide retail electric service, as between rural electric cooperatives, electrical corporations and municipally owned utilities may be displaced by written territorial agreements, but only to the extent hereinafter provided for in this section.” By their agreement Farmers' Electric Cooperative will be able to provide electric service to structures on a parcel of land located within the city of Cameron that it would not otherwise be able to lawfully serve and the City of Cameron will no longer be able to lawfully provide electric service to structures on that parcel.² In this agreement Farmers' Electric Cooperative gives up no right to serve any structures located beyond the City of Cameron’s corporate limits and the City of Cameron gains no right to serve structures beyond its corporate limits.

3. The Office of the Public Counsel does not oppose what Farmers' Electric Cooperative and the City of Cameron are seeking to accomplish with their territorial agreement, and its comments should not be so construed.

Wherefore, the Office of the Public Counsel offers the foregoing comments.

Respectfully,

/s/ Nathan Williams
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² The City of Cameron’s population exceeds 1,500 (Official Manual, State of Missouri 2017-2018, p. 844, 2010 census population of 9,933. <https://www.sos.mo.gov/bluebook/2017-2018>) and, with certain inapplicable exceptions, Farmers' Electric Cooperative cannot provide electric service to structures in cities of more than 1,500 in population (§§ 394.020 and 394.080, RSMo.).

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 2nd day of March 2018.

/s/ Nathan Williams