

**STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION**

At a session of the Public Service  
Commission held at its office in  
Jefferson City on the 30<sup>th</sup> day of  
May, 2018.

In the Matter of the Application of Union Electric	)	
Company d/b/a Ameren Missouri and Farmers'	)	
Electric Cooperative for Approval of an Addendum	)	<b><u>File No. EO-2018-0278</u></b>
To an Approved Territorial Agreement	)	

**REPORT AND ORDER APPROVING SECOND  
ADDENDUM TO TERRITORIAL AGREEMENT**

Issue Date: May 30, 2018

Effective Date: June 9, 2018

This order approves Addendum No. 2 to the Territorial Agreement between Union Electric Company d/b/a Ameren Missouri and Farmers' Electric Cooperative, Inc. (Farmers), which will allow Farmers to provide retail electric service to a three-phase irrigation system currently located in Ameren Missouri's service territory.

**Findings of Facts**

1. Farmers is a rural electric cooperative organized under Chapter 394, RSMo, engaged in the business of providing electricity and related services to its members. Its principal place of business is located in Chillicothe, Missouri. Farmers is duly authorized to conduct business in Missouri.

2. Ameren Missouri is a Missouri Corporation engaged in the business of providing electrical and gas utility services to customers in its Missouri service area. Its principal place of business is located in St. Louis, Missouri. Ameren Missouri is duly authorized to conduct business in Missouri.

3. On September 3, 1998, the Commission approved a Territorial Agreement between Ameren Missouri and Farmers that designated the boundaries for their respective exclusive service areas for new structures built in Caldwell, Chariton, Clinton, Daviess, DeKalb, Gentry, Linn, Livingston, and Ray Counties.<sup>1</sup> The Territorial Agreement established a process to be used for agreeing upon and seeking approval of future addenda to the Territorial Agreement, including a deadline of 45 days for Commission's Staff or the Office of Public Counsel to submit a pleading objecting to an addendum submitted for Commission approval. Failure of Staff or the Office of Public Counsel to submit an objection within that time frame would be deemed an approval.

4. The Commission previously approved a first addendum to the territorial agreement in 2013.<sup>2</sup> That earlier addendum authorized Farmers to provide service to a structure owned by Beetsma Farms, Inc., located near Mooresville, Missouri.

5. On April 9, 2018, Ameren Missouri and Farmers filed a *Joint Application for Approval of an Addendum to an Approved Territorial Agreement*, seeking to amend the existing Territorial Agreement. The second amendment would allow Farmers to serve a three-phase irrigation pump owned by Beetsma Farms, LLC, again located near Mooresville, Missouri.

6. The irrigation pump site is located within Ameren Missouri's exclusive service area by terms of the Territorial Agreement, but Farmers' existing facilities are closer to the location than Ameren Missouri's and Farmers is able to provide electric service to the location more economically than can Ameren Missouri. The customer, Beetsma Farms, has consented to the change of suppliers.

---

<sup>1</sup> File No. EO-98-511.

<sup>2</sup> File No. EO-2014-0044.

7. The second addendum to the Territorial Agreement does not change any of the other terms or conditions of the Territorial Agreement, nor does it change the boundaries of the exclusive electric service territories of either Farmers or Ameren Missouri.

8. On April 10, the Commission ordered that notice of the joint application be provided to potentially interested persons and established April 30 as the deadline for submission of requests to intervene. No requests to intervene have been filed. The Commission also directed Staff to file a recommendation regarding the joint application by May 25.

9. On May 22, Staff filed a recommendation advising the Commission to approve the second addendum. The Office of Public Counsel has not objected to the joint application.

10. Based on the information provided in the application and Staff's recommendation, the Commission finds that the second addendum is in the public interest.

### **Conclusions of Law**

A. Section 394.312, RSMo 2016, gives the Commission jurisdiction over territorial agreements between electric cooperatives and electrical corporations, including any subsequent amendment to such agreement.

B. Pursuant to subsections 394.312.3 and .5, RSMo 2016, the Commission may approve a territorial agreement if it is found to be in the public interest.

C. Office of Public Counsel did not file a recommendation or objection within 45 days of the filing of the second addendum. By the terms of the Territorial Agreement, the Office of the Public Counsel is deemed to have approved the second addendum.

D. Section 394.312.5, RSMo 2016, provides that the Commission must hold an evidentiary hearing on the proposed territorial agreement unless an agreement is made between the parties and no one requests a hearing. Since no hearing was requested, the requirement for a hearing was met when the opportunity for hearing was provided and no proper party requested the opportunity to present evidence.<sup>3</sup> Therefore, no hearing is necessary for the Commission to make a determination.

### **Decision**

Having considered the joint application and Staff's verified recommendation in support of approval of the application, the Commission finds that there are no facts in dispute and, therefore, accepts the facts as true. The Commission concludes the submitted second addendum between the parties is not detrimental to the public interest and will be approved. In approving the second addendum, the Commission is making no ratemaking determinations and reserves the right to consider any ratemaking treatment in a later rate proceeding.

Because of the need to approve the second addendum expeditiously to allow Beetsma Farms to proceed with its irrigation project as soon as possible, the Commission will make this order effective in ten days.

### **THE COMMISSION ORDERS THAT:**

1. The Addendum No. 2 to the Territorial Agreement between Union Electric Company d/b/a Ameren Missouri and Farmers' Electric Cooperative, Inc. is approved.
2. Farmers' Electric Cooperative, Inc. is authorized to provide electric service to the property as described in the joint application and as set forth in Addendum No. 2.

---

<sup>3</sup> *State ex rel. Deffenderfer Enterprises, Inc. v. Public Service Comm'n of the State of Missouri*, 776 S.W.2d 494 (Mo. App. W.D. 1989).

3. Union Electric Company d/b/a Ameren Missouri and Farmers' Electric Cooperative, Inc. are authorized to do such other acts and things, including making, executing, and delivering any and all documents that may be necessary, advisable, or proper to consummate the agreements reflected in Addendum No. 2 and implement the authority granted by the Commission in this order.

4. Union Electric Company d/b/a Ameren Missouri shall file with the Commission revised tariff sheets to reflect Addendum No. 1 and Addendum No. 2.

5. This order shall become effective on June 9, 2018.



**BY THE COMMISSION**

A handwritten signature in black ink that reads "Morris L. Woodruff".

Morris L. Woodruff  
Secretary

Woodruff, Chief Regulatory Law Judge

Hall, Chm., Kenney, Rupp, Coleman, and  
Silvey, CC., concur.

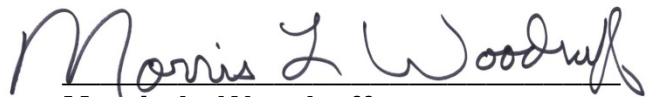
**STATE OF MISSOURI**

**OFFICE OF THE PUBLIC SERVICE COMMISSION**

**I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.**

**WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this 30<sup>th</sup> day of May 2018.**



  
**Morris L. Woodruff**  
**Secretary**

**MISSOURI PUBLIC SERVICE COMMISSION**

**May 30, 2018**

**File/Case No. EO-2018-0278**

**Missouri Public Service  
Commission**

Staff Counsel Department  
200 Madison Street, Suite 800  
P.O. Box 360  
Jefferson City, MO 65102  
staffcounsel@psc.mo.gov

**Office of the Public Counsel**

Hampton Williams  
200 Madison Street, Suite 650  
P.O. Box 2230  
Jefferson City, MO 65102  
opc@psc.mo.gov

**Farmers' Electric Cooperative,  
Inc.**

Dana J Macoubrie  
2nd Floor, Citizens Bank & Trust  
Building  
P.O. Box 467  
Chillicothe, MO 64601  
danamacoubrie@yahoo.com

**Missouri Public Service  
Commission**

Steve Dottheim  
200 Madison Street, Suite 800  
P.O. Box 360  
Jefferson City, MO 65102  
steve.dottheim@psc.mo.gov

**Union Electric Company**

Russ Mitten  
312 E. Capitol Ave  
P.O. Box 456  
Jefferson City, MO 65102  
rmitten@brydonlaw.com

**Union Electric Company**

Wendy Tatro  
1901 Chouteau Avenue  
St. Louis, MO 63103-6149  
AmerenMOS@ameren.com

**Enclosed find a certified copy of an Order or Notice issued in the above-referenced matter(s).**

**Sincerely,**



**Morris L. Woodruff  
Secretary**

---

Recipients listed above with a valid e-mail address will receive electronic service. Recipients without a valid e-mail address will receive paper service.