

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson Cameron on the 21st
day of March, 2018.

In the Matter of the Joint Application of Farmers')	
Electric Cooperative and the Cameron of Cameron)	
For Approval of a Written Territorial Agreement)	<u>File No. EO-2018-0205</u>
Designating the boundaries of each electric service)	
Supplier within portions of DeKalb County)	

REPORT AND ORDER APPROVING TERRITORIAL AGREEMENT

Issue Date: March 21, 2018

Effective Date: March 31, 2018

I. Procedural History

On January 30, 2018, Farmers' Electric Cooperative ("Farmers") and the ~~Cameron~~ **City** of Cameron, Missouri ("Cameron") filed an application asking the Commission to approve a territorial agreement ("Agreement") pursuant to Sections 416.041 and 394.312, RSMo.¹ The Commission issued notice of the application and set an intervention deadline. There were no requests to intervene.

The Staff of the Commission filed its recommendation on March 1. Staff states that the Agreement will authorize Farmers to provide electric service to any new structures on a tract within DeKalb County and Cameron that Cameron would otherwise be able to serve. Farmers already serves structures on that tract. The tract's owner favors the Agreement, and wishes Farmers to serve any new structures on that tract.

¹ Unless otherwise noted, calendar references are to 2018.

Staff states that the Agreement is not detrimental to the public interest. Thus, the Staff recommends Commission approval.

The Office of the Public Counsel (“OPC”) filed comments on March 2. OPC expresses doubt that a clause in the Agreement allowing its automatic renewal allows the Commission to monitor whether the Agreement remains not detrimental to the public interest. OPC is also skeptical that the Agreement actually displaces competition between Farmers and Cameron. However, OPC does not object, and did not request a hearing.

II. Findings of Fact

1. Cameron is a Missouri city of the third class that owns and operates a municipal electric utility that is authorized to provide electric service to customers that lie primarily within its city limits.

2. Farmers is a rural electric cooperative that provides electric service to its members.

3. On or about January 30, Farmers and Cameron entered into the Agreement. The Agreement would allow Farmers to continue to provide service to the tract of property located at 2108 East U.S. Highway 36 in Cameron, and would also allow Farmers to provide service to any new structures erected on that tract of property.

4. The owner of the tract of property in question does not object to the Agreement.

5. Allowing Farmers to provide service to that tract of property is both economical and practical. The Agreement would allow Farmers and Cameron to most efficiently and effectively use their existing facilities in the applicable areas, and to plan for future expansion while limiting duplicative facilities.

6. No other customer of Cameron or Farmers and no other electric **service** ~~serve~~-providers in the area will be impacted by the Agreement.

III. Conclusions of Law

Sections 394.312 and 416.041, RSMo, give the Commission jurisdiction over territorial agreements between rural electric cooperatives and municipally owned electric utilities. The Commission may approve the application by report and order if it determines that approval of the territorial agreement in total is not detrimental to the public interest.

Section 394.312.5 requires the Commission to hold an evidentiary hearing to determine if a territorial agreement should be approved, except when the matter is resolved by a stipulation and agreement and all parties agree to waive their right to a hearing. No party objects to the Agreement. Even though no formal agreement to waive the hearing was submitted, the Commission need not hold a hearing since the opportunity for a hearing was provided and no party requested an opportunity to present evidence.²

IV. 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 that the Agreement is not detrimental to the public interest and should be approved.

THE COMMISSION ORDERS THAT:

1. The Joint Application and the Territorial Agreement between Farmers' Electric Cooperative and the Cameron of Cameron filed on January 30, 2018 are approved.
2. This order shall become effective on March 31, 2018.

² *State ex rel. Rex Deffenderfer Enterprises, Inc. v. Public Service Com'n of State of Mo.*, 776 S.W.2d 494 (Mo. App.W.D. 1989).

3. This file shall be closed on April 1, 2018.

BY THE COMMISSION



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

Morris L. Woodruff
Secretary

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

Pridgin, Deputy Chief Regulatory Law Judge.

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 21st day of March 2018.




Morris L. Woodruff
Secretary

MISSOURI PUBLIC SERVICE COMMISSION

March 21, 2018

File/Case No. EO-2018-0205

**Missouri Public Service
Commission**

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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.