

EXHIBIT NO. \_\_\_\_\_  
ISSUE: PUBLIC INTEREST  
WITNESS: BYRON L. JAHN  
TYPE OF EXHIBIT:  
SURREBUTTAL TESTIMONY  
SPONSOR: CONSOLIDATED  
ELECTRIC COOPERATIVE  
CASE NO. EO-97-493

MISSOURI PUBLIC SERVICE COMMISSION

CASE NO. EO-97-493

SURREBUTTAL TESTIMONY

OF

BYRON L. JAHN

JEFFERSON CITY, MISSOURI

Exhibit No. 5  
Date 7/18/97 Case No. EO-97-493  
Reporter DJD

1 Q. What is your name?

2 A. Byron L. Jahn.

3 Q. By whom are you employed?

4 A. Consolidated Electric Cooperative.

5 Q. In what capacity are you employed?

6 A. I am the General Manager.

7 Q. Are you the same Byron L. Jahn that filed direct  
8 testimony in this matter on behalf of Consolidated  
9 Electric Cooperative.

10 A. Yes, I am. -

11 Q. Have you reviewed the rebuttal testimony of Staff Witness  
12 B. J. Washburn?

13 A. Yes, I have.

14 Q. Are there any items of Mr. Washburn's testimony with  
15 which you would like to comment?

16 A. Yes. Mr. Washburn at pages 3-4 of his rebuttal testimony  
17 states that portions of the territories in this agreement  
18 overlap areas specified as exclusive areas in other  
19 territorial agreements. Mr. Washburn points out that  
20 the Macon/Union Electric Territorial Agreement designates  
21 nearly all of the northern one third of Randolph County  
22 as being the service area which Union Electric will not  
23 serve in, but Macon will. In this Agreement,  
24 Consolidated as agreed not to serve in any portion of  
25 Randolph County.

26 In Monroe County, nearly one third or the northwest  
27 corner is the area which Union Electric will not service,

1 but Macon will, with the rest of the County being served  
2 by Union Electric. In this Agreement, there is a common  
3 boundary line along the southern Macon line and the  
4 northern Union Electric line with some deviation.

5 While it appears that those territory boundaries  
6 overlap, because territorial agreements have no effect on  
7 anyone not a party to them, the practical effect is that  
8 the combination of the Macon Electric/Union Electric  
9 Territorial Agreement and the Consolidated/Union Electric  
10 Territorial Agreement results in Union Electric being  
11 restricted to serving in less territory than is  
12 designated in either one of the agreements.

13 Q. Could you provide an example of what you mean when the  
14 practical effect of the agreements is to limit UE's  
15 actual territory versus the designated boundary lines?

16 A. Yes. In Randolph County, the Macon/UE Territorial  
17 Agreement provides that UE will not serve in nearly one-  
18 third of the northern part of the County. It provides  
19 that Macon will not serve in the southern two-thirds of  
20 the County. The Consolidated/UE agreement provides that  
21 Consolidated will not to serve in any area of Randolph  
22 County. The combination of the agreements lets UE serve  
23 the southern two-thirds of Randolph County without  
24 competition from either Consolidated or Macon. Macon can  
25 serve the northern one-third of Randolph County without  
26 competition from UE or Consolidated. The Cooperatives  
27 agreements with UE are merely promises by Cooperatives

1 not to serve in certain areas. UE, by two agreements,  
2 has received the promise of two cooperatives not to serve  
3 the same territory. Consolidated, by this agreement,  
4 does not promise UE exclusive territory in Randolph  
5 County, Consolidated only promises that Consolidated will  
6 not go there. Macon has made no such promise. This  
7 Agreement between UE and Consolidated actually benefits  
8 Macon by Consolidated agreeing not to go into an area  
9 that is being served by Macon.

10 Macon is not deprived of anything. UE and  
11 Consolidated are getting what they bargained for.

12 This is similar in Monroe County. In Monroe County  
13 there is an area designated to be the Macon territory in  
14 which UE will not serve and the remainder of the County  
15 is the area that Macon would not serve in. In the  
16 Consolidated/UE agreement, UE will be serving a small  
17 swath within the Central West portion of the County with  
18 the remaining portion of the County to be served by  
19 Consolidated. The combination of the two agreements  
20 interacting between one another is that Macon will not  
21 serve below its line and UE will not serve outside the  
22 area designated in this agreement. Consolidated can then  
23 serve the entire county.

24 Q. Does this conclude your testimony.

25 A. Yes, it does.