

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 9th day of
October, 2013.

In the Matter of the Application of Union Electric)	
Company d/b/a Ameren Missouri and Farmers')	
Electric Cooperative for Approval of an Addendum)	<u>File No. EO-2014-0044</u>
To an Approved Territorial Agreement)	

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

Issue Date: October 9, 2013

Effective Date: October 21, 2013

This decision approves Addendum No. 1 to the Territorial Agreement between Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri") and Farmers' Electric Cooperative ("Farmers") (collectively, "Applicants"), which will allow Farmers to provide electric service to a single residential structure located in Ameren Missouri's service territory.

Findings of Facts

1. Farmers is a rural electric cooperative organized under Chapter 394, RSMo. It is 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 the Applicants, which 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 (Commission File No. EO-98-511). 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. On August 20, 2013, Applicants filed a *Joint Application for Approval of an Addendum to an Approved Territorial Agreement*, seeking to amend the existing Territorial Agreement. The amendment would allow a single residential structure that is located on County Road 412 in Mooresville, Missouri, and owned by Beetsma Farms, Inc., to receive electric service from Farmers even though that structure is located within Ameren Missouri's exclusive service area. Farmers' existing facilities are closer to the location than Ameren Missouri's. Farmers is able to provide utility service to the location.

5. The addendum to the Territorial Agreement does not change any of the other terms or conditions of the Territorial Agreement or change the boundaries of the exclusive electric service territories of either Farmers or Ameren Missouri.

6. Applicants served the Office of the Public Counsel and Staff with a copy of their *Joint Application for Approval of an Addendum to an Approved Territorial Agreement*

on the same day it was filed with the Commission. On October 2, 2013, Staff filed *Staff's Recommendation for Approval of Addendum to Approved Territorial Agreement*. Neither Staff nor the Office of Public Counsel submitted objections to the application.

7. Beetsma Farms, Inc. consents to the change described in the addendum. It is more economical for Farmers to provide electricity to Beetsma Farms, Inc.

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

Conclusions of Law

1. Sections 394.312 and 416.041, RSMo 2000, give the Commission jurisdiction over territorial agreements between electric cooperatives and electrical corporations, including any subsequent amendment to such agreement.

2. Pursuant to section 394.312.2, RSMo 2000, the Commission may approve a territorial agreement if it is found to be in the public interest.

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

4. Section 394.312.5, RSMo 2000, provides that the Commission must hold an evidentiary hearing on the proposed territorial agreement unless an agreement is made between the parties without the request for 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.¹ Therefore, no hearing is necessary in order 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 that the submitted Addendum to the Territorial Agreement between the parties is not detrimental to the public interest and will be approved.

THE COMMISSION ORDERS THAT:

1. The Addendum No. 1 to the Territorial Agreement between Union Electric Company d/b/a Ameren Missouri and Farmers' Electric Cooperative is approved.
2. Farmers' Electric Cooperative is authorized to provide electric service to the property as described in the joint application and as set forth in Addendum No. 1.
3. Union Electric Company d/b/a Ameren Missouri and Farmers' Electric Cooperative 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. 1 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 amending any descriptions of its service territory that may be affected by the Addendum No. 1.

¹ *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).

5. This order shall become effective on October 21, 2013.



BY THE COMMISSION

A handwritten signature in cursive script that reads "Morris L. Woodruff".

Morris L. Woodruff
Secretary

R. Kenney, Chm., Stoll, W. Kenney,
and Hall, CC., concur;
and certify compliance with the
provisions of Section 536.080, RSMo.

Dated at Jefferson City, Missouri,
on this 9th day of October, 2013