

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

In the Matter of the Application of the City )  
of Butler and Osage Valley Electric )  
Cooperative for Approval of a First ) **FILE NO. EO-2025-0031**  
Addendum to the Parties' Territorial )  
Agreement Designating the Boundaries of )  
Exclusive Service Areas within Portions of )  
Bates County )

**STAFF'S RECOMMENDATION**

**COMES NOW** the Staff of the Missouri Public Service Commission, by and through counsel, and provides the following recommendation concerning the Application of the City of Butler (Butler) and Osage Valley Electric Cooperative (Osage Valley) ("Joint Applicants") for Approval of a First Addendum to their Territorial Agreement (First Addendum), all as described in the case caption.

1. The joint application was filed on July 24, 2024.<sup>1</sup> On July 25, the Commission entered its *Order Directing Notice, Setting Intervention Deadline and Directing Staff Recommendation*. The Commission set August 12 as the deadline for intervention and by subsequent order set September 5 as the deadline for Staff's Recommendation.

2 No person has intervened. Staff has prepared a Memorandum Recommending Approval of the Joint Application, which is filed with this recommendation. It sets out fully and in detail Staff's investigation, findings and conclusions. Staff concludes that the joint application should be granted.

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<sup>1</sup> All date references will be to 2024 unless otherwise indicated.

3. The parties have an existing territorial agreement. Paragraph 15 of the territorial agreement contemplates the occurrences described in the joint application.

It states:

“The parties may agree on a case-by-case basis by an Addendum hereto to allow a structure to receive service from one party though the structure is located in the [exclusive] electric service area of another party.”

4. Approval of the First Addendum will allow Osage Valley to provide electric service to a billboard to be installed on a parcel located in Section 21 - Township 40 - Range 31 on the east side Interstate 49 that lies within the city limits of Butler, Missouri, in Bates County. Osage Valley has an existing line routed along Interstate 49 and is able to provide electric service to the new billboard more economically and efficiently than Butler. Butler does not have facilities in the immediate vicinity and would need to extend duplicative facilities in providing service to this billboard. Granting the application would avoid a duplication of services.

5. Section 394.312.5, RSMo, states that the Commission may approve a territorial agreement if approval is not detrimental to the public interest. Because Osage Valley can service the billboard with no duplication of services and Butler cannot do so, Staff concludes that approval of the First Addendum is not detrimental to the public interest. Staff, accordingly, recommends that the Commission grant the joint application.

Respectively Submitted,

/s/ Paul T. Graham

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**CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to counsel of record as reflected on the certified service list maintained by the Commission in its Electronic Filing Information System this 5th day of September, 2024.

/s/ Paul T. Graham



request that Osage Valley be allowed to serve a billboard to be installed along the east side of Highway 49 on a parcel that is located within the city limits of Butler, Missouri, in Bates County. Reasons provided by the Joint Applicants in filing this request include making best use of existing facilities in the immediate area as Osage Valley has an electric line routed along Highway 49 and preventing an otherwise duplication of facilities as Butler does not have facilities in the immediate area.

Osage Valley is a rural electric cooperative organized under Chapter 394 RSMo (2021) to provide electric service to its members in all or parts of seven Missouri counties, including Bates County, in which lies the property that is the subject of the Joint Application. The Commission has limited jurisdiction over cooperatives. For the purposes of this case, Osage Valley is subject to the jurisdiction of the Commission under Section 394.312 RSMo (2021).

Butler is a political subdivision of the 3rd Class organized under the laws of the State of Missouri. Butler owns, operates and maintains an electric distribution system within its city limits and primarily serves its residents and associated structures located within the city limits.

### **DISCUSSION**

This Joint Application was filed on July 24, 2024 and included the Joint Applicants' First Addendum, dated July 2, 2024, to their First TA. Their First TA was filed on September 9, 2022, in Case No. EO-2022-0126 and was approved by the Commission in its *Report and Order* filed in that Case on February 1, 2023. Although their First TA has been beneficial to both Butler and Osage Valley, situations may arise that an alternate course of action would be preferable. The current Joint Application is representative of such an occurrence.

Paragraph 15 of the First TA considers such occurrences. It states:

“The parties may agree on a case-by-case basis by an Addendum hereto to allow a structure to receive service from one party though the structure is located in the [exclusive] electric service area of another party.”

The structure that is the subject of the First Addendum is a billboard that is reportedly to be installed in the southwest corner of the Southeast quarter of Section 21 - Township 40 - Range 31, a parcel located within the city limits of Butler, Missouri on the east side Interstate 49 as depicted on Schedule AJB-d1.<sup>1</sup> Osage Valley has an existing line routed along Interstate 49 with which to provide electric service to the new billboard more economically and efficiently than Butler. Butler would have to install duplicate facilities to the location of the billboard from its nearest available facilities as depicted on Schedule AJB-d1. As a consequence, Staff agrees with the Joint Applicants and recommends that the Commission approve their First Addendum as not being detrimental to the public interest.

### **CONCLUSION**

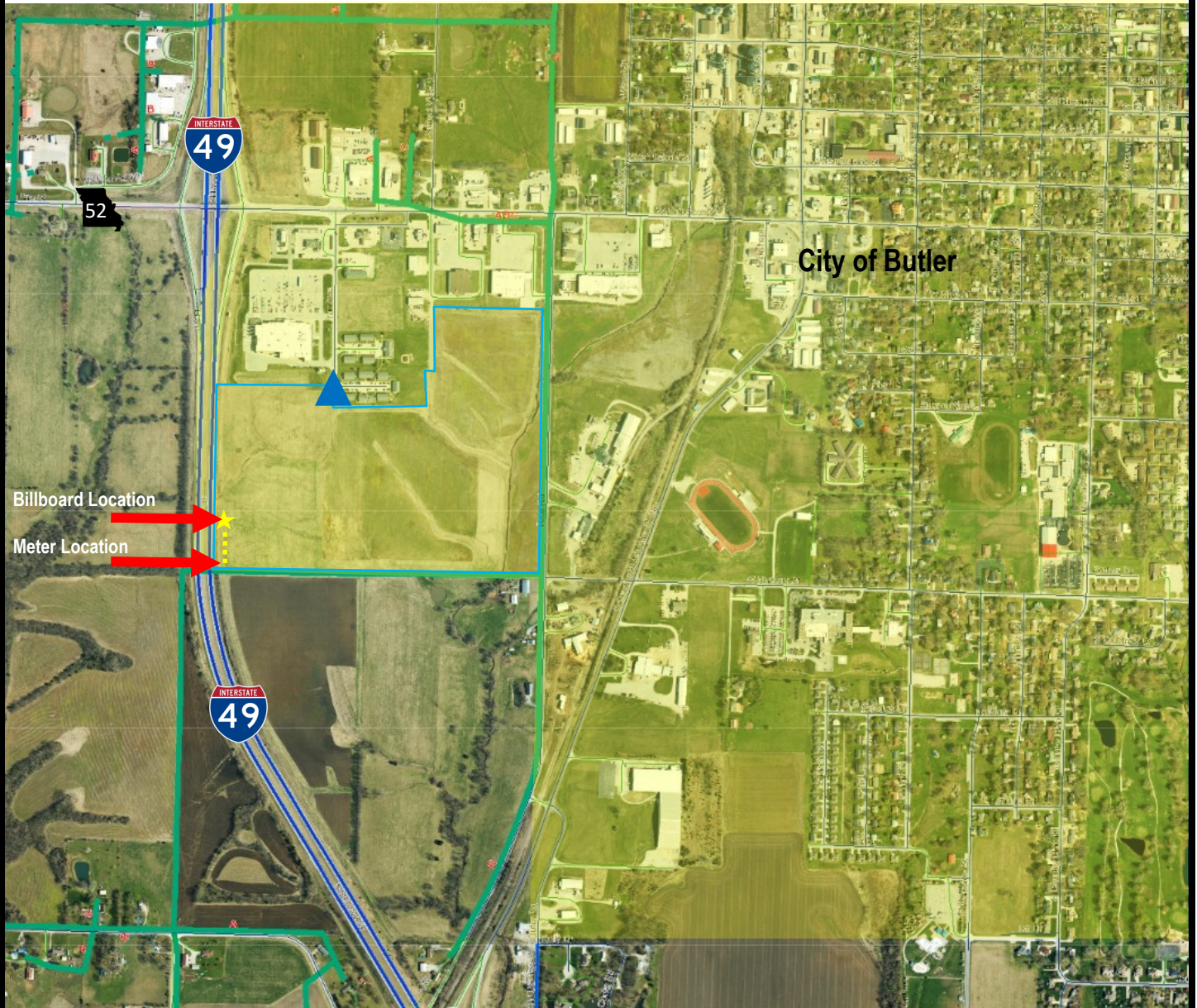
For the aforementioned reasons, Staff recommends that the Commission approve the Joint Application, concluding that the Joint Applicants' First Addendum to their First TA is not detrimental to the public interest pursuant to Section 394.312 and 416.041 RSMo (2021). The Joint Applicants addressed the requirements specified in 20 CSR 4240-2.060 and 20 CSR 4240-3.130. Commission approval of the Joint Application would allow Osage Valley to provide service to a billboard to be installed within a parcel that is located within the city limits of Butler, Missouri, and thus would otherwise be in the exclusive electric service territory of Butler. Osage Valley providing electric service to the billboard makes the most economical and efficient use of existing facilities and prevents an otherwise duplication of facilities should Butler provide electric service as depicted on Schedule AJB-d1.


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<sup>1</sup> Schedule AJB-d1 is a copy of Exhibit A, which is included within the Joint Applicants' First Addendum. Exhibit A illustrates the location of the billboard on the applicable parcel as being within the city limits of Butler, Missouri in Bates County.








 - Existing Osage Valley Electric

 - Parcel Boundary

 - Nearest City of Butler Electric Infrastructure

Description: The southwest quarter of the southeast quarter of section 21, township 40, range 31 in Bates County, Missouri.