

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 23rd day of
October, 2019.

In the Matter of the Application of Union Electric)
Company d/b/a Ameren Missouri and Farmers')
Electric Cooperative, Inc., for an Order Approving)
An Addendum to a Territorial Agreement Regarding)
Service to Customers in Livingston and Daviess)
Counties, Missouri)

File No. EO-2020-0060

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

Issue Date: October 23, 2019

Effective Date: November 3, 2019

This order approves Addendum No. 3 to the Territorial Agreement between Union Electric Company d/b/a Ameren Missouri and Farmers' Electric Cooperative, Inc., which will allow Farmers to provide retail electric service to a home and a cabin 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.¹ 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 approved a first addendum to the territorial agreement in 2013.² That addendum authorized Farmers to provide service to a structure owned by Beetsma Farms, Inc., located near Mooresville, Missouri.

5. The Commission also approved a second addendum to the territorial agreement in 2018.³ That addendum authorized Farmers to provide service to another structure owned by Beetsma Farms, Inc., located near Mooresville, Missouri.

6. On September 4, 2019, 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 third amendment would allow Farmers to serve a modular home in Daviess County, and a cabin in Livingston County.

¹ File No. EO-98-511.

² File No. EO-2014-0044.

³ File No. EO-2018-0278.

7. The home and cabin are 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 customers have consented to the change of suppliers.

8. The third 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.

9. On September 9, 2019, the Commission ordered that notice of the joint application be provided to potentially interested persons and established September 29, 2019 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 October 18, 2019.

10. On October 18, 2019, Staff filed a recommendation advising the Commission to approve the third addendum. The Office of Public Counsel has not objected to the joint application.

11. Based on the information provided in the application and Staff's recommendation, the Commission finds that the third 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 third addendum. By the terms of the Territorial Agreement, the Office of the Public Counsel is deemed to have approved the third 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.⁴ 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 third addendum between the parties is not detrimental to the public interest and will be approved. In approving the third addendum, the Commission is making no ratemaking determinations and reserves the right to consider any ratemaking treatment in a later rate proceeding.

The Commission will make this order effective in ten days because of the need to approve the third addendum expeditiously to allow Farmers to serve these two new customers' project as soon as possible.

⁴ *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).

THE COMMISSION ORDERS THAT:

1. The Addendum No. 3 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. 3.
3. Union Electric Company d/b/a Ameren Missouri and Farmers' Electric Cooperative, Inc. are authorized to do such other acts, including making, executing, and delivering any and all documents that may be necessary, advisable, or proper to consummate the agreements reflected in Addendum No. 3 and to 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. 3.
5. This order shall become effective on November 3, 2019.

BY THE COMMISSION



Morris L. Woodruff

Morris L. Woodruff
Secretary

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

Pridgin, Regulatory Law Judge

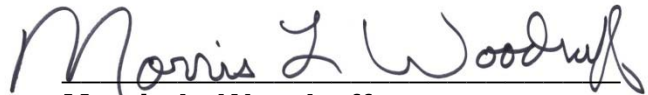
STATE OF MISSOURI

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 23rd day of October 2019.




Morris L. Woodruff
Secretary

MISSOURI PUBLIC SERVICE COMMISSION

October 23, 2019

File/Case No. EO-2020-0060

**Missouri Public Service
Commission**

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Union Electric Company

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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.