MEMORANDUM

TO: Missouri Public Service Commission Official Case File

Case No. EO-2025-0019, In the Matter of the Application of Missouri Department of Transportation - Central District for Change of Electric Supplier from Union Electric Company d/b/a Ameren Missouri to Co-Mo Electric Cooperative, Inc.

FROM: Malachi A. Bowman, Associate Engineer, Engineering Analysis

/s/ Malachi A. Bowman 11/26/2024

Engineering Analysis Dept. / Date

SUBJECT: Staff Memorandum Recommending Approval of Change of Electric Service

Provider Request

DATE: November 26, 2024

STAFF RECOMMENDATION

The Staff of the Missouri Public Service Commission ("Staff") recommends that the Missouri Public Service Commission ("Commission") approve the Application of the Missouri Department of Transportation ("MoDOT") filed on July 10, 2024, ¹ for a Change of Electric Service Suppliers at 6533 State Hwy MM Sunrise Beach, Missouri, from Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri") to Co-Mo Electric Cooperative, Inc. ("Co-Mo"). Staff concludes that the Application, in total, is in the public interest for reasons other than a rate differential pursuant to 393.106.2 and 394.315.2 RSMo 2020 and 20 CSR 4240-3.140. The Application meets the filing requirements of 20 CSR 4240-2.060 and 20 CSR 4240-3.140.

OVERVIEW

On July 10, 2024, MoDOT filed an application with the Commission seeking approval to change electric service providers from Ameren Missouri to Co-Mo at 6533 State Hwy MM, Sunrise Beach, Missouri ("Application"). MoDOT explains that it acquired a toll building that is

¹ The Application was originally filed by a MoDOT Employee on July 10, 2024 but in response to the Commission notice of deficiency, an Attorney with MoDOT adopted the application on October 1, 2024

associated with a nearby bridge. MoDOT is planning to sell the toll building. However, the toll building currently operates using the same electric meter as the bridge lights. The toll building was originally constructed when Ameren Missouri was the sole service provider near the area. Since then, Co-Mo has extended its facilities and is providing electric service to the majority of structures constructed in the immediate area surrounding the toll building's location. MoDOT intends to keep Ameren Missouri's service for powering the bridge lights but disconnect the toll building from the meter which is powering the bridge lights, allowing the toll building to be powered independently with its own meter.

Ameren Missouri filed its Response to the Application on November 1, 2024, and Co-Mo filed its Response to the Application on November 4, 2024. Neither utility is opposing the Applicants request.

Co-Mo is organized under Chapter 394 RSMo 2000 to provide electric service to its members located in all or parts of six Missouri counties, including Camden County, in which lies the property identified in the amended Application. The Commission has limited jurisdiction over rural electric cooperatives, such as Co-Mo, as specified in Chapter 394 RSMo 2020. For the purpose of this case, Co-Mo is subject to the jurisdiction of the Commission under Section 394.315.2 RSMo 2020.²

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² Section 394.315.2 states, in relevant part, that "...Once a rural electric cooperative, or its predecessor in interest, lawfully commences supplying retail electric energy to a structure through permanent service facilities, it shall have the right to continue serving such structure, and other suppliers of electrical energy shall not have the right to provide service to the structure except as might be otherwise permitted in the context of municipal annexation, pursuant to section 386.800 and section 394.080, or pursuant to a territorial agreement approved under section 394.312. The public service commission, upon application made by an affected party, may order a change of suppliers on the basis that it is in the public interest for a reason other than a rate differential, and the commission is hereby given jurisdiction over rural electric cooperatives to accomplish the purpose of this section. The commission's jurisdiction under this section is limited to public interest determinations and excludes questions as to the lawfulness of the provision of service, such questions being reserved to courts of competent jurisdiction..."

A rural electric cooperative, such as Co-Mo, is not required to file with the Commission annual reports or assessment fees. Further, Staff is currently not aware of any pending or final unsatisfied decisions against White River from any state or federal court involving customer service or rates.

Ameren Missouri is an electrical corporation subject to the jurisdiction of the Commission as specified, in part, by Chapters 386 and 393, RSMo 2020. For the purposes of this case, Ameren Missouri is subject to the jurisdiction of the Commission under Section 393.106.2 RSMo 2020.³ Ameren Missouri is current on its filing of annual reports and payments of its assessment dues. Staff is currently not aware of any unsatisfied judgments or decisions against Ameren Missouri in any state or federal agency or court involving customer service or rates that would have bearing on the immediate Case. The Staff is not aware of any other matter before the Commission that affects or is affected by this filing.

DISCUSSION

The toll building, along with the bridge and associated property, was acquired by MoDOT from the Lake of the Ozarks Community Bridge Transportation Development District ("LOCB"), which is the restructured name of the Lake of the Ozarks Community Bridge Corporation formed in 1992. Construction on the bridge began in 1996 and it was dedicated May 1, 1998. At that time, MODOT indicates that Ameren Missouri was the only electric provider near the area. Thus, Ameren Missouri ran a line from a meter located on the north side of the bridge, over the bridge

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³ Section 393.106.2 states, in relevant part, that "...Once an electrical corporation or joint municipal utility commission, or its predecessor in interest, lawfully commences supplying retail electric energy to a structure through permanent service facilities, it shall have the right to continue serving such structure, and other suppliers of electrical energy shall not have the right to provide service to the structure except as might be otherwise permitted in the context of municipal annexation, pursuant to section 386.800 and section 394.080, or pursuant to a territorial agreement approved under section 394.312. The public service commission, upon application made by an affected party, may order a change of suppliers on the basis that it is in the public interest for a reason other than a rate differential. The commission's jurisdiction under this section is limited to public interest determinations and excludes questions as to the lawfulness of the provision of service, such questions being reserved to courts of competent jurisdiction..."

to power the lights on the bridge as well as the associated toll building located on the south side of the bridge as seen in *Figure 1*.

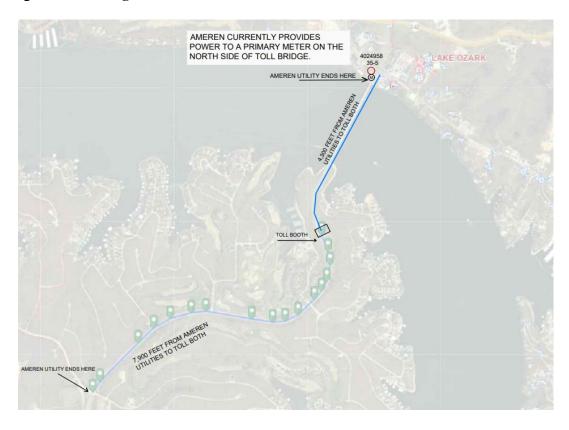


Figure 1 Map of the two options by which Ameren Missouri could provide electrical service to the toll building⁴

Since the bridge's dedication, funds generated by tolls were used to repay the nearly \$43 million in bonds needed to finance the planning, development and construction of the bridge system.⁵ At the time at which the nearly \$43 million was repaid, tolls were eliminated and the Community Bridge became the property and responsibility of MODOT.⁶

MODOT, as indicated in their Application, is now in the process of removing the toll booths and seeking to sell the associated toll building since the toll is no longer required. In doing so, MODOT determined that the toll building required electrical service independent from the

⁴ DR 0001.0 Attachment MPSC 0001 Attach - TOLL BRIDGE SKETCH.pdf

⁵ <u>http://lakeoftheozarkscommunitybridge.com/about.htm</u>

⁶ http://lakeoftheozarkscommunitybridge.com/future.htm

bridge. MODOT indicated in its Application that it met with representatives from both Ameren Missouri and Co-Mo. MoDOT stated in the Application that Ameren Missouri agreed to remove their service from the building and allow Co-Mo to supply power to the building,⁷ however, Ameren Missouri denies that it previously agreed to MoDOT's request though admitting that "extending secondary service to the Facility at Issue would require a significant investment".⁸

Co-Mo provided a detailed line item estimate that outlines the cost associated with establishing Co-Mo electrical service to the toll building totaling ** **. Ameren Missouri provided two paths by which the Company could supply power to the toll building as seen in *Figure 1*. Ameren Missouri claimed that "the investment required for both cases is expected to exceed \$150,000 but not \$250,000". The primary reasons for the extensive cost difference between the two cost estimates is due to the distance of line extension required and the route through which the line would need to be extended.

The Commission considers a number of factors in making its decisions regard Change of Supplier requests. These factors, along with Staff's analysis, are:

(1) Whether the customer's needs cannot adequately be met by the present supplier with respect to either the amount or quality of power;

While MoDOT does not raise issue with the amount or quality of power it has received in the past from Ameren Missouri, it is Staff's understanding that MoDOT wants to switch from primary service to secondary service to facilitate the sale of the toll booth building. Primary service means that the service Ameren Missouri provides the customer is at a

⁷ EO-2025-0019 MoDOT Application for Change of Electric Service Provider

⁸ EO-2025-0019 Ameren Missouri's Response to Application for Change of Electric Supplier, Pg. 2

⁹ DR 0004.0 Attachment Response to DR 004.pdf

¹⁰ DR 0002.0 Attachment MPSC 0002 Coversheet.pdf

delivery voltage of 2,400 volts or higher. ¹¹ Secondary service means service is provided at a delivery voltage of 600 volts or less. ¹² Ameren Missouri would need to extend its secondary service to the building while Co-Mo has facilities in the area. However, the customer's future needs cannot adequately be addressed by the present supplier without duplication of facilities.

(2) Whether there are health or safety issues involving the amount or quality of power;

This factor is not applicable in this case, MoDOT requested a change in electric service providers for reasons other than health or safety issues with its current supplier.

(3) What alternatives a customer has considered, including alternatives with the present supplier;

As discussed above, MoDOT indicated in their Application that they met with representatives from both Ameren Missouri and Co-Mo. Ameren Missouri has provided cost estimates for alternatives to changing electric service providers which have been detailed above.

(4) Whether the customer's equipment has been damaged or destroyed as a result of a problem with the electric supply;

Based on the application of MoDOT, this factor is not applicable in this case. Staff is not aware of claims related to damaged equipment.

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¹¹ MO PSC Schedule 6 Original Sheet 99

¹² MO PSC Schedule 6 Original Sheet 99

- (5) The effect the loss of the customer would have on the present supplier;

 Since the building is a small office building is approximately 1,474 square feet¹³

 and since Ameren Missouri has not objected to the change of supplier request, Staff expects the loss of the toll booth to have a negligible effect on Ameren Missouri.
- (6) Whether the change in supplier would result in a duplication of facilities, especially in comparison with alternatives available from the present supplier, a comparison of which could include:
 - a. The distance involved and cost of any new extension, including the burden on others for example, the need to procure private property easements, and
 - b. The burden on the customer relating to the cost or time involved, not including the cost of the electricity itself;

As explained under factor 1 above, MoDOT desires secondary service to the toll booth building to facilitate the sale of building. If MoDOT's request is approved, to change providers to Co-MO, there will be no duplication of service as Co-MO has existing facilities in the area. The distance of the new line extension would be roughly 415 feet and it would be placed underground. Co-Mo provided an estimated cost of ** ** to provide services to MoDOT with MoDOT being responsible for all trenching, digging, backfilling, and excavation. In contrast, if Ameren Missouri remains the service provider, the Company would need to extend its secondary service facilities to serve the toll booth at the desired delivery voltage.

¹³ Email from MoDOT Employee Chase Barbarick dated November 14, 2024.

¹⁴ DR 0003.0

¹⁵ DR 0004.0

(7) The overall burden on the customer caused by the inadequate service including any economic burden not related to the cost of the electricity itself and any burden not considered with respect to factor (6)(II) above;

As discussed regarding factor 1 and 6 above, MoDOT desires secondary service at this location the economic burden relates to the comparative cost of the line extension.

(8) What efforts have been made by the present supplier to solve or mitigate problems;

This factor is not applicable in this case, MoDOT requested a change in electric service providers for reasons other than its current quality of service or issues with its current supplier.

(9) The impact the Commission's decision may have on economic development, on an individual or cumulative basis; and

If the Commission denies the Application, an extensive amount of resources would be exhausted to provide secondary service to the toll building, as explained above. Exhausting these resources would be unnecessary since Co-Mo can provide the same service more efficiently.

On an individual basis, the investment required to enable Ameren Missouri to provide secondary service to the building may well exceed the building's value making it difficult for MoDOT to sell the building without incurring a loss.

On a cumulative basis, an extensive amount of resources would be wasted to enable Ameren Missouri to provide secondary service to an area that Co-Mo already provides secondary service to nearby. These funds could be used elsewhere to develop infrastructure and support the economy in other ways.

(10) The effect the granting of authority for a change of suppliers might have on any territorial agreements between the two suppliers in question, or on the negotiation of territorial agreements between the suppliers.

Staff is not aware of any territorial agreements between the two suppliers that would be affected by the granting of authority to change electrical service providers.

CONCLUSION

Staff recommends that the Commission approve MoDOT's change of supplier request. Though Ameren Missouri has the right to continue to provide service to the toll building as specified, in Section 393.106.2, RSMo 2020, doing so would not be in the public interest since the cost to establish independent service to the toll building through Ameren Missouri would far exceed the cost to establish service through Co-Mo.

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Application of Missouri)

Department of Transportation – Central District for Change of Supplier from Union Electric Company d/b/a Ameren Missouri to Co-Mo Electric Cooperative, Inc. Pile No. EO-2025-0019 File No. EO-2025-0019	
	AFFIDAVIT OF MALACHI BOWMAN
STATE OF MISSOURI)
COUNTY OF COLE) ss.)
COMES NOW MAI	ACHI BOWMAN, and on his oath declares that he is of sound mind
and lawful age; that he cor	ntributed to the foregoing Staff Recommendation, in Memorandum form;
and that the same is true a	nd correct according to his best knowledge and belief.
Further the Affiant say	veth not.

JURAT

MALACHI BOWMAN

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this ________ day of November 2024.

Diane L. Vaunt-Notary Public

DIANNA L. VAUGHT Notary Public - Notary Seal State of Missouri Commissioned for Cole County My Commission Expires: July 18, 2027 Commission Number: 15207377