BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Application of The City of St. Robert and Laclede Electric Cooperative for Approval of a First Addendum to the Parties' Second Territorial Agreement Designating the Boundaries of Exclusive Service Areas Within Portions of Pulaski County

File No. EO-2022-0143

STAFF RECOMMENDATION

)

)

)

)

COMES NOW the Staff of the Missouri Public Service Commission, through counsel, and states as follows.

1. On November 29, 2021, Laclede Electric Cooperative (Laclede) and The City of St. Robert, Missouri (collectively Applicants) filed a *Joint Application* (Application) requesting approval of an addendum (Addendum) to an existing territorial agreement (Second Territorial Agreement).

2. The Commission approved the Applicants' *Second Territorial Agreement* on April 12, 2007 in Case No. EO-2007-0315, which established electric service obligations for new structures in the Hickory Valley Subdivision of St. Robert, Missouri, as between the Joint Applicants. The *Second Territorial Agreement* also set forth any and all powers granted to the Cooperative by the City to operate within the corporate boundaries of the City and any and all powers granted to the City to operate within the boundaries of the Cooperative.

3. On December 2, 2021, the Commission issued an Order establishing an intervention date of December 22, 2021, for anyone desiring to intervene in this case and directing Staff to file a recommendation on the Application by January 18, 2022.

1

Subsequently, Staff requested and was granted an extension to file its recommendation on or before February 8, 2022. No party has sought intervention in this matter.

4. Approval of the *Addendum* would allow Laclede to provide electrical service to three parcels of land within the city limits of St. Robert, Missouri. Laclede currently serves this customer through meters on adjacent parcels. The agreement does not require transfer of any customers, and there are no other known electrical suppliers serving the territory concerned.

5. As explained in Staff's *Memorandum*, attached hereto as Appendix A and incorporated herein by reference, Staff recommends the Commission issue an order in this case that approves the Addendum to Applicant's Second Territorial Agreement and finds that it is not detrimental to the public interest.

6. Section 394.312 RSMo authorizes territorial agreements to displace competition to provide retail electric service, as between rural electric cooperatives, electrical corporations and municipally owned utilities. All territorial agreements entered into under the provisions of this section, including any subsequent amendments to such agreements shall receive approval by the Public Service Commission by Report and Order. The Commission may approve territorial agreements, original and amended, "if it determines that approval of the territorial agreement in total is not detrimental to the public interest." Section 394.312.5, RSMo.

WHEREFORE, Staff recommends the Commission issue an order granting approval of the Joint Application between Laclede and The City of St. Robert, Missouri, for an Addendum to their Second Territorial Agreement.

2

Respectfully submitted,

<u>/s/ Don Cosper</u>

Don Cosper Legal Counsel Missouri Bar No. 73231 Attorney for the Staff of the Missouri Public Service Commission P.O. Box 360 Jefferson City, MO 65102 573-751-4140 (Voice) 573-751-9285 (Fax) don.cosper@psc.mo.gov

CERTIFICATE OF SERVICE

I certify that the foregoing has been emailed to counsel of record on this 8th day of February, 2022.

<u>/s/ Don Cosper</u>

MEMORANDUM

- TO: Missouri Public Service Commission Official Case File Case No. EO-2022-0143 – In the Matter of the Application of The City of St. Robert and Laclede Electric Cooperative for Approval of a First Addendum to the Parties' Second Territorial Agreement Designating the Boundaries of Exclusive Service Areas Within Portions of Pulaski County
- **FROM**: Alan J. Bax Industry Analysis Division Engineering Analysis Dept.

<u>/s/ Claire M. Eubanks, PE / 02-08-2022</u>	<u>/s/ Don Cosper / 02-08-2022</u>
Energy Analysis Department / Date	Staff Counsel's Office / Date

- **SUBJECT:** Staff Memorandum Recommending Approval of Application
- **DATE**: February 8, 2022

STAFF RECOMMENDATION

Staff of the Missouri Public Service Commission ("Staff") recommends that the Missouri Public Service Commission ("Commission") approve the Application of The City of St. Robert ("St. Robert") and Laclede Electric Cooperative Inc. ("Laclede"), (collectively referenced as the "Joint Applicants") that requests approval of the Joint Applicants' First Addendum to Their Second Territorial Agreement ("Application"), concluding that the Application is not detrimental to the public interest per Section 394.312 RSMo (2016) and 20 CSR 4240 3.130. The legal sufficiency of the Joint Applicants' Application is addressed in Staff's cover pleading. Approval of this Application would allow Laclede to provide electric service to new structures on three parcels that are located within the city limits of St. Robert in the Southwest Quarter of the Northeast Quarter of Section 33, Township 36 North, Range 11 West in Pulaski County, Missouri.

OVERVIEW

The Joint Applicants filed their Application on November 29, 2021. At the request of Staff, the Joint Applicants supplemented this Application on January 12, 2022,

to include the Joint Applicants' Second Territorial Agreement ("Second TA"). This Second TA was approved by the Commission in a *Report and Order* dated April 12, 2007 in Case No. EO-2007-0315.

On December 2, 2021, the Commission issued an *Order Directing Notice, Setting Intervention Deadline and Directing Staff Recommendation* in which the Commission ordered its Data Center to provide a notice along with this Application to other electric service providers in the area and to the County Commissioners serving Pulaski County, Missouri. The Commission also ordered its Public Policy and Outreach Department to notify media entities in Pulaski County, Missouri with this Application, as well as members of the General Assembly that serve Pulaski County, Missouri. In addition, the Commission set an intervention deadline of December 22, 2021 for any entity wishing to intervene in this matter and directed its Staff to file a Recommendation by January 18, 2022. No party has requested to intervene. On January 18, 2022, Staff requested additional time in which to file its recommendation until February 8, 2022. The Commission granted Staff's request in an *Order Granting Request for Extension* filed January 18, 2022.

Laclede is a rural electric cooperative organized under Chapter 394 RSMo (2016) to provide electric service to its members in all or parts of six Missouri counties, including Pulaski County, in which lies the properties that are the subject of the Application. The Commission has limited jurisdiction over cooperatives. Laclede is subject to the jurisdiction of the Commission under Section 394.312 RSMo (2016).

As a rural electric cooperative, Laclede is not required to file annual reports or pay assessment fees. Further, Staff is not aware of any pending or final unsatisfied judgments against Laclede from any state or federal court involving customer service or rates within three years of the date of filing this Application.

St. Robert is a political subdivision of the 4th Class organized under the laws of the State of Missouri. St. Robert owns, operates and maintains an electric distribution system within its city limits to serve the residents of the city.

As a municipal electric system, St Robert is not required to file annual reports or pay assessment fees. Further, Staff is not aware of any pending or final unsatisfied judgments against St. Robert from any state or federal court involving customer service or rates within three years of the date of filing this Application.

DISCUSSION

The Joint Applicants filed their Second TA with the Commission in Case No. EO-2007-0315. The Second TA authorized Laclede to serve anticipated new load on five parcels, Phases 7, 8, 9, 10 and 11 in the Hickory Valley Subdivision located in the northeast portion of the City of St. Robert in Sections 14 and 23, Township 36 North, Range 11 West.¹

The three parcels that are the subject matter of the Application lie in Section 33, Township 36 North, Range 11 West, in the southeast portion of the city of St. Robert, as illustrated on the map attached to this Staff Memorandum as Schedule AJB-1. Staff Data Request No. 1 in the immediate case requested a description of the current facilities installed in Section 33 that would be used in serving the anticipated new structures to be

¹ The Joint Applicants First Territorial Agreement (First TA) was approved in Commission Case Number EO-2005-0391. The First TA was limited to three parcels located in the Hickory Valley Subdivision, referred to as Phases 4, 5, and 6 and also located in Section 14 and 23 of Township 36 North, Range 11 West in Pulaski County, Missouri.

MO PSC CASE NO. EO-2022-0143 OFFICIAL CASE FILE MEMORANDUM FEBRUARY 8, 2022 PAGE 4 of 4

installed on the three parcels identified in the Application. Staff Data Request No. 2 requested a summary of the new additional load that is expected to be constructed in the near future. Laclede indicated in its Responses that there is currently a three phase feeder circuit, with an operating voltage of 12.47/7.2kV, routed in the immediate vicinity that has an available capacity of 2.2 MW at peak loading. Laclede reported that the anticipated load additions consists of single phase loads with an estimated peak demand of 40 kW. Hence, Staff agrees that Laclede does have sufficient facilities readily available to meet the expected load additions on these three parcels located in Section 33.

The Applicants mention that there are no other electric service providers in the area as required by 20 CSR 4240 3.130. In addition, also as required by 20 CSR 4240 3.130, there is a metes and bounds description of the three parcels along with an illustrative image depicting these parcels.

CONCLUSION

Despite the properties being inside the city limits, St Robert does not have sufficient, adequate facilities to provide the anticipated electric service requirements desired by the landowners. Laclede has a three phase feeder circuit in the immediate area capable of meeting the expected needs of the owners of the property. There are no other electric service providers in the area. Staff therefore recommends that the Commission approve the Application, finding that the Application is not detrimental to the public interest.

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

)

In the Matter of the Application of The City of St. Robert and Laclede Electric Cooperative for Approval of a First Addendum to the Parties' Second Territorial Agreement Designating the Boundaries of Exclusive Service Areas Within Portions of Pulaski County

File No. EO-2022-0143

AFFIDAVIT OF ALAN J. BAX

STATE OF MISSOURI)) ss. COUNTY OF COLE)

COMES NOW ALAN J. BAX, and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Staff Recommendation, in Memorandum form;* and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.

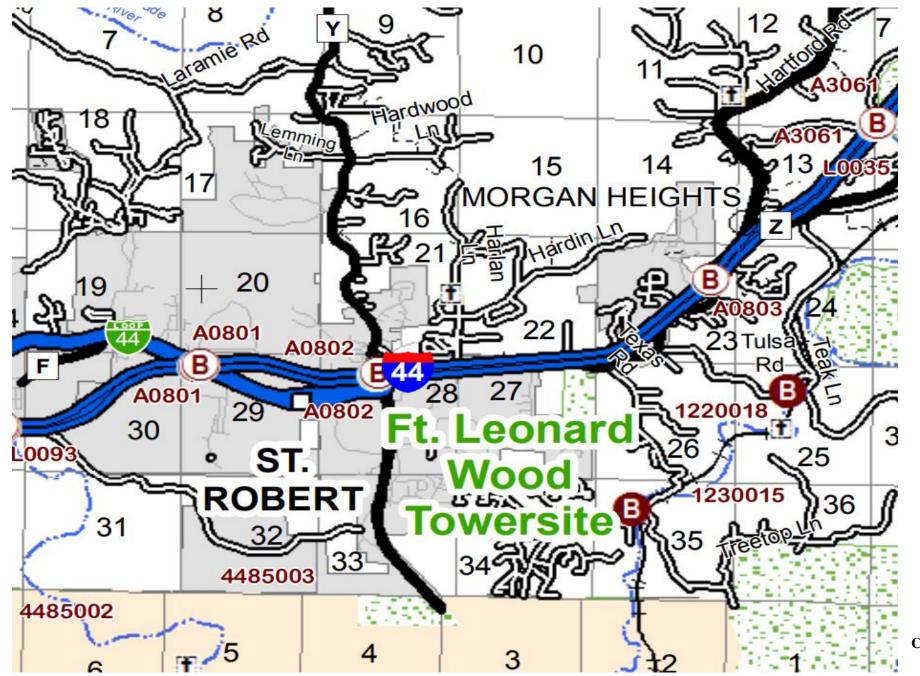
ALAN J. BAX

JURAT

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 $\underline{7 + 1}$ day of February, 2022.

Dianne L. Vauget

DIANNA L. VAUGHT Notary Public - Notary Seal State of Missouri Commissioned for Cole County My Commission Expires: July 18, 2023 Commission Number: 15207377



Source: Missouri Department of Transportation

Case No. EO-2022-01431 Attachment AJB-1 Page 1 of 1