STATE OF MISSOURI PUBLIC SERVICE COMMISSION

	(session of the Public Service Commission held at its office in Jefferson City on the 4 th day of January, 2017.
In the Matter of the Application of the City of Harrisonville, Missouri and KCP&L Greater Missouri Operations Company for Approval Of a Territorial Agreement))) <u>!</u>	File No. EO-2017-0138

REPORT AND ORDER APPROVING TERRITORIAL AGREEMENT

Issue Date: January 4, 2017 Effective Date: January 14, 2017

I. Procedural History

On November 7, 2016, the City of Harrisonville, Missouri ("City") and KCP&L Greater Missouri Operations Company ("GMO"), (collectively, "Joint Applicants") filed an application asking the Commission to approve a territorial agreement ("the Agreement") pursuant to Sections 416.041 and 394.312, RSMo. The Commission issued notice of the application and set an intervention deadline. There were no requests to intervene.

The Staff of the Commission filed its recommendation on December 6, 2016. Staff states that the Agreement will authorize GMO to provide electric service to approximately 35 acres within City. A new industry is to be built on this site. GMO already has facilities closer to the site than the City does. GMO and City agree that allowing GMO to serve that site is the most economical and practical option because of GMO's existing facilities. Staff states that the Agreement is not detrimental to the public interest. Thus, the Staff recommends Commission approval.

II. Findings of Fact

- 1. City is a municipally owned electric utility, authorized to provide electric service to customers that lie primarily within the city limits of the City of Harrisonville.
 - 2. GMO is an electrical corporation and a utility regulated by the Commission.
- 3. On or about October 3, 2016, GMO and City entered into a territorial agreement. The agreement would allow GMO to provide service to a new industry to be operated on a 35-acre site within the city limits of Harrisonville, Missouri, and within City's exclusive service area.
 - 4. GMO's facilities are closer than City's facilities to the new industry site.
 - 5. Allowing GMO to serve the new industry site is both economical and practical.
- **6.** No other customer of City or GMO will be impacted by the changes in the Amendment.

III. Conclusions of Law

Sections 394.312 and 416.041, RSMo, give the Commission jurisdiction over territorial agreements between electric utilities and municipally owned electric utilities. Section 394.312.5 requires the Commission to hold an evidentiary hearing to determine if a territorial agreement should be approved, except when the matter is resolved by a stipulation and agreement and all parties agree to waive their right to a hearing. All parties to this matter are in agreement that the Commission should approve the Agreement. Even though no formal agreement to waive the hearing was submitted, the Commission need not hold a hearing since the opportunity for a hearing was provided and no party requested an opportunity to present evidence.¹

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¹ State ex rel. Rex Deffenderfer Enterprises, Inc. v. Public Service Com'n of State of Mo., 776 S.W.2d 494 (Mo. App.W.D. 1989).

IV. 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 Agreement is not detrimental to the public interest and should be approved.

THE COMMISSION ORDERS THAT:

- The Joint Application for Approval of a Territorial Agreement between KCP&L
 Greater Missouri Operations Company and the City of Harrisonville, Missouri is approved.
 - 2. This order shall become effective on January 14, 2017.
 - 3. This file shall be closed on January 15, 2017.

BY THE COMMISSION

Porris I Woodryf

Morris L. Woodruff Secretary

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

Pridgin, Deputy Chief 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 4th day of January 2017.

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Morris L. Woodruff

Secretary

MISSOURI PUBLIC SERVICE COMMISSION January 4, 2017

File/Case No. EO-2017-0138

Missouri Public Service Commission

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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.