SECOND TERRITORIAL AGREEMENT

WITNESSETH:

WHEREAS, St. Robert and Laclede are authorized by law to provide electric service within certain areas of Missouri, including portions of Pulaski County; and

WHEREAS, Sections 394.312 and 416.041 RSMo. 2000, provides that competition to provide retail electrical service as between rural electric cooperatives such as Laclede and electrical corporations such as St. Robert may be displaced by written territorial agreements;

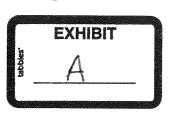
WHEREAS, St. Robert and Laclede desire 1) to promote the orderly development of retail electrical service within a portion of St. Robert, Pulaski County, Missouri, 2) to avoid unnecessary duplication of electrical facilities therein, and 3) to most effectively avail themselves of prior investment and planning for serving the public; and

WHEREAS, this Second Territorial Agreement does not require any customer of either St. Robert or Laclede to change its supplier;

NOW, THEREFORE, St. Robert and Laclede, in consideration of the mutual covenants and agreements herein contained, the adequacy and sufficiency of which are hereby acknowledged, agree as follows:

1. Description of Territory Affected.

A. This Agreement pertains only to five (5) parcels of land in Pulaski County,
Missouri, which collectively comprise additional phases of the residential development known as



"Hickory Valley." For purposes of this Agreement, the separate additions shall be referred to as "Phases 7, 8, 9, 10, and 11."

- B. The legal descriptions of Phases 7, 8, 9, 10, and 11 of the Hickory Valley subdivision are attached hereto as Exhibits A, B, C, D, and E, respectively. The developer's plat maps will be made available to staff of the Commission upon its review.
- C. This Agreement shall have no affect whatsoever upon service by Laclede or St. Robert in any areas other than Phases 7, 8, 9, 10, and 11 of the Hickory Valley subdivision.
- D. The Hickory Valley subdivision of St. Robert is located within the corporate limits of the City of St. Robert, Missouri, and thus is not a "rural area" as defined by Section 394.020(3) RSMo. 2000.

2. Definitions.

- A. For purposes of this Agreement, the references to "structure" have the same meaning as the statutory definition of the term "structure" found in Sections 393.106 and 394.315 RSMo. in effect at the relevant time. In the event no such statutory definitions exist or are not otherwise applicable, the term shall be construed to give effect to the intent of this agreement which is to designate an exclusive provider, as between the parties hereto, of retail electric service for anything using or designed to use electricity that is located within the Service Areas described herein.
- B. The term "permanent service" shall have the same meaning as the definition of "permanent service" found in Section 394.315 RSMo., in effect at the relevant time. The term shall be liberally construed to give effect to the expressed intent of this Agreement.
- C. The term "new structure" shall mean (i) one on which construction has not commenced by the Effective Date, or (ii) one on which construction has commenced by the Effective Date but on the Effective Date is not complete from the standpoint that permanent wiring for the electrical power and energy to be utilized by or within in the structure has not been permanently installed and permanently energized by physical connection to the facilities of an electrical supplier, or (iii) one for which the respective electrical inspection authority has not

granted a permit by the Effective Date for it to be energized, or (iv) one for which the respective building authority has not granted an occupancy permit by the Effective Date.

D. The term "Effective Date" shall mean 12:01 a.m. of the date on which the Report and Order of the Commission approving this Agreement is effective pursuant to the terms of such Report and Order, unless a writ of review or other proceeding is taken challenging the Report and Order, in which case there shall be no Effective Date of this Agreement until St. Robert and Laclede both execute a document which establishes an Effective Date for purposes of this Agreement.

3. Exclusive Service Areas Established.

- A. Laclede, pursuant to this Second Territorial Agreement, shall be entitled to provide permanent service to all structures now located within Phases 7, 8, 9, 10, and 11 of the Hickory Valley subdivision and all new structures within Phases 7, 8, 9, 10, and 11 of the Hickory Valley subdivision and therefore it shall be considered the exclusive Service Area of Laclede, as between St. Robert and Laclede. St. Robert does not now serve any structures, and shall not be allowed to serve any new structures, within Phases 7, 8, 9, 10, and 11 of the Hickory Valley subdivision.
- B. This Agreement does not purport to affect the rights of any electric supplier not a party to this Agreement.
- 4. <u>Condition Precedent Regulatory Approvals.</u> This Agreement is conditioned upon receipt of approval of it by the Commission with no changes, or those changes which have been expressly agreed to by St. Robert and Laclede. Either party may file an application for rehearing or other document with the Commission prior to the effective date of a Commission order approving this Agreement if the party objects to the form or content of the Commission's order approving the Agreement. If neither party files such an application for rehearing or document prior to the effective date of the Commission order approving this Agreement, it shall be presumed that the approval is satisfactory in form and content to both parties.
- 5. <u>Service to Structures Receiving Service as of the Date of this Agreement.</u> There are currently no structures located within Phases 7, 8, 9, 10, and 11 on the date of this Agreement

that are receiving permanent electric service. To the knowledge of St. Robert and Laclede, there are no other suppliers of electricity providing permanent electric service within the subdivision.

6. Structures Coming Into Existence After the Effective Date.

A. After the Effective Date, Laclede shall have the exclusive right, as between St. Robert and Laclede, to provide permanent service to new structures within Phases 7, 8, 9, 10, and 11.

- B. During interim period between the date of execution of this Agreement and the Effective Date, the parties shall abide by the territorial division provisions of this Agreement and may provide provisional service to any customer seeking service. Pending the issuance of a decision by the Commission either granting or denying approval of this Agreement, however, neither party shall construct primary or secondary electric facilities within the territory assigned exclusively to the other pursuant to this Agreement, unless (i) ordered to do so by the Commission or a court of competent jurisdiction or (ii) as a necessary part of the provision of service to its customers in other areas and such construction is within a previously established easement obtained for the purpose of providing service in other areas. In the interim before this Agreement is approved by the Commission, if a new structure should come into existence on one side of the proposed boundary and request service from the party on the opposite side of the boundary, and that party has existing right to provide such service, the parties agree to submit the matter to the Commission for determination in the case docketed for approval of this Agreement. The parties agree to propose to the Commission in such case that the party which will have the exclusive right to serve the customer if this Agreement is approved by the Commission should have the exclusive right and obligation to serve the customer in the interim.
- 7. <u>Indirect Provision of Service to Structures Not Permitted.</u> The intent of this Agreement is to designate an exclusive provider of electric service for structures or anything else using or designed to use electricity to be located within the described areas. Neither party shall furnish, make available, assist in providing, render or extend electric service to a structure, which that party would not be permitted to serve directly pursuant to this Agreement, by indirect means such as through a subsidiary corporation, through another entity, or by metering services outside

of the area for delivery within the area. This shall not be construed to otherwise prohibit sales of electric power and energy between the parties to this Agreement.

- 8. Term. The initial term of this Agreement shall be twenty (20) years from and after the Effective Date ("initial term"). Thereafter, this Agreement shall be automatically renewed for successive five (5) year terms ("renewal terms") commencing on the anniversary of the Effective Date ("renewal date") unless either party hereto shall notify the other party in writing of its intent to terminate this Agreement at least one (1) year in advance of any such renewal date. The parties agree that a copy of any notice of termination of this Agreement shall be simultaneously served upon the Executive Secretary of the Commission and the Office of the Public Counsel. Termination of this Agreement shall eliminate the exclusive service territories provided for herein, but shall not entitle a party to provide service to a structure lawfully being served by the other party, or allow a change of supplier to any structure in the other's Service Area hereunder, unless such a change is otherwise permitted by law.
- 9. <u>Cooperation.</u> St. Robert and Laclede agree to undertake all actions reasonably necessary to implement this Agreement. St. Robert and Laclede will cooperate in presenting a joint application to the Commission demonstrating that this Agreement is in the public interest. Laclede shall pay all the costs assessed by the Commission for seeking administrative approval of this Agreement. All other costs, including but not limited to the attorneys fees of each party, will be borne by the respective party incurring the costs.

10. General Terms.

- A. Land Descriptions: The land descriptions utilized in this Agreement are assumed by the parties to be accurate and reliable and to match the maps being submitted; however, where there are maps and the map does not correspond with the metes and bounds description, the map shall be controlling.
- B. No Constructive Waiver: No failure of St. Robert or Laclede to enforce any provision hereof shall be deemed to be a waiver.

- C. Modifications: Neither the boundaries described in this agreement nor any provision of this Agreement may be modified or repealed except by a signed writing of the parties which is approved by all applicable regulatory authorities.
- D. Survival: This Agreement shall inure to the benefit and be binding upon the parties, their respective successors and assigns.
- E. Lack of Approval or Termination: If the Commission or any other regulatory authority having jurisdiction does not approve this Agreement, this Agreement shall be nullified and of no legal effect between the parties. If this Agreement is terminated pursuant to its terms, it shall thereafter be nullified and of no further legal effect except as may be necessary to govern disputes concerning situations existing prior to such termination. Further, if any part of this Agreement is declared invalid or void by a court or agency of competent jurisdiction, then the parties shall replace such provision as similarly as possible to the provision which was declared invalid or void so as to return each of them, as much as practical, to the status quo prior to the declaration.
- F. This Agreement shall not be construed to prevent either party from obtaining easements or right of way through or in any part of the Service Area of the other if the acquisition of such easement or right of way is reasonably necessary to or desirable for the performance of the party's duties to provide electric service to its customers in other areas.
- G. The subsequent platting, re-platting, subdividing, re-subdividing, or re-naming of any parcel or subdivision covered by this Agreement shall not affect the respective rights of St. Robert or Laclede established by this Agreement.
- 11. <u>Subsequent Legislation</u>. This Agreement is reached between the parties based upon their understanding of the current state of the law in Missouri under Section 394.315 RSMo. 2000, which allows an electrical supplier, once it lawfully commences supplying retail electric energy to a structure through permanent service facilities, to have the right to continue serving such structure. Further, the concept of service under those sections at the current time contemplates not only the physical provision of the conductors to provide an electrical path and connection between the structure and the conductors of the electrical supplier, but also the provision of electrical power and energy through such conductors. In the event the law in

Missouri is changed during any term of this Agreement to provide that the provider of the electrical facilities (i.e. conductors) within the Service Area is not also required or assumed to be the provider of electrical power and energy (i.e., the electricity), and thereby give customers a choice as to who provides their electricity, as contrasted with who owns the wires over which such electricity is provided, then nothing in this Agreement shall be construed to prohibit St. Robert from providing electrical power and energy to structures within the Service Area of Laclede established by this Agreement, or Laclede from providing electrical power and energy to structures within the Service Area of St. Robert established by this Agreement, under the terms of such future legislation, notwithstanding the terms of this Agreement to the contrary. However, if either § 394.315 or § 394.312 RSMo. are repealed and not reenacted in a form substantially equivalent to their status on the Effective Date, this Agreement shall terminate, coincident with the effective date of the elimination of the current content of § 394.315 or § 394.312, as the case may be.

OF LOOP, 2007.	ve executed this Agreement as of this 5 day
CITY OF ST. ROBERT, MISSOURI	LACLEDE ELECTRIC COOPERATIVE
By: Leany Sander	By: Kenneth P. Miller
Title: MAYOS	Title: General Manager
Attest Alle Marken	Attest: Slenda Dowell
(seal)	(seal)

Hickory Valley Seventh Addition Boundary Description:

A part of the SE $\frac{1}{4}$ of the SW $\frac{1}{4}$ and the SW $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Section 14, and a part of the NE ¼ of the NW ¼ of Section 23, all in Township 36 North, Range II West of the 5th P.M., St. Robert, Pulaski County, Missouri, described as follows: Beainning at an iron pin at the SW Corner of the SE %of Section 14, identical with the Northernmost corner of Lot 53 of HICKORY VALLEY FIRST ADDITION (AMENDED), Thence along the Westerly boundary line of HICKORY VALLEY FIRST ADDITION (AMENDED), S 82°49'45" W (basis of bearing based on Geodetic North) 83.74 feet to an iron pin, Thence S 44°13'35" W 216.52 feet to an Iron pin, Thence S 45°46'25" E 75.91 feet an Iron pin, Thence S 18°58'45" W 438.30 feet to an iron pin, Thence S 81°51'36" W 119.22 feet to an iron pin at the Northwest corner of Lot 61, Thence leaving said Westerly boundary line, N 70°26'42" W 152.25 feet to an iron pin, Thence along a curve to the left with a chord bearing and length of N 15°33'54" E 107.85 feet to an iron pin, Thence N 11°34'31" E 167.68 feet to an iron pin, Thence along a curve to the right with a chord bearing and length of N 24*18*19" E 134.42 feet to an iron pin; Thence N 37°02'08" E 185.02 feet to an Iron pin, Thence N 52°57'52" W 106.53 feet to a Iron pin on the South line of Section 14, Thence Westerly along said South line, N 89°31′59" W 224.65 feet to an iron pin, Thence leaving said South line, N 38°03′53" E 1145.40 feet to an iron pin, Thence S 53°27'00" E 205.01 feet to an Iron pin on the Westerly Right-of-way line of Valley Drive, identical with the Southeasterly corner of Lot I of HICKORY VALLEY SECOND ADDITION, Thence with said Westerly Right-of-way line S 38°25'33" W 36.29 feet to an iron pin, Thence leaving said Westerly Right-of-way line, S 51°58'27" E 50.00 feet to an iron pin on the Easterly Right-of-way line of Valley Drive, identical with the Southwesterly comer of Lot 14 of HICKORY VALLEY SECOND ADDITION; Thence leaving said Easterly Right-of-way line along the boundary line of HICKORY VALLEY SECOND ADDITION, S 51°58'27" E 104.07 feet to an iron pin at the common corner of Lots 14 and 17 of HICKORY VALLEY SECOND ADDITION, Thence S 47'44'50' E 85.23 feet to an iron pin at the common corner of Lots 15 and 17 of HICKORY VALLEY SECOND ADDITION, identical with the common corner of Lots 34 and 59 of HICKORY VALLEY FIRST ADDITION (AMENDED), Thence along the Westerly boundary line of HICKORY VALLEY FIRST ADDITION (AMENDED), S 31°22'53"W 708.04 feet to the point of beginning. Description per survey number I-0306 by Integrity Engineering, Inc., April 25, 2006. Containing 14.47 acres.

Hickory Valley Eighth Addition Boundary Description:

A part of the SE $\frac{1}{4}$ of the SE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 22, and a part of the SW $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Section 23, all in Township 36 North, Range II West of the 5th P.M., St. Robert, Pulaski County, Missouri, described as follows: Commencing at an iron pin at the SE Corner of the SW $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Section 23, Thence Westerly along the South line of the SW $\frac{1}{4}$ of the NW $\frac{1}{4}$, N 89°24'16" W 449.73 feet to an iron pin at the SW corner of HICKORY VALLEY NINTH ADDITION and the point of beginning, Thence continuing along said South line N 89°24'16" W 873.15 feet to an aluminum monument at the SW corner of the NW $\frac{1}{4}$ of Section 23, Thence along the South line of the SE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 22, N 89°06'05" W 676.86 feet to an iron pin at Its' SW corner, Thence along the West line of the SE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 22, N 00°07'02" W 450.50 feet to an iron pin, Thence leaving said West line, N 86'17'51" E 219.01 feet to an iron pin, Thence S 87°48'00" E 570.14 feet to an iron pin, Thence S 66'11'08" E 294.26 feet to an iron pin, Thence S 71°57'32" E 151.44 feet to an iron pin, Thence N 70°42'28" E 230.71 feet to an iron pin on the West line of HICKORY VALLEY NINTH ADDITION, Thence with said West line, S 19°26'03" E 395.47 feet to the point of beginning. Description per survey number I-xx07 by Integrity Engineering, Inc., January xx, 2007. Containing 14.05 acres.

Hickory Valley Ninth Addition Boundary Description:

A part of the N ½ of the NW ¼ and the SW ¼ of the NW ¼ of Section 23, Township 36 North, Range 11 West of the 5th P.M., St. Robert, Pulaski County, Missouri, described as follows: Beginning at an iron pin at the SE Corner of the SW 1/4 of the NW ¼ of Section 23; Thence with the South line of the NW ¼ of Section 23, N 89°24'16" W (basis of bearing based on Geodetic North) 449.73 feet to an iron pin; Thence leaving said South line, N 19°26'03" W 746.44 feet to an iron pin; Thence N 21°20'04" E 356.80 feet to an iron pin; Thence N 28°59'25" E 286.72 feet to an iron pin; Thence N 45°57'54" E 365.78 feet to an iron pin; Thence N 63°22'25" E 670.39 feet to an iron; Thence N 19°34'18" E 305.79 feet to an iron pin; Thence N 22°27'26" W 272.28 feet to an iron pin on the Southeasterly line of a parcel described in document number 1997-5182, Pulaski County Records; Thence with said Southeasterly line, N 45°40'08" E 232.39 feet to an iron pin; Thence N 19°22'24" E 83.91 feet to an iron pin on the North line of Section 23; Thence with said North line, S 89°31'59" E 258.49 feet to an iron pin at the SW corner of Lot 49 of HICKORY VALLEY SEVENTH ADDITION; Thence leaving said North line, along the South line of Lot 49 of HICKORY VALLEY SEVENTH ADDITION, S 52°57'52" E 106.53 feet to an iron pin at its' SE corner on the West Right-of-way line of Valley Drive; Thence with said West Right-of-way line, S 37°02'08" W 185.02 feet to an iron pin; Thence along a curve to the left with a chord bearing and length of S 24°18'19" W 134.42 feet to an iron pin; Thence S 11°34'31" W 167.68 feet to an iron pin; Thence along a curve to the right with a chord bearing and length of S 15°33'54" W 107.85 feet to an iron pin on the South line of HICKORY VALLEY SEVENTH ADDITION; Thence leaving said West Right-of-way line, along the South line of HICKORY VALLEY SEVENTH ADDITION, S 70°26'42" E 50.00 feet to an iron pin on the East Right-of-way line of Valley Drive; Thence leaving said East Right-of-way line, along the South line of HICKORY VALLEY SEVENTH ADDITION, S 70°26'42" E 102.25 feet to an iron pin at a corner of Lot 67 of HICKORY VALLEY SEVENTH ADDITION, identical with the NW corner of Lot 61 of HICKORY VALLEY FIRST ADDITION (AMENDED); Thence leaving the South line of HICKORY VALLEY SEVENTH ADDITION, along the West line of Lot 61 of HICKORY VALLEY FIRST ADDITION (AMENDED), S 00°06'30" E 352.18 feet to an iron pin at its' SW corner, identical with the NW corner of a parcel described in document number 1996-2074 and the NE corner of a parcel described in document number 1996-2075, Pulaski County Records; Thence leaving said West line, along the North line of said document number 1996-2075 parcel, S 67°03'51" W 226.02 feet to an iron pin at its' NW corner, identical with the NE corner of a parcel described in document number 1997-2722, Pulaski County Records; Thence with the North line of said document number 1997-2722 parcel, S 66°43'44" W 445.93 feet to an iron pin at its' NW corner; Thence with the West line of said document number 1997-2722 parcel, S 00°04'39" W 41.77 feet to an iron pin at a corner of said document number 1997-2722 parcel on the South line of the N ½ of the NW ¼ of Section 23, identical with a corner of a parcel described in book 420, page 24, Pulaski County Records; Thence with said South line, along the North line of said book 420, page 24 parcel, N 89°28'08" W 267.51 feet to an iron pin at its' NW corner, identical with the NE corner of the SW 1/4 of the NW 1/4 of Section 23; Thence with the East line of the

SW $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Section 23 and the West line of said book 420, page 24 parcel and the West line of a parcel described in document number 2003-0276, Pulaski County Records, S $00^{\circ}04^{\circ}08^{\circ}$ E 1316.44 feet to the point of beginning. Description per survey number I-3006 by Integrity Engineering, Inc., December 12, 2006. Containing 32.17 acres.

HICKORY VALLEY TENTH ADDITION BOUNDARY DESCRIPTION (Tract "B" Survey Number I-5105)

A part of the NW $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Section 14, Township 36 North, Range II West of the 5th P.M., Pulaski County, Missouri, described as follows: Beginning at an iron pin at the NE corner of the NW 4of the SE $\frac{1}{4}$ of Section 14, Thence Southerly along the East line of the NW $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Section 14, S 00°09'13" W (basis of bearing based on Geodetic North) 561.65 feet to an Iron pin at the intersection with the Northerly Boundary line of HICKORY VALLEY SIXTH ADDITION, Thence leaving said East line along the Northerly Boundary line of HICKORY VALLEY SIXTH ADDITION, N 63°37'21" W 375.19 feet to an iron pin, Thence S 46°45'17" W 172.14 feet to an iron pin at a common corner of Lot 10 of HICKORY VALLEY SIXTH ADDITION and Lot 26 of HICKORY VALLEY FIFTH ADDITION, Thence leaving said Northerly Boundary line of HICKORY VALLEY SIXTH ADDITION along the Easterly Boundary line of HICKORY VALLEY FIFTH ADDITION, N 52°59'47" W 399.54 feet to an iron pin, Thence N 50°10'51" W 83.63 feet to an iron pin, Thence N 05°54'48" E 113.55 feet to an iron pin on the Southerly Right-of-way line of Green Valley Circle, Thence leaving said Southerly Right-of-way line N 08'50'34" E 51.37 feet to an iron pin on the Northerly Right-of-way line of Green Valley Circle, Thence leaving said Northerly Right-of-way line, N 00°29'15" E 61.45 feet to an iron pin at the intersection with the North line of the NW $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Section 14, Thence leaving said Easterly Boundary line Easterly along said North line, S 89"33"50" E 826.23 feet to the point of beginning. Description per survey number I-5105 by Integrity Engineering, Inc., December 15, 2005. Containing 8.25 acres.

Hickory Valley Eleventh Addition Boundary Description:

A part of the NW ¼ of the NW ¼ and the SW ¼ of the NW ¼ of Section 23. Township 36 North, Range 11 West of the 5th P.M., St. Robert, Pulaski County, Missouri, described as follows: Commencing at an aluminum monument at the NW Corner of Section 23; Thence with the West line of Section 23, S 00°09'02" E (basis of bearing based on Geodetic North) 411.32 feet to an iron pin at the SW corner of a parcel described in document number 2001-6082, Pulaski County Records, and the point of beginning; Thence leaving said West line, along the South line of said document number 2001-6082 parcel, S 89°30'24" E 241.61 feet to an iron pin at the intersection with the North Right-of-way line of Hardin Lane, as located December 2006; Thence leaving said South line and leaving said North Right-of-way line, S 05°52'03" W 52.99 feet to an iron pin on the South Right-of-way line of Hardin Lane, as located December 2006; Thence leaving said South Right-of-way line, S 10°58'22" E 272.91 feet to an iron pin; Thence S 07°21'51" W 212.63 feet to an iron pin; Thence S 64°01'28" E 783.63 feet to an iron pin on the West line of HICKORY VALLEY NINTH ADDITION; Thence with the West line of HICKORY VALLEY NINTH ADDITION, S 45°57'54" W 91.81 feet to an iron pin; Thence S 28°59'25" W 97.77 feet to an iron pin on the North Right-of-way line of Chestnut Drive, as located December 2006; Thence leaving said North Right-of-way line. along the West line of HICKORY VALLEY NINTH ADDITION, S 28°59'25" W 60.00 feet to an iron pin on the South Right-of-way line of Chestnut Drive, as located December 2006; Thence leaving said South Right-of-way line, along the West line of HICKORY VALLEY NINTH ADDITION, S 28°59'25" W 128.95 feet to an iron pin; Thence S 21°20'04" W 56.03 feet to an iron pin; Thence leaving said West line, N 56°38'30" W 673.07 feet to an iron pin; Thence S 88°57'28" W 175.54 feet to an iron pin on the West line of Section 23; Thence with said West line, N 00°09'02" W 876.70 feet to the point of beginning. Description per survey number I-3206 by Integrity Engineering, Inc., December 15, 2006. Containing 11.19 acres.