



John B. Coffman
Acting Public Counsel

State of Missouri

Bob Holden
Governor

Office of the Public Counsel
Governor Office Building
200 Madison, Suite 650
P.O. Box 7800
Jefferson City, Missouri 65102

Telephone: 573-751-4857
Facsimile: 573-751-5562
Web: <http://www.mo-opc.org>
Relay Missouri
1-800-735-2966 TDD
1-800-735-2466 Voice

June 24, 2002

Mr. Dale H. Roberts
Secretary/Chief Regulatory Law Judge
Public Service Commission
P. O. Box 360
Jefferson City, MO 65102

RE: Case No. EO-2002-458

Dear Mr. Roberts:

Enclosed for filing in the above-referenced case please find the original and eight copies of **PUBLIC COUNSEL'S RESPONSE TO NONUNANIMOUS STIPULATION AND AGREEMENT**. Please "file" stamp the extra-enclosed copy and return it to this office.

Thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "JBCoff", with a long horizontal line extending to the right.

John B. Coffman
Acting Public Counsel

JBC:jb

cc: Counsel of Record

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of the Joint Application of Union)	
Electric Company and Callaway Electric)	
Cooperative for an Order Approving the Change)	
in Electric Supplier for Certain Customers for)	
Reasons in the Public Interest; Authorizing the)	
Sale, Transfer, and Assignment of Certain)	
Electric Distribution Facilities and Easements)	
from Union Electric Company to Callaway)	Case No. EO-2002-458
Electric Cooperative; and Approving the)	
Territorial Agreement between Union Electric)	
Company and Callaway Electric Cooperative in)	
Audrain, Boone, Callaway, Montgomery, and)	
Warren Counties.)	

**PUBLIC COUNSEL'S RESPONSE TO NONUNANIMOUS
STIPULATION AND AGREEMENT**

COMES NOW the Office of the Public Counsel (Public Counsel) and for its Response to Nonunanimous Stipulation and Agreement states as follows:

1. On June 21, 2002, Union Electric Company d/b/a AmerenUE (Company), Callaway Electric Cooperative (Cooperative) and the Staff of the Missouri Public Service Commission (Staff) filed a Nonunanimous Stipulation and Agreement in this case ("Stipulation and Agreement"), requesting approval of the Joint Application filed on March 25, 2001 by Company and Cooperative.

2. The signatories to the Stipulation and Agreement request approval for a change in electric suppliers for certain customers of both Company and Cooperative, and for approval of a new territorial agreement. The proposed transfer of approximately 600 customers from Cooperative to Company in

Callaway and Montgomery counties and the transfer of approximately 800 customers from Company to Cooperative in those same counties result in varying customer impacts. Whether this proposal is detrimental to the public interest depends on the perspective of each particular customer.

The Company and the Cooperative have differing rate designs and differing terms of service, including the following:

- Cooperative has a higher customer charge (minimum monthly charge) than Company, which tends to be more detrimental to consumers who consume a smaller amount of electricity than the average consumer.
- Company has a greater weather differential in its rates, which are higher during the summer months.
- Cooperative and Company have differing conditions of service and differing conditions for the extension of service.

It is Public Counsel's expectation that Staff will file prepared testimony explaining these differences in some detail.

Accordingly, if the proposed territorial agreement is adopted by the Commission, some customers to be switched will benefit (to varying degrees) and the other customers to be switched will be harmed (to varying degrees).

3. The wide divergence in customer impacts as a result of this proposal is the primary reason that Public Counsel has decided make no recommendation for or against the Joint Application and why Public Counsel has not joined the Stipulation and Agreement. Nonetheless, Public Counsel believes

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed or hand-delivered to the following this 24th day of June 2002:

GENERAL COUNSEL

Missouri Public Service Commission
PO Box 360
Jefferson City MO 65102

WILLIAM B BOBNAR

Associate General Counsel
Ameren Services Company
1901 Chouteau Avenue
PO Box 66149 (MC 13100
St Louis MO 63166-6149

VICTOR S SCOTT

Andereck, Evans, Milne Peace & Johnson
700 E Capital Avenue
PO Box 1438
Jefferson City MO 65102

DON STAMPER

Presiding Commissioner
Boone County Government Ctr
801 E Walnut Room 245
Columbia MO 65201

RICHARD WEBBER

Presiding Commissioner
Audrain County Courthouse
101 N Jefferson
Mexico MO 65265

CHARLES W KORMAN

Presiding Commissioner
211 E Third
Montgomery City MO 63361

LEE FRITZ

Presiding Commissioner
Callaway County Courthouse
10 E Fifth Street
Fulton MO 65251

MR RON LOESCH

District Manager
Union Electric Company
PO Box 38
Mexico MO 65265

FRED VAHLE

Presiding Commissioner
104 W Main Street
Warrenton MO 63383

LARRY MERRY

District Manager
Union Electric Company
PO Box 1558
Jefferson City MO 65102-1558

THOMAS W HOWARD

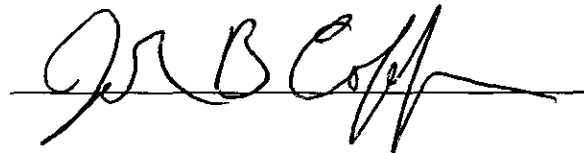
General Manager
Callaway Electric Cooperative
503 Truman Road
PO Box 250
Fulton MO 65251

BOONE ELECTRIC COOPERATIVE

1413 Range Line
PO Box 797
Columbia MO 65201

CUIVRE-RIVER ELECTRIC COOPERATIVE INC
111 2 E Cherry Street
PO Box 160
Troy MO 63379

CONSOLIDATED ELECTRIC COOPERATIVE INC
PO Box 540
Mexico MO 65265

A handwritten signature in black ink, appearing to read "J. B. Coff", is written over a horizontal line.