



MISSOURI JOINT MUNICIPAL ELECTRIC UTILITY COMMISSION

310 Tiger Lane
Columbia, Missouri 65201
314-445-3279

September 26, 1983

Mr. William Lambe
Anti Trust Economist
United States Nuclear Regulatory Commission
Washington, D.C. 20555

Dear Mr. Lambe:

Pursuant to our discussion September 26, regarding Union Electric Co. transmission service for the MO Joint Municipal Electric Utility Commission I am enclosing the most recent correspondence on the subject.

The letter of June 3 relates to the hydro project (Lock & Dam 26R), and does not as I thought specifically offer wheeling for the project. I understand that U.E. has verbally agreed to wheel the output of the project.

The letter of September 7 is more specific regarding an agreement with the Commission. Apparently the reference to the number of cities involved refers to those within the U.E. service territory rather than the total membership of the Commission which is currently 29.

Please let me know if further information is needed.

Sincerely,

MJMEUC

B. J. Barnett
Manager, Engineering & Operations

BJB:sev

Enclosures

CC: Dick Malon
Bob Carter

UNION ELECTRIC COMPANY
1901 GRATIOT STREET - ST. LOUIS

June 3, 1983

MAILING ADDRESS
P.O. BOX 149
ST. LOUIS, MO. 63166

Mr. Richard E. Malon, Chairman
Missouri Joint Municipal Electric
Utility Commission
c/o Water & Light Department
City of Columbia
P.O. Box N
Columbia, Missouri 65205

Dear Dick:

LOCK & DAM 26R HYDROELECTRIC POWER PROJECT
MO JOINT MUNICIPAL ELECTRIC UTILITY COMMISSION

This is in reply to your letter of April 13, 1983 regarding the Missouri Joint Municipal Electric Utility Commission (Joint Municipal Commission) request for information relative to the Lock & Dam 26R hydro project.

I noted in your letter that the Joint Municipal Commission was hoping to have an application completed and filed with the Federal Energy Regulatory Commission by May 1, 1983 for the hydro project. You requested that I forward a bit of information to Mr. Bill Smith of the Benham-Holway Power Group, who are the engineers for the Joint Municipal Commission on the Lock & Dam 26R hydro project. I apologize for not getting that information to Mr. Smith. By the time I received your letter I was preparing to leave town for several days. Consequently, with all that was going on, I did not have ample time to respond. However, at our meeting on May 7 in Columbia you showed me a copy of the license application made on behalf of the Joint Municipal Commission which included the information Mr. Smith was looking for.

The arrangement for a possible interconnection shown on your Drawing No. 11-81-006-01 is certainly a feasible connection from an engineering standpoint; whether it is a preferred method will probably not be known for some time. A recent inquiry to the Corps of Engineers leads us to believe at this point that any firm commitment for the electric generation facilities installed in Lock & Dam 26R is some time away. It is our understanding that the Corps' study was recently forwarded to the Board of Engineers for Rivers & Harbors in Washington, DC for final approval. This approval must be received before any recommendation is sent on to Congress and the Office of Management & Budget. It is uncertain how long the process will take since the study could be held up by either the Board or Congress. The Corps did indicate, however, that an optimistic view may be that by 1987 the necessary approvals for the power facilities of Lock & Dam 26R may be received. Then, it may be until 1991-92 before electric energy is available from the project. I believe it is apparent that there is a good deal of time before power is actually available from the lock and dam, giving ample opportunity to develop the necessary physical interconnections and

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Water & Light Dep

Mr. Richard E. Malon

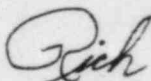
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contractual arrangements. For anyone to commit at this point would not be prudent. However, we do realize that there may be technical considerations that arise from time to time that you or others may have. In this vein, we most certainly will cooperate to provide necessary technical information about our system whenever such information is warranted.

If I can be of further assistance, please let me know.

Very truly yours,



Richard H. Ficker
Supervising Engineer
Interconnection Arrangements

RHF/pm

cc Mr. Bob Barnett
Engineering/Operations Manager
Missouri Joint Municipal Electric
Utility Commission
F.O. Box 401
Jefferson City, MO 65102

Mr. Bill Smith
Benham-Holway Power Group
5300 South Yale Avenue
Tulsa, OK 74135

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UNION ELECTRIC COMPANY
1901 GRATIOT STREET - ST. LOUIS

September 7, 1983

MAILING ADDRESS:
P. O. BOX 149
ST. LOUIS, MO. 63166

Mr. Bob Barnett
Manager, Engineering and Operation
Missouri Joint Municipal
Electric Utility Commission
c/o City Water & Light Department
P.O. Box N
Columbia, MO

Dear Mr. Barnett:

Proposed Transmission Service Agreement
Missouri Joint Municipal Electric Utility Commission

On March 29, 1983, I received from James H. White (R. W. Beck & Associates) on behalf of the Missouri Joint Municipal Electric Utility Commission (Joint Municipal Commission) a proposed Transmission Service Agreement between the Joint Municipal Commission and Union Electric.

We have reviewed the proposed agreement with regard to what we see would be the most meaningful approach in working with the Joint Municipal Commission and its members in the event transmission service is required from Union Electric. Generally speaking, Union Electric has found that providing transmission service on a case-by-case basis is the most practical approach. By working directly with the individual such as the recent case with the City of Columbia, Missouri, time and effort can be reduced in arriving at a clear and precise transmission service agreement. With the ever-increasing use of the transmission system and the underlying low voltage system, care must be taken to protect the total system operating integrity. Consequently, it becomes necessary to review both high and low voltage system flows regularly. The approach of case-by-case handling of transmission service requests fits well into this thinking.

Specifically, UE has concerns about the ability of certain areas of the lower voltage system (i.e., 34 kV) to provide additional capacity for transmission service. It's possible a requested path may not be available without replacement of certain limiting physical facilities.

Also, since only 4 of the 17 municipals are connected to UE, we are unclear as to what rights UE would have in agreeing to provide transmission service to the other 13 municipals who are connected to another utility's transmission system.

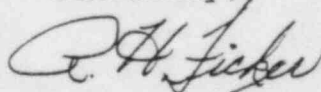
Mr. Bob Barnett
September 7, 1983
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After considering the above, we are not convinced that an umbrella type of transmission service agreement is the proper approach. Separate agreements with each member on a "as a need arises" basis appears to us to be a cleaner approach and would provide maximum effectiveness in administering a transmission service arrangement.

We are willing, at any time, to discuss a specific transmission service arrangement with any member of the Joint Municipal Commission on a case-by-case basis who is connected directly with us or with another utility who is involved in setting up a transmission service arrangement on behalf of any of the remaining 13 members. This request can be instituted by contacting me directly.

If you desire, I would be more than happy to discuss this with you further.

Sincerely,



R. H. Ficker
Manager,
Interconnection Arrangements

RHF/mcg

cc: Mr. R. E. Malon (City of Columbia)
Mr. J. H. White (R. W. Beck & Associates
Denver, Colorado)