

Bond Case Briefs

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In re Union Elec. Co.

Missouri Court of Appeals, Western District - October 15, 2013 - S.W.3d - 2013 WL 5614208

Customers appealed from order of Public Service Commission (PSC) allowing electric utility to pass Regional Transmission Organization (RTO) electricity transmission charges onto customers through Fuel and Purchased Power Adjustment Clause (FAC).

The Court of Appeals held that:

- “Transportation,” as used in statute that allowed electric utilities to apply to PSC for interim energy charges or periodic rate adjustments to reflect increases in transportation costs, included transmission charges, and
- PSC’s order was reasonable.

Fact that type of transmission charges passed onto customers of electric utility did not exist at time of enactment of statute, which allowed electric utilities to apply to PSC for interim energy charges or periodic rate adjustments to reflect increases in transportation costs, did not preclude PSC’s determination that transmission charges by RTO to utility were eligible to be passed onto customers through FAC. The statute did not expressly describe or limit charges eligible to be recovered, except that such charges be “prudently incurred.”