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November 2, 2016

Mike Downing, Director
Department of Economic Development
301 W. High Street
P.O. Box 1157
Jefferson City, Missouri 65102

RE: 4 CSR 240-4.020 Ex Parte Communications

Dear Mr. Downing:

The Public Service Commission proposes the rule 4 CSR 240-4.020, Ex Parte Communications. This rule will regulate communication between members of the office of the commission and parties regarding substantive issues.

The proposed rule does not implicate the takings clause of the U.S. Constitution, because the proposed rule does not involve the taking of real property.

The Commission has performed the small business analysis required by Section 536.300, RSMo Supp. 2013, and includes the small business impact statement with this filing. Proposed Rule 4 CSR 240-4.020 does not impose any requirement that "will cause direct and significant economic burden upon a small business, or that is directly related to the formation, operation, or expansion of a small business." The Commission certifies that it has determined that the proposed rule will not have an economic impact on small businesses.

Please find enclosed a copy of the Proposed Rule, a Small Business Impact Statement and, for your signature, a Public Entity Cost Affidavit. Please review and sign the Affidavit at

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your earliest convenience so that the Commission may proceed with publishing the proposed rule.

Please let me know if you have any questions concerning this proposed rule.

Sincerely,

A handwritten signature in cursive script that reads "Michael Bushmann".

Michael Bushmann
Senior Regulatory Law Judge
(573) 751-4393 (telephone)
(573) 526-6010 (facsimile)
Michael.bushmann@psc.mo.gov (e-mail)

Enclosure

**Title 4—DEPARTMENT OF
ECONOMIC DEVELOPMENT
Division 240—Public Service
Commission
Chapter 4—Standards of Conduct**

4 CSR 240-4.020 Ex Parte Communications.

PURPOSE: To set forth the standards to promote the public trust in the commission with regard to pending filings and cases. This rule regulates communication between members of the office of the commission and parties regarding substantive issues.

(1) Neither any party nor any member of the office of the commission shall initiate, participate in, or undertake, directly or indirectly, an ex parte communication.

(A) If such a communication occurs, the party and the member of the office of the commission involved in the communication should immediately make a reasonable effort to terminate the communication.

(2) A party or member of the office of the commission who initiates an ex parte communication shall within one (1) business day following such communication give notice of that communication as follows:

(A) If the communication is written, the initiating party shall file a copy of the written communication in the official case file for the discussed case; or

(B) If the communication is not written, the initiating party shall file a memorandum disclosing the communication in the official case file for each discussed case. The memorandum must contain a list of all participants in the communication; the date, time, location, and approximate duration of the communication; the means by which the communication took place; and a summary of the substance of the communication and not merely a listing of the subjects covered. Alternatively, a recording or transcription of the communication may be filed, as long as that recording or transcription indicates all participants and the date, time, location, approximate duration, and means of communication.

(3) If an ex parte communication occurs and the initiating party fails to file a notice in the manner set forth in subsection (2), any other party or member of the office of the commission involved in the communication, upon learning of the person's failure to file such notice, shall give notice of the ex parte communication in the manner set forth in subsections (2) as soon as practicable.

AUTHORITY: section 386.410, RSMo 2000. Original rule filed Dec. 19, 1975, effective Dec. 29, 1975. Amended: Filed April 26, 1976, effective Sept. 11, 1976. Rescinded and readopted: Filed Nov. 4, 2009, effective July 30, 2010.*

**Original authority: 386.410, RSMo 1939, amended 1947, 1977, 1996.*

AFFIDAVIT

PUBLIC COST

STATE OF MISSOURI)
)
COUNTY OF COLE)

I, Mike Downing, Director of the Department of Economic Development, first being duly sworn, on my oath, state that it is my opinion that the cost of proposed rule, 4 CSR 240-4.020, is less than five hundred dollars in the aggregate to this agency, any other agency of state government or any political subdivision thereof.

Mike Downing
Director
Department of Economic Development

Subscribed and sworn to before me this _____ day of _____, 2016, I am commissioned as a notary public within the County of _____, State of Missouri, and my commission expires on _____.

Notary Public

Small Business Regulator Fairness Board Small Business Impact Statement

Date: 10/27/2016

Rule Number: 4 CSR 240-4.020

Name of Agency Preparing Statement: Public Service Commission

Name of Person Preparing Statement: Michael Bushmann, Reg. Law Judge

Phone Number: 751-4393 Email: Michael.Bushmann@psc.mo.gov

Name of Person Approving Statement: Morris Woodruff, Secretary

Please describe the methods your agency considered or used to reduce the impact on small businesses *(examples: consolidation, simplification, differing compliance, differing reporting requirements, less stringent deadlines, performance rather than design standards, exemption, or any other mitigating technique).*

None. There is little impact on small businesses other than a requirement to comply with this ethics rule.

Please explain how your agency has involved small businesses in the development of the proposed rule.

Involvement of small businesses or entities regulated by the Commission was not necessary for the development of this proposed rule.

Please list the probable monetary costs and benefits to your agency and any other agencies affected. Please include the estimated total amount your agency expects to collect from additionally imposed fees and how the moneys will be used.

None.

Please describe small businesses that will be required to comply with the proposed rule and how they may be adversely affected.

Small businesses such as water and sewer companies, manufactured housing dealers and installers, and law firms will have to comply with this ethics rule. No adverse effect is anticipated.

Please list direct and indirect costs (in dollars amounts) associated with compliance.

None.

Please list types of business that will be directly affected by, bear the cost of, or directly benefit from the proposed rule.

Small businesses such as water and sewer companies, manufactured housing dealers and installers, and law firms will have to comply with this ethics rule. No monetary cost or benefit is anticipated by the rule.

Does the proposed rule include provisions that are more stringent than those mandated by comparable or related federal, state, or county standards?

Yes ____ No XX

If yes, please explain the reason for imposing a more stringent standard.

For further guidance in the completion of this statement, please see §536.300, RSMo.