

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

In the Matter of the Application of Lakeland Heights Water Company, Inc. for a Small Company Rate Increase)	<u>Case No. WR-2009-0227</u>
In the Matter of the Application of Oakbrier Water Company for a Small Company Rate Increase)	<u>Case No. WR-2009-0229</u>
In the Matter of the Application of R.D. Sewer Company, L.L.C.'s Small Company Rate Increase)	<u>Case No. SR-2009-0226</u>
In the Matter of the Application of Rodger Owens d/b/a Whispering Hills Water System for Authority and Approval of the Acquisition of Certain Assets of Whispering Hills Water System and, in Connection Therewith, Certain Other Related Transactions)	<u>Case No. WM-2009-0436</u>

JOINT FILING REGARDING DIFFERENCES BETWEEN COMPANY/STAFF AGREEMENTS AND UNANIMOUS AGREEMENTS

COMES NOW the Staff of the Missouri Public Service Commission ("Staff"), Office of Public Counsel ("OPC"), and Lakeland Heights Water Company, Inc., R.D. Sewer Company, Oakbrier Water Company, and Whispering Hills Water System ("the Companies") in the above captioned cases, (altogether, "the Parties") by and through counsel, and for its joint filing detailing *Differences between Company/Staff Agreement and Unanimous Agreement* states the following:

1. On Friday, July 24, 2009, the Missouri Public Service Commission held its weekly Agenda meeting. During discussions on small utility rate cases Lakeland Heights Water Company, Inc. (Case No. WR-2009-0227), R.D. Sewer Company (Case No. SR-2009-0226), and Oakbrier Water Company (Case No. WR-2009-0229), ("Owens Companies") Commissioner Davis requested that the differences between the Company/Staff disposition agreement filed in

each case and any Unanimous Agreements filed be outlined. Such Unanimous Agreements were filed on July 30, 2009.

2. The Parties note that the terms of each Unanimous Disposition Agreement for the Owens Companies reflect compromises between Staff, OPC and the Company. The numbers arrived at are part of a black box agreement in which all details are presumed confidential unless set out in the filed agreements.

3. The Owens own another small utility, called Whispering Hills Water System (“Whispering Hills”). Whispering Hills initially requested a rate increase along with the other Owens Companies in Case No. WR-2009-0228. This case was withdrawn prior to a Company/Staff disposition being filed. Thereafter, Whispering Hills filed its transfer of assets in Case No. WM-2009-0436. The Unanimous Stipulation and Agreement filed on July 30, 2009, relates to the above referenced Owens Companies rate cases in that the allocations of total costs between the four companies are all interrelated because they are under the common ownership and management of Rodger and LaDawn Owens. The Unanimous Stipulation and Agreement sets out that Staff, OPC and Whispering Hills agree a transfer of assets is in the public interest, and establishes an agreed upon revenue requirement of \$5,942.00.

4. The following chart, also included within Attachment A, attached hereto, lays out the amount originally requested by each Owens Company, the amount agreed upon by Staff and each Owens Company in the Company/Staff Disposition Agreement, if any, and the amount agreed upon by Staff, OPC, and the Owens Companies within each case’s Unanimous Disposition Agreement or Unanimous Stipulation and Agreement. Attachment A also contains customer rates per individual customer for each utility.

Company	Owens Original Request		Staff/Company Filed Disposition Agreement 4/27/09	Unanimous Agreement-All Parties
RD Sewer SR-2009-0226	\$ -	(1)	\$14,540	\$ 6,350
Lakeland Heights WR-2009-0227	\$10,200		\$9,192	\$7,651
Oakbrier WR-2009-0229	\$5,472		\$2,532	\$3,103
Whispering Hills WR-2009-0228	\$4,644		N/A	N/A
Whispering Hills WM-2009-0436	N/A		N/A	\$5,942
Total	\$20,316		\$26,265	\$23,046

(1) Company requested that RD Sewer's interim rates be made permanent.

R.D. Sewer

5. On November 26, 2008, R.D. Sewer Company initiated its Small Utility Rate Case pursuant to 4 CSR-240-3.050, "requesting that the interim rate approved by the Commission in case number SO-2008-0289 become permanent."

On April 27, 2009, R.D. Sewer and Staff filed *Notice of Company/Staff Agreement Regarding Disposition of Small Sewer Company Revenue Increase*. ("Agreement") The *Agreement* between R.D. Sewer and Staff set out a \$14,540.00 revenue increase. This *Agreement* also set out the proposed service charge for single family customers as \$31.10, and for multi family customers as \$24.88.

On July 30, 2009, R.D. Sewer, OPC, and Staff filed a *Unanimous Agreement* in which the parties agreed upon a \$6,350 revenue increase. Consequently, this *Unanimous Agreement* calculated the proposed service charge for single family customers as \$26.64, and for multi family customers as \$21.31.

Also included in this *Unanimous Agreement*, that was not included in the Company and Staff *Agreement*, is the provision requiring that the Company abide by the terms of its written payment plans regarding MACO, legal fees, and storage building.

Lakeland Heights

6. On November 26, 2008, Lakeland Heights initiated its Small Utility Rate Case pursuant to 4 CSR-240-3.050, requesting an increase of \$10,200 in its total annual water service operating revenues.

On April 27, 2009, Lakeland Heights and Staff filed *Notice of Company/Staff Agreement Regarding Disposition of Small Water Company Revenue Increase Request* (Agreement). The *Agreement* between Lakeland Heights and Staff set out a \$9,191 revenue increase. The *Agreement* calculated the proposed service charge for residential customers using 2,000 gallons of water at \$13.26 with a commodity charge of \$4.81.

On July 30, 2009, Lakeland Heights, OPC, and Staff filed a *Unanimous Agreement* in which the parties agreed upon a \$7,651 revenue increase. Consequently, this *Unanimous Agreement* calculated the proposed service charge for customers using 2000 gallons of water at \$12.29 with a commodity charge of \$4.46.

Also included in this *Unanimous Agreement*, that was not included in the *Company/Staff Agreement*, is the provision requiring that the Company abide by the terms of its written payment plans regarding its storage building.

Oakbrier

7. On November 26, 2008, Oakbrier Water Company, Inc. initiated its Small Utility Rate Case Pursuant to 4 CSR-240-3.050, requesting a \$5,472 revenue increase in its total annual water service operating revenues.

On April 27, 2009, Oakbrier and Staff filed *Notice of Company/Staff Agreement Regarding Disposition of Small Water Company Revenue Increase* (“Agreement”). The *Agreement* between Oakbrier and Staff set out a \$2,532.50 revenue increase. This *Agreement* calculated the proposed service charge for residential customers using 5,000 gallons of water at \$14.98 with a commodity charge of \$2.35.

On July 30, 2009, Oakbrier, OPC, and Staff filed a *Unanimous Agreement* in which the parties agreed upon a \$3,101 revenue increase. Consequently, this *Unanimous Agreement* calculated the proposed service charge for customers using 5,000 gallons of water at \$15.59 with a commodity charge of \$2.44. .

Also included in this *Unanimous Agreement*, that was not included in the *Company/Staff Agreement*, is the provision requiring that the Company abide by the terms of its written payment plans regarding its storage building.

WHEREFORE, the Parties respectfully submit the *Differences Between Company/Staff Agreements and Unanimous Agreements* for the Commission’s information.

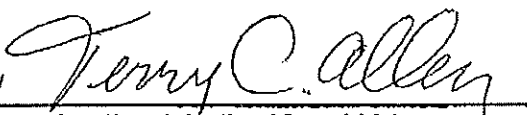
Respectfully submitted,

/s/ 

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**ATTORNEY FOR THE OFFICE OF THE
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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy has been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all parties and/or counsel of record this 31st day of July 2009.

/s/ Samuel D. Ritchie

Company	Owens Original Request	Staff/Company Filed Disposition Agreement 4/27/09		Unanimous Agreement- All Parties
RD Sewer SR-2009-0226	\$ -	(1)	\$ 14,540	\$ 6,350
Lakeland Heights WR-2009-0227	\$ 10,200		\$ 9,192	\$ 7,651
Oakbrier WR-2009-0229	\$ 5,472		\$ 2,532	\$ 3,103
Whispering Hills WR-2009-0228	\$ 4,644		N/A	N/A
Whispering Hills WM-2009-0436	N/A		N/A	\$ 5,942
Total	\$ 20,316		\$ 26,265	\$ 23,046

(1) Company requested that RD Sewer interim rates be made permanent.

Rates by Company	Owens Original Request	Difference From Staff/Company Filed to Staff/Company Filed to Disposition Agreement	
		Unanimous	Unanimous
RD Sewer SR-2009-0226	\$23.26 single, \$18.61 multi	\$31.10 single	\$24.88 multi
Lakeland Heights WR-2009-0227	\$14.94+\$5.42 com	\$13.26+\$4.81 com	\$26.64 single \$21.31 multi
Oakbrier WR-2009-0229	\$20.10 +\$3.15 com	\$14.98 +\$2.35 com	\$12.29+\$4.46 com
Whispering Hills WR-2009-0228	\$20.56+\$3.64 com	N/A	\$15.59 +\$2.44 com
Whispering Hills WM-2009-0436	N/A	N/A	\$20.69+\$3.67 com