

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

In the Matter of KMB Utility Corporation	)	<u>Case Nos. SR-2010-0346</u>
Requesting a Rate Increase	)	<u>WR-2010-0345</u>
	)	

**STAFF’S RESPONSE TO THE COMMISSION’S ORDER**  
**DATED OCTOBER 20, 2010**

COMES NOW the Staff of the Missouri Public Service Commission ("Staff"), by and through counsel, and for its Response to the Commission’s Order Dated October 20, 2010 states as follows:

1. On May 21, 2010, the Missouri Public Service Commission (“Commission”) received a Rate Increase Request Letter (“Request Letter”) from KMB Utility Corporation (“KMB” or “the Company”) pursuant to the Small Utility Rate Case Procedure (“Small Company Procedure”).

2. On October 18, 2010, Staff filed a *Notice of Agreement Regarding Disposition of Small Company Rate Increase Request* (“Disposition”) in Case Number WR-2010-0345.

3. Also on October 18, 2010, Staff filed a *Motion for Extension of Time to File a Disposition Agreement* (“Motion”) for sixty (60) days in Case Number SR-2010-0346.

4. On October 19, 2010, Staff filed an Extension Agreement that is signed by both Staff and KMB, pursuant to 4 CSR 340-3.050 (12). Staff also filed an Updated Timeline in SR-2010-0346.

5. On October 20, 2010, the Commission granted Staff’s Motion and provided the opportunity for Staff and KMB “to consider whether efficient use of Commission and party resources support a similar update of the timeline” in WR-2010-0345.

6. In response to the Commission's Order, Staff states that there was a specific reason to delay resolution of the sewer case SR-2010-0346 and appreciates the Commission granting the request for an extension. However, no such reason exists at this time to delay the water case, WR-2010-0345, as KMB and Staff came to a mutual resolution of the matter and filed a Disposition Agreement with the Commission for its consideration. On October 22, 2010, KMB filed Revised Tariff Sheets (YW-2011-0214) in WR-2010-0345. Further, any delay would prevent the company from starting to earn the appropriate revenues from its water operations.

**WHEREFORE**, Staff respectfully submits this Response to the Commission's Order of October 20, 2010 and states that it has filed an updated timeline for Case Number SR-2010-0346 and does not seek a delay in Case Number WR-2010-0345.

Respectfully submitted,

**/s/ RACHEL M. LEWIS**

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**Certificate of Service**

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 26th day of October, 2010.

**/s/ RACHEL M. LEWIS**