

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

In the Matter of KMB Utility Corporation)
Requesting a Rate Increase)

Case No. WR-2010-0345

**NOTICE OF AGREEMENT AND
REQUEST TO CANCEL LOCAL PUBLIC HEARING**

COMES NOW the Staff of the Missouri Public Service Commission ("Staff"), by and through counsel, and for its *Notice of Agreement and Request to Cancel Local Public Hearing* states as follows:

1. On May 21, 2010, the Missouri Public Service Commission ("the Commission") received a Rate Increase Request Letter ("Request Letter") from KMB Utility Corporation ("KMB" or "the Company").

2. In its Request Letter, KMB requested Commission approval of an increase of \$18,500 in its annual water system operating revenues pursuant to Commission Rule 4 CSR 240-3.050 (2).

3. On October 18, 2010, Staff and KMB were able to reach an agreement ("Company/Staff Disposition Agreement") regarding a resolution of the Company's request. This agreement provided for an overall agreed-upon operating revenue increase of \$25,293. The agreement, among other things, also prescribed a schedule of depreciation rates and required the Company to implement certain agreed-upon Staff recommendations.

4. On November 23, 2010, the Office of the Public Counsel filed a request for local public hearing.

5. On December 9, 2010, the Commission issued an order scheduling a local public hearing to be held January 11, 2011. This local public hearing was cancelled due to inclement weather.

6. On January 13, 2011, the Commission issued an order re-scheduling the local public hearing on January 24, 2011.

7. All parties have agreed to a resolution of this case and therefore there is no need for a local public hearing. Staff anticipates filing a Unanimous Agreement with the Commission in the near future after all parties have agreed to the language of any such document.

8. Counsel for Staff has discussed this matter with counsel for OPC and confirmed there is no objection to this request to cancel the local public hearing.

9. No party will be prejudiced by this request as it is believed, at the time of this filing, notice of the rescheduled local public hearing has not yet been prepared by KMB.

WHEREFORE, Staff respectfully submits this *Notice of Agreement and Request to Cancel the Local Public Hearing* and requests the Commission issue an order cancelling the local public hearing scheduled for January 24, 2011, as the parties have come to an agreement and there is no need for the local public hearing at this time.

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 13th day of January, 2011

/s/ RACHEL M. LEWIS