BEFORE THE PUBLIC SERVICE COMMISSION STATE OF MISSOURI

In the Matter of the Application of Big) Island Water & Sewer Company for a) Certificate of Convenience and) Necessity Authorizing It to Construct,) Install, Own, Operate, Control, Manage,) and Maintain a Water and Sewer) System for the Public Located in an) Unincorporated Area in Camden) County, Missouri.)

Case No. WA-2006-0480

MOTION TO AMEND PROCEDURAL SCHEDULE

COMES NOW the Staff of the Missouri Public Service Commission, by and through the Commission's General Counsel, and hereby moves the Commission to amend the Procedural Schedule previously adopted in this matter inasmuch as the present schedule does not provide a sufficient interval for the Staff to conduct an audit of the Applicant and prepare testimony. In further support of its Motion, Staff states as follows:

1. On September 7, 2006, the Commission by Order adopted a Procedural Schedule herein and set a Prehearing Conference for September 20, 2006.

2. At the Prehearing Conference, the parties in attendance agreed to an amendment of the Procedural Schedule as follows:

| | Present <u>Schedule</u> | Proposed <u>Schedule</u> |
|--------------|----------------------------|-----------------------------|
| Direct: | 10-27-06 | 10-27-06 |
| Rebuttal: | 11-17-06 | 12-15-06 |
| Surrebuttal: | 12-22-06 | 01-16-07 |

| List of Issues, etc.: | 01-12-07 | 01-19-07 |
|-----------------------|---------------|---------------|
| Position Statements: | 01-26-07 | 01-26-07 |
| Hearing: | 02-5, 6, 7-07 | 02-5, 6, 7-06 |

3. The proposed amendment does not change the dates already established for the filing of Direct Testimony and the parties' Statements of Position, and the Evidentiary Hearing. Only the dates for filing Rebuttal Testimony, Surrebuttal Testimony, and the List of Issues, List of Witnesses, and Order of Cross-examination are proposed to be changed. Consequently, the proposed amendment will not delay the resolution of this matter.

4. The purpose of the proposed amendment is to allow a longer interval before the date for filing Rebuttal Testimony. This is necessary because, given that water and sewer service in the proposed service area has been provided to residents on an unregulated basis for some years, Staff must conduct a full audit in order to determine the value of the plant in service, the amount of that plant contributed by the investors, the accumulated depreciation on that plant, as well as the prudent operating and maintenance expenses. All of these values must be determined in order to set just and reasonable rates. Compounding the situation is the fact that the books have not been kept according to the Uniform System of Accounts for regulated water and sewer systems; consequently, Staff will have to reconstruct appropriate books from the existing books and records. These activities will necessarily require a certain amount of time to complete. Additionally, the press of other work has largely consumed the available time of the audit Staff.

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5. The parties present at the Prehearing conference agreed to the foregoing proposed amendment to the Procedural Schedule and further agreed that Staff could embody them in a motion and present it to the Commission. However, all parties to this case were neither present nor represented at the Prehearing Conference.

WHEREFORE, Staff moves the Commission to amend the Procedural Schedule previously adopted herein as described above; and to grant such other and further relief as the Commission deems just in the premises.

Respectfully submitted,

<u>s/ Kevin A. Thompson</u> **KEVIN A. THOMPSON** Missouri Bar Number 36288 General Counsel

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Attorney for Staff.

Certificate of Service

I hereby certify that a true and correct copy of the foregoing was served, either electronically or by hand delivery or by First Class United States Mail, postage prepaid, on this 26th day of September, 2006, to the parties of record as set out on the official Service List maintained by the Data Center of the Missouri Public Service Commission for this case.

<u>s/ Kevin A. Thompson</u>