

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the matter of the Application)
of St. Louis County Water Company)
for Approval of an Agreement with)
the Meramec Sewer Company Providing)
for Water Service Termination for)
for Unpaid Sewer Bills.)

Case No. W0-95-339

APPLICATION

Comes now St. Louis County Water Company (hereinafter "Applicant") and, in support of its Application for approval of an agreement with the Meramec Sewer Company of Jefferson County, Missouri (hereinafter "MSC") providing for water service termination for unpaid sewer bills, respectfully represents and states:

1. Applicant is a corporation organized and existing under the laws of the State of Missouri, with its principal office in St. Louis County, Missouri, and is a corporation authorized to carry on the business of a water company, and is now, and has been for a long time past, engaged in doing business as such water company in the County of St. Louis, Missouri.

Communications in regard to this Application should be addressed to:

R. T. Ciottone, Vice President and
David P. Abernathy
St. Louis County Water Company
535 North New Ballas Road
St. Louis, Missouri 63141

FILED
MAY 1 1995
MISSOURI
PUBLIC SERVICE COMMISSION

2. The statutory provisions under which Applicant makes this Application are §393.150 RSMo 1994 and §393.015 RSMo 1994. Section 393.150 states in pertinent part:

393.150. Commission may fix rates after hearing--stay increase--burden of proof.--

1. Whenever there shall be filed with the commission by any....water corporation....any new form of contract or agreement....relating to....any privilege....the commission shall have, and it is hereby given, authority, to enter upon a hearing concerning the propriety of such....form of contract or agreement...; and after full hearing, whether completed before or after the....form of contract or agreement....goes into effect, the commission may make such order in reference to such....form of contract or agreement....or practice as would be proper in a proceeding...

Case law indicates that the Commission may act upon such an application without a hearing under the file and suspend provisions of §393.150 if and when it so determines.

3. The reasons for this Application are that by enacting §393.015, the legislature indicated its belief that it would be in the best interest of the health and safety of the public to provide a mechanism which would permit entities providing sewer service to deter nonpayment of bills other than through the expense of excavations necessary to disconnect sewer lines and the resulting potential for continued accumulation of waste on the premises. Applicant was led to believe that this is also the belief of the Commission Staff. Accordingly, Applicant and MSC negotiated the contract attached hereto as Exhibit A.

4. Applicant has determined that the charges reflected in the tariff attached hereto as Exhibit B reflect Applicant's actual costs of the services described therein.

Because MSC indicates that it believes that the "ability" of MSC to dictate water service termination will minimize the necessity to actually order such terminations on a case by case basis, and because the tariff charges do not reflect loss of water sales revenue to any customer whose water service is actually disconnected, Applicant does not believe that the revenue generated by terminations for MSC will result in any addition to its net income.

5. The Commission has heretofore approved a Contract and accompanying tariff applicable to the St. Louis Metropolitan Sewer District ("MSD") identical in substance to the documents filed herewith

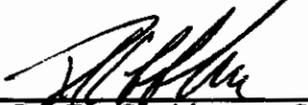
WHEREFORE, Applicant asks that the Public Service Commission of the State of Missouri issue its order approving the terms of Exhibit A and approving the tariff attached hereto as Exhibit B.

Dated at St. Louis County, Missouri, this 27th day of April, 1995.

ST. LOUIS COUNTY WATER COMPANY

By:


A. M. TINKEY, President


R. T. Clottone, Secretary
ATTORNEY FOR APPLICANT

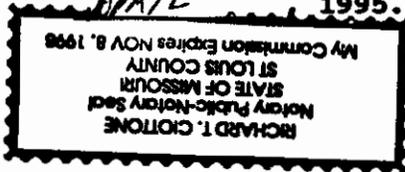
STATE OF MISSOURI)
)SS
COUNTY OF ST. LOUIS)

A M. Tinkey, being duly sworn, states on oath that he is President of St. Louis County Water Company, the above named Applicant, and that the facts set forth in the foregoing Application of said Company are true to the best of his knowledge and belief.



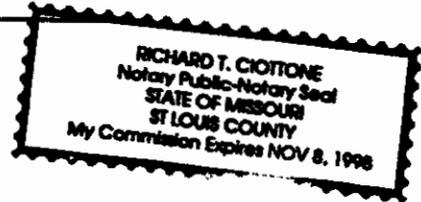
A. M. Tinkey

Subscribed and sworn to before me this 27th day of NOV 1995.



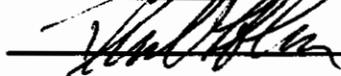


Notary Public



My Commission Expires:

The undersigned certifies that two copies of the foregoing have been sent to the Office of Public Counsel by prepaid U.S. Mail on the 27th day of NOV, 1995.



AGREEMENT

Agreement made this 27th day of APRIL,
1994, by and between ST. LOUIS COUNTY WATER COMPANY, a Missouri
Corporation and public utility subject to the jurisdiction of the
Missouri Public Service Commission (hereinafter "Company"), and
THE MERAMEC SEWER COMPANY, a Missouri corporation (hereinafter
"MSC").

WITNESSETH;

WHEREAS, the General Assembly has amended Chapter 393 RSMo
to permit Company and MSC to establish by contract the terms and
conditions under which MSC may instruct Company to terminate
water service to effect the collection of delinquent sewer bills;
and

WHEREAS, Company and MSC desire to enter into such a
contract subject to the approval of the Missouri Public Service
Commission ("Commission").

NOW, THEREFORE, for and in consideration of the payment of
ten dollars from each to the other paid, the receipt of which is
herewith acknowledged, and for the other good and valuable
considerations herein contained, Company and MSC agree as
follows:

1. Instructions to Terminate Service. When and if MSC,
acting within its statutory authority, desires that Company
terminate water service to any premises, MSC shall deliver to
Company an "Instruction to Terminate Service." Such "Instruction

to Terminate Service" shall be on a form approved by MSC and Company for such purposes, and shall include the date of issue, a specific address where water service is to be terminated including street, City, and unit number if appropriate, and the signature of an agent specifically authorized by MSC to execute such Instruction. MSC shall provide to Company a written list of agents so authorized. Because MSC's customer and Company's customer at a specific address may be different individuals or entities, MSC's customer name at the address shall be included for information purposes only. MSC shall not issue an "Instruction to Terminate Service" until all prerequisites, including those for notice, have been satisfied. Upon receipt of an "Instruction to Terminate Service" Company shall make a reasonable attempt to terminate water service to the affected address within 30 days. MSC and Company shall establish operating procedures from time to time to further facilitate administration of the terms herein.

2. Inapplicable PSC Notice Requirements. All notice and complaint procedures specified in 4 CSR 240, and Chapter's 386 and 393 RSMo which apply to customer rights to utility service from a regulated utility, SHALL NOT APPLY to termination instructions issued by MSC pursuant to this agreement. All notice, complaint procedures and administrative consumer remedies, to the extent that they may exist or be alleged to exist, shall be the responsibility of MSC.

3. Service Reinstitution. Upon instruction from MSC to reinstitute service to an address (which may be by informal methods acceptable to MSC and Company to be followed in writing), Company shall make a reasonable attempt to reinstitute such service as hereinafter provided. Reinstitution shall be attempted but not guaranteed during normal working hours on Monday thru Saturday provided someone is at the premises to assure internal plumbing facilities are not open (hereinafter "Standard reinstitution."). Unless otherwise specified by MSC, service reinstitution will be attempted but not guaranteed on the same day for instructions received from MSC prior to 3:00 p.m. Monday thru Friday, and on a next day basis for instructions received later in the day than that. No instructions will be accepted on Saturday, Sunday, holidays specified in Company's collective bargaining agreement, the day before such holidays or during the Christmas holidays when the Company normally suspends all turn-offs. If an instruction after 3:00 p.m. requires that service be reinstited on that same day (hereinafter "Special reinstitution"), an extra charge as specified herein shall apply.

4. Fees. The price to be charged to MSC by Company for termination or reinstitution attempts shall be as follows:

METERED CONNECTIONS UP TO 1½ INCHES IN DIAMETER:

Standard termination or reinstitution per metered connection, including unsuccessful attempts	\$38.00
Second or more Standard terminations or reinstitutions per metered connection at same address at same time, including unsuccessful attempts	\$17.00

Special termination or reinstatement
per metered connection, including
unsuccessful attempts \$67.00

Second or more Special terminations or
reinstatements per metered connection
at same address at same time, including
unsuccessful attempts \$41.00

ALL OTHER TERMINATIONS OR REINSTITUTIONS:

Because large connections can often require more than one employee or other unusual efforts, terminations or reinstatements of metered connections in excess of 1½ inches in diameter shall be at the Company's actual cost.

These charges shall be submitted to the Commission as a rate tariff, and shall be subject to the Commission's approval or change from time to time in accordance with the provisions of Chapters 386 and 393 RSMo. 1992 Supp. Company will bill MSC for work under the tariff approved rates and MSC will pay Company within thirty days from receipt of such billing. Such billings will include additional costs incurred by Company for such things as excavations which may be specifically authorized by MSC on a case by case basis. If MSC shall fail or refuse to pay amounts due, Company's obligations under this Agreement shall cease until such amounts are paid in full.

5. Termination Instruction Quantity Limitation. To enable Company to efficiently manage its work force, under no circumstances will MSC send to Company in excess of five "Instructions to Terminate Service" at metered connections in any calendar month. For purposes of this limitation, multiple terminations at the same address shall count as one instruction.

6. Unsuccessful Termination or Reinstitution Attempts. If Company makes a reasonable attempt to terminate or reinstitute water service and is unsuccessful because of address inadequacies, inoperable or damaged facilities, danger to an employee or any other reason beyond Company's reasonable control, the above charges will be charged for the attempt, Company will attempt to notify MSC no later than the end of the next regular working day of such unsuccessful attempt, Company shall be absolved from its time requirements for action, and MSC and Company shall attempt to determine an alternative course of action acceptable to both parties which shall be reduced to a written instruction from MSC to Company.

7. Indemnification. To the extent permitted by law, MSC agrees to indemnify, defend and hold Company harmless from and against any and all claims, complaints or causes of action arising out of actions taken by Company pursuant to any MSC "Instruction to Terminate Service." Because Company is providing a service to MSC at cost and has no incentive whatsoever to take the risk of claims, complaints or causes of action arising out of actions taken pursuant to this Agreement, if MSC at any time asserts that it is not permitted by law to indemnify Company under the provisions of this paragraph, or is limited in the extent of its indemnification, or for any other reason takes the position that Company must defend itself or be responsible for some or all costs arising from such claims, all Company's obligations under this Agreement shall terminate as of that date.

8. Damage to Customer Owned Facilities. Because of the age of many customer-owned valves ("stop cocks") and service line components, it is not uncommon to discover them to be inoperable or for them to break or begin to leak when operation is attempted. In the event of such an occurrence, Company shall notify MSC if and when it becomes aware of such an occurrence, and MSC shall thereafter resolve such matter with the owner of the facilities and shall indemnify and defend Company from claims by any party whatsoever associated with such occurrences, as hereinbefore specified in the paragraph regarding indemnification. If an emergency excavation becomes necessary due to escaping water, actual costs incurred to stop the discharge, including facility repair if necessary, will be paid by MSC without MSC's preapproval.

9. Public Service Commission Approval. This Agreement shall be subject to approval of the Commission. The parties agree to accept changes in charges set from time to time by the Commission. If any other aspect of this Agreement is objected to, rejected or modified by the Commission, the Company and MSC shall have the option to declare this Agreement void, with the exception of the indemnification requirements which shall survive with respect to any and all actions theretofore taken pursuant to this Agreement during the time it was in force and effect.

10. Customer Communications. MSC shall handle all customer communications regarding service terminations implemented pursuant to this Agreement. Communications from customers to Company will be referred and directed to MSC.

11. Force Majeure and Conflicting Requirements. Company's actions required under this agreement shall be excused if due to matters beyond its control, including but not limited to employee work stoppages, strikes, inclement weather, or emergencies requiring utilization of manpower or resources elsewhere. Termination will not be completed if a local board of health, municipality, fire district, court of competent jurisdiction or other governmental entity having jurisdiction issues an instruction to the Company so stating. At such time, Company will relay such conflicting instructions to MSC, and Company will not knowingly take further actions toward termination until MSC notifies Company in writing that it has resolved the conflicting instructions. Thereafter, MSC shall indemnify defend and hold Company harmless for actions taken by Company based on MSC's notification.

In no event shall Company be required to disconnect a fire line service without authorization from the governmental authority responsible for fire protection to the affected property, even in cases of combined fire and domestic service lines.

12. Expiration or Termination. This Agreement shall be for a term of one year from the date hereof, and from year to year thereafter subject to termination by either party at any time on 60 days notice.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in duplicate on the day and year first above written.

ST. LOUIS COUNTY WATER COMPANY
("Company")

By *A. M. Tincey*
A. M. Tincey, President

ATTEST: *[Signature]*
R. T. Clottone, Secretary

NERAMEC SEWER COMPANY ("MSC")

By *Juanita Kaufmann*
President

ATTEST: *Juanita Kaufmann*
Secretary

STATE OF MISSOURI)
) SS
COUNTY OF ST. LOUIS)

On the 27th day of APRIL, 1995, before me appeared A. M. Tincey, to me personally known, who being by me duly sworn, did say that he is the President of St. Louis County Water Company and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors and said A. M. Tincey acknowledged

