STATE OF MISSOURI PUBLIC SERVICE COMMISSION JEFFERSON CITY January 19, 2000

CASE NO: SR-2000-302

Office of the Public Counsel

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House Springs Sewer Co., Inc. 3800 Jeffco Boulevard Arnold, MO 63010

Enclosed find certified copy of an ORDER in the above-numbered case(s).

Sincerely,

Dale Hardy Roberts

Secretary/Chief Regulatory Law Judge

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of the Request of House Springs)
Sewer Company, Inc., for a Rate Increase Under) Case No. SR-2000-302
the Small Company Rate Increase Procedure.

ORDER DIRECTING FILING

On October 29, 1999, House Springs Sewer Company, Inc. (HSSC), filed its motion for leave to pursue a rate increase via the Commission's Small Company Rate Increase Procedure despite its delinquency with respect to its annual reports and annual assessments. On November 4, 1999, the Office of the Public Counsel (Public Counsel) responded in opposition to HSSC's motion and the Staff of the Public Service Commission (Staff) responded in support.

The Commission by Order of November 10, 1999, set a prehearing conference for November 30, 1999, and required the filing of a proposed procedural schedule by December 7, 1999. On November 29, 1999, HSSC and Public Counsel jointly sought a continuance of the prehearing conference "in order to allow [HSSC] and the Public Counsel to review [HSSC's] books and records[.]" The Commission granted the requested continuance by Order of November 30, 1999, and reset the and proposed procedural schedule prehearing conference December 21, 1999, and December 28, 1999, respectively. However, on December 28, 1999, the Staff and the Public Counsel filed their Joint Motion for an Extension of Deadline for Filing Procedural Schedule. The movants noted that an extension of two weeks might well permit the parties to resolve their differences short of hearing. On January 4, 2000, the Commission by Order extended the deadline for the proposed procedural schedule to January 14, 2000.

On January 12, 2000, Public Counsel filed its Statement of Position, which stated in part, "As a result of negotiations between the parties . . . OPC hereby withdraws its objection to the motion of House Springs for small company rate treatment despite its delinquencies as to its annual reports and annual assessments."

Discussion:

The Commission takes notice that, in its Order of April 22, 1999, issued in Case No. SM-99-287, the Commission authorized the sale of "substantially all of [the] assets used in the provision of public utility service" of Imperial Utility Corporation, an affiliate of HSSC, to Rock Creek Public Sewer District. That Order expressly provided that "the proceeds of the sale of the assets of Imperial Utility Corporation shall not be distributed to the owners of that corporation until such time as the assessment payment delinquencies involving both Imperial Utility Corporation and House Springs Sewer Company are satisfied." The delinquent assessments of HSSC have never been satisfied.

The Commission also takes notice that, in a Stipulation and Agreement filed on May 10, 1999, in Case No. SC-99-135, Staff of the Missouri Public Service Commission v. House Springs Sewer Company,

¹That case was styled, <u>In the Matter of the Application of Imperial Utility Corporation for Permission to Sell Certain Assets Used and Useful by It in the Provision of Sewer Service to the Public to Rock Creek Public Sewer District and to Cancel Its Certificates of Public Convenience and Necessity.</u>

HSSC agreed to pay its delinquent assessments, either from the sale of Imperial's assets or from the sale of its own assets, or both. The Commission requires information as to the proceeds of the sale of Imperial's assets, the amount of HSSC's delinquent assessments, the number and years for which annual reports are outstanding, and the likelihood of sale of HSSC's assets and the amount of the proceeds expected therefrom, if any. Finally, the Commission desires an estimation of the date certain on which HSSC's delinquent assessments will be paid.

The Commission cannot act on HSSC's motion until the information requested herein is provided.

IT IS THEREFORE ORDERED:

- 1. That the Staff of the Missouri Public Service Commission shall prepare and file a pleading, on or before January 28, 2000, providing the information requested in this Order.
- 2. That House Springs Sewer Company, Inc., will cooperate with the Staff as necessary in preparing the pleading referred to in Ordered Paragraph 1, above.

3. That this order shall become effective on January 28, 2000.

BY THE COMMISSION

ar HAREY Roberts

Dale Hardy Roberts

Secretary/Chief Regulatory Law Judge

(SEAL)

Kevin A. Thompson, Deputy Chief Regulatory Law Judge, by delegation of authority pursuant to 4 CSR 240-2.120(1) (November 30, 1995) and Section 386.240, RSMo 1994.

Dated at Jefferson City, Missouri, on this 19th of January, 2000.

STATE OF MISSOURI OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this 19TH day of January 2000.

Dale Hardy Roberts

Secretary/Chief Regulatory Law Judge