

STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 12th day of July, 1988.

In the matter of the investigation of the electric class cost of service for St. Joseph Light & Power Company.

)  
) Case No. EO-88-158  
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O R D E R

On June 10, 1988, St. Joseph Light & Power Company filed its proposal for the conduct of the Electric Class Cost of Service Study herein involved. Comments of the Commission Staff and Ag Processing, Inc., were filed on June 23, 1988, and June 24, 1988, respectively. A response to the Staff comments was filed by the Company on July 1, 1988.

In response to the proposals and the responses, the Commission is of the opinion that the cost of service study should proceed according to the Company's June 10, 1988, proposal with the following modifications:

1. The data collection period should be 24 months commencing approximately April 1, 1989. In the event the anticipated starting date becomes impractical, the Company shall request from the Commission a proposed alternative date.
2. The sample design shall be as recommended by the Commission Staff, and agreed to by the Company, depicted in Tables 1, 2 and 3, attached hereto as Appendix A. The exact sample size and distribution of meters will be determined by the customer use during the 1988 summer month of system peak.
3. The study herein authorized shall include a survey of demographic characteristics and appliances of the load research customers.

4. The study herein authorized shall not embody any borrowed load research data.

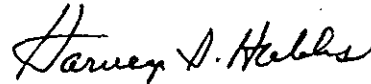
The Company's response indicates that it expects to fully recover all reasonable and prudent expenditures in rate base and cost of service in any future rate proceedings. Although the Commission acknowledges the reasonableness of inclusion of all reasonable and prudent expenditures, the Commission is of the opinion that it is premature to approve any particular item of expense. By the same token the Commission is of the opinion that, subject to the reasonable and prudent expenditure test, the software and personnel requirements should be left to the discretion of the Company.

It is, therefore,

ORDERED: 1. That subject to the conditions herein enumerated, St. Joseph Light & Power Company shall commence its Electric Class Cost of Service Study.

ORDERED: 2. That this order shall become effective on the date hereof.

BY THE COMMISSION



Harvey G. Hubbs  
Secretary

(S E A L)

Steinmeier, Chm., Musgrave,  
Hendren and Fischer, CC., Concur.  
Mueller, C., Absent.

TABLE 1

STAFF RECOMMENDED RESIDENTIAL SAMPLE SIZE

	<u>MINIMUM</u> <sup>1</sup>	<u>MAXIMUM</u> <sup>2</sup>
<b>Residential General</b>		
LOW/LOW	34	38
LOW/HIGH	18	24
HIGH/LOW	18	24
HIGH/HIGH	<u>19</u>	<u>26</u>
	89	112
<b>Residential Space Heating</b>		
LOW/LOW	18	25
LOW/HIGH	18	24
HIGH/LOW	18	20
HIGH/HIGH	<u>18</u>	<u>25</u>
	72	94
<b>Residential Water Heating</b>		
LOW/LOW	18	24
LOW/HIGH	18	20
HIGH/LOW	18	20
HIGH/HIGH	<u>18</u>	<u>20</u>
	72	84
<b>TOTAL</b>	233	290

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<sup>1</sup>The minimum is based on a 15 meter minimum per stratum and an additional 20% margin for bad data.

<sup>2</sup>The maximum is based on an approximate 20 meter minimum per stratum including a 20% margin for bad data.

TABLE 2  
STAFF RECOMMENDED SMALL GENERAL SERVICE SAMPLE SIZE

	<u>MINIMUM</u> <sup>1</sup>	<u>MAXIMUM</u> <sup>2</sup>
SGS kWh Metered		
LOW	19	30
HIGH/LOW	18	20
HIGH/HIGH	18	22
SGS under 40 kW		
LOW	120	120
HIGH/LOW	32	32
HIGH/HIGH	24	25
SGS Over 40 kW	23	26
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TOTAL	254	275

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<sup>1</sup>The minimum is based on a 15 meter per stratum minimum and an additional 20% margin for bad data.

<sup>2</sup>The maximum is based on an approximate 20 meter minimum per stratum including a 20% margin for bad data.

TABLE 3

A COMPARISON BETWEEN ST. JOSEPH LIGHT & POWER COMPANY  
PROPOSED AND STAFF RECOMMENDED SAMPLE SIZE

<u>Class</u>	<u>SJLP Proposal</u>	<u>Staff Recommended Range</u>
Residential General Use	140	89 - 108
Residential Space Heat	85	72 - 93
Residential Water Heat	<u>110</u>	<u>72 - 89</u>
	335	233 - 290
Small General Service	275	254 - 275
Large Power (Commercial)	95	95
Large Power (Industrial)	<u>105</u>	<u>105</u>
	810	687 - 765