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STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a Session of the Public Service
Commission held at its office
in Jefferson City on the 1st
day of June, 1994.

In the matter of the request of Raytown)
Water Company for an interim increase in) CASE NO. WR-94-300
rates for water service.)

ORDER ON REHEARING AND RECONSIDERATION

On March 28, 1994, The Raytown Water Company (Raytown or company) filed with the Commission a Petition For Interim Rate Relief requesting an increase in its water usage rate on an interim subject to refund basis. Raytown requested the increase in order to pass through a rate increase by its wholesale water supplier, the city of Kansas City, Missouri, due to take effect on May 1, 1994. The interim rate increase would be in effect until permanent rates are established in Raytown's pending general rate case, Case No. WR-94-211, set for hearing September 12 through September 16, 1994. The Office of the Public Counsel (OPC) filed motions on April 4, 1994, opposing the petition for interim relief and requesting that it be dismissed.

The Commission held a hearing on April 27, 1994, and issued its Report and Order on April 29, 1994, granting the relief requested by Raytown. On May 13, 1994, OPC filed an Application for Rehearing, alleging that the Report and Order: was not based on competent and substantial evidence; lacked appropriate and complete findings of fact; granted relief amounting to single issue ratemaking; eliminated regulatory lag for one factor to benefit the company without eliminating regulatory lag for the surcharge to benefit the ratepayers;

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and failed to address the emergency standard for interim relief; failed to take into consideration cost savings available to the company; failed to require the company to carry its burden of proof; failed to satisfy the requirements of Section 536.080.2, RSMo (1986). Raytown filed Suggestion in Opposition to OPC's application on May 20, 1994.

The Commission finds that sufficient reason for rehearing exists as required by Section 386.500, RSMo 1986, and will reconsider its Report and Order for the sole purpose of ensuring that the Commission is in compliance with Section 536.080.2, RSMo (1986). The Commission further finds that there is no need for the presentation of further evidence and the Commission will, therefore, reconsider the matter on a review of the record already established and without rehearing.

The Commission, having considered the record before it and all evidence submitted in compliance with Section 536.080.2, RSMo (1986), finds that the grant of interim relief in the Report and Order issued April 29, 1994, was appropriate. The Commission affirms the April 29, 1994, Report and Order and adopts that order in its entirety.

IT IS THEREFORE ORDERED:

1. That the Application for Rehearing filed by the Office of the Public Counsel on May 13, 1994, be granted for the limited purpose of ensuring compliance with Section 536.080.2 RSMo (1986).
2. That the Report and Order issued April 29, 1994, be affirmed and adopted.

3. That this order shall become effective on the date hereof.

BY THE COMMISSION

A handwritten signature in cursive script that reads "David L. Rauch".

David L. Rauch
Executive Secretary

(S E A L)

Mueller, Chm., McClure, Perkins,
Kincheloe and Crumpton, CC., Concur.