

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of a Review of the Missouri)
Public Service Commission's Standard of)
Conduct Rules and Conflicts of Interest Statute)

Case No. AO-2008-0192

Comments of Commissioner Terry M. Jarrett

On January 7, 2008, the Honorable Jeff Davis, Chairman of the Missouri Public Service Commission ("PSC" or "Commission"), held a Roundtable Discussion to consider potential enhancement of the Commission's Standard of Conduct Rules and Conflict of Interest policies. After reviewing the Roundtable Discussion transcript, handouts distributed by participants, filings which have been made in this docket, and the Chairman's Report dated January 15, 2008, I offer the following comments to the record.

First and foremost, I believe that public trust and confidence in the regulatory process is paramount. As such, this Commission must act in ways that reinforce public trust and confidence. By doing so, the public can be assured that the Commission is fair and impartial in deciding matters that come before it. It is clear to me that the recommendations made by the Chairman in his Report serve as a valuable starting point in enhancing public trust and confidence in this Commission's processes.

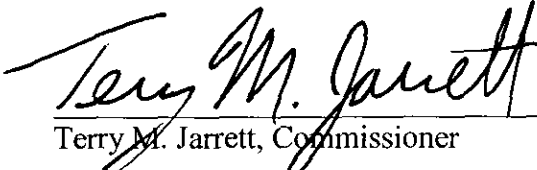
The current regulatory landscape rightly recognizes the Commission's unique charge as a substitute for market competition through its regulation of monopoly public utilities. In order for utility regulators to perform their responsibilities properly, a vigorous and robust exchange of information and ideas is critical. This unique regulatory characteristic is unlike that of any other agency in the State of Missouri, and necessitates an environment where Commissioners have access to adequate information. Regulators need a healthy dialogue with utilities, the public,

customers, and other interested parties. As outlined in the Chairman's Report and its Appendices, the General Assembly has passed laws—including amendments passed as recently as 2003—that encourage such a free exchange of information and ideas. Any restrictions on the free flow of information must be balanced against hindering the effective and efficient regulation of Missouri's utilities. We must avoid any unintended consequences that could lead to higher costs for utilities and consumers.

I believe that the key is not to hinder the free flow of information and ideas, but to make our processes more transparent and open to the public. While I support all of the recommendations the Chairman made in his Report, I especially support those recommendations that increase transparency and open up our processes to public scrutiny. To that end, I have some additional recommendations that offer even more transparency and openness: (1) each filing made with the Commission shall be accompanied by an affirmation that the submitting person has read and understands the Commission's Ex Parte Communication and Conflict of Interest Rules and with respect to the filing being made that no intentional violations have occurred; (2) the Commission consider adding an additional screen in the current electronic filing and information system (EFIS) which will require, prior to any electronic filing, acknowledgment by the submitting person that they are acting in compliance with all Commission Ex Parte Communication and Conflict of Interest Rules in making the filing; and (3) when the Commission has scheduled a particular case for discussion at a Commission Agenda meeting, that a filing be made in all relevant electronic dockets existing in the electronic filing and information system (EFIS), thereby providing additional notice to interested persons that the Commission may discuss a matter in a particular case.

In conclusion, the public deserves to know that this Commission will be open and accountable to the people. I concur in the Chairman's final conclusion that the "recommendations in th[e] report will travel far to improve practice before the Commission and resolve concerns and clear up misconceptions about the regulatory process and its many intricacies and challenges."

Respectfully submitted,


Terry M. Jarrett, Commissioner

Dated in Jefferson City, Missouri,
on this 30th day of January, 2008.