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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 6th
day of April, 1999.

In the Matter of the Small Company Rate	)	
Increase Request of Hickory Hills Water	)	<u>Case No. SR-99-362</u>
& Sewer Company, Inc., for a Sewer Rate	)	<u>Tariff No. 9900157</u>
Increase.	)	

ORDER GRANTING RATE INCREASE
AND APPROVING TARIFF

Procedural History:

On February 24, 1999, Hickory Hills Water & Sewer Company, Inc. (Hickory Hills), filed a proposed tariff and agreement pursuant to this Commission's small company rate increase procedure (the procedure), Regulation 4 CSR 240-2.200(1)(D), seeking a sewer rate increase. Hickory Hills had initiated the small company rate increase procedure by letters received at the Commission on August 24, 1998, and August 28, 1998.

As required by the procedure, Hickory Hills notified its customers of the proposed increase by letter on September 1, 1998. Customers were invited to direct comments or questions to either the Staff of the Missouri Public Service Commission (Staff) or the Office of the Public Counsel (OPC) within thirty days of the date of the notice. Two letters were received from the same customer. Hickory Hills' letter of September 1, 1998, also advised its customers that a public hearing could be requested. No request for a public hearing was received.

On December 10, 1998, the Staff advised Hickory Hills of the results of its investigation and analysis, including the specific rate increase that Staff concluded was justified under the circumstances. On December 14, 1998, Hickory Hills notified Staff by letter of its concurrence with Staff's recommendation. Hickory Hills notified its customers of Staff's recommendation by letter on February 10, 1999. This second customer notification letter again invited customers to direct their questions or comments to either Staff or OPC, within twenty days of the date of the notice. No questions or comments were received.

Hickory Hills filed with its application an agreement as to the proposed rate increase, executed by Hickory Hills and the Staff. On March 25, 1999, OPC notified Staff by letter that it considered Staff's recommended rate increase to be just and reasonable. On March 31, 1999, Staff filed its recommendation that the requested rate increase be granted.

Discussion:

Hickory Hills initially sought a rate increase of \$500 in its total annual operating revenue. Staff, based on its investigation and analysis, recommended a rate increase of \$478, an increase of approximately 20.4 percent. Hickory Hills concurred in Staff's recommendation and OPC found it to be just and reasonable. Staff also recommended: (1) that the reconnection charge for non-payment be increased to \$15 per occurrence; (2) that the service connection fee for sewer service be increased to \$15; (3) that a bad check charge of \$15 per occurrence be

implemented; (4) that the late payment charge be modified; and (5) that certain other tariff provisions be modified to update the tariff for changes in tax law.

Hickory Hills filed proposed revised tariff sheets on February 24, 1999. As required by the small company rate increase procedure, these sheets bore a forty-five day effective date. These sheets are designed to accomplish the rate increase and other changes recommended by Staff and agreed to by Hickory Hills and OPC. Staff has reviewed the proposed revised tariff sheets and recommends that they be approved.

The Commission has reviewed the application, agreement and tariff filed by Hickory Hills, as well as Staff's recommendation. The Commission finds the rate increase, as recommended by Staff, to be just and reasonable and will approve it.

IT IS THEREFORE ORDERED:

1. That the proposed revised tariff sheets filed by Hickory Hills Water & Sewer Company, Inc., on February 24, 1999, Tariff No. 9900157, are approved, to be effective April 9, 1999. The specific sheets approved are:

P.S.C. Mo. No. 2

1 st	Revised Sheet No. 4, Canceling Original Sheet No. 4
1 st	Revised Sheet No. 5, Canceling Original Sheet No. 5
1 st	Revised Sheet No. 21 Canceling Original Sheet No. 21
1 st	Revised Sheet No. 22 Canceling Original Sheet No. 22
1 st	Revised Sheet No. 24 Canceling Original Sheet No. 24
1 st	Revised Sheet No. 25, Canceling Original Sheet No. 25
1 st	Revised Sheet No. 26, Canceling Original Sheet No. 26
1 st	Revised Sheet No. 27, Canceling Original Sheet No. 27

2. That this order shall be effective on April 9, 1999.
3. That this case may be closed on April 10, 1999.

BY THE COMMISSION

Dale Hardy Roberts

Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

(S E A L)

Lumpe, Ch., Crumpton, Drainer,
Murray and Schemenauer, CC., concur.

Thompson, Deputy Chief Regulatory Law Judge

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COMMISSION COUNSEL
PUBLIC SERVICE COMMISSION