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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 12th
day of March, 1998.

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|-------------------------------|---|---------------------------|
| West Elm Place Corporation, |) | |
| Complainant, |) | |
| |) | |
| v. |) | |
| |) | <u>Case No. SC-98-180</u> |
| Imperial Utility Corporation, |) | |
| Respondent. |) | |

ORDER SCHEDULING PREHEARING CONFERENCE

On October 29, 1997, West Elm Place Corporation (Complainant) filed a complaint against Imperial Utility Corporation (Respondent). Complainant states that pursuant to its tariff provision (Sewer Rate Schedule E: Wholesale Service; P.S.C. Mo. No. 2, Sheets 1A, 1B, 1C, 1D and 1E), Complainant provides wholesale sewer service to retail sewer service providers, including Respondent, in Jefferson County. Complainant alleges that Respondent has ceased paying for the service provided pursuant to Schedule E and owes quarterly payments of \$6,871.00 due on July 1, 1997, and \$7,178.09 due on October 1, 1997. These amounts, according to Complainant, represent service to approximately 160 units consisting of residences, mobile homes, apartments and commercial establishments.

On October 31 the Commission issued a Notice of Complaint. The Notice of Complaint was issued pursuant to 4 CSR 240-2.070 and advised Respondent that it had 30 days in which to file an answer stating legal and factual defenses or to describe the measures taken to satisfy the complaint. The Respondent did not file an answer to the complaint and is in default.

On January 28, 1998, the Commission issued an Order Regarding Default. The Commission determined that Respondent is in default and that the allegations set out in the complaint are deemed to be admitted. The Commission directed its Staff to investigate the facts surrounding the complaint and to file a report no later than February 20.

On February 20 Staff filed its report. Staff indicated that a permanent change of the service areas, as proposed by Complainant, would not be appropriate because: (1) the service areas coincide with natural watershed geography; (2) the property ownership and due process issues would be unresolved; and (3) customers would be switched involuntarily between utilities. Staff recommended that the Commission set a prehearing conference so that the parties can work on a new contract for Commission approval that would supersede the existing Miller Road Contract, and also apply to the Forest Haven and Shadows Contract areas.

The Commission determines that it is appropriate to schedule a prehearing conference so the parties can work on a new contract which would address the remedy for untimely payments made pursuant to Complainant's Schedule E. The Commission determines that if the parties work on a new contract as recommended by Staff, then less desirable solutions may be avoided. The parties should be prepared to discuss the facts and stipulate to those facts which are not in dispute. The parties shall then file a recommended procedural schedule and indicate whether the parties expect to submit a proposed contract for Commission approval.

IT IS THEREFORE ORDERED:

1. That a prehearing conference is now set in this matter for April 2, 1998, at 9:00 a.m. in the Commission's offices on the fifth floor of the Harry S Truman State Office Building, 301 West High Street, Room 530, Jefferson City, Missouri. Any person with special needs as addressed

by the Americans with Disabilities Act should contact the Missouri Public Service Commission at least ten (10) days prior to the hearing at one of the following numbers: Consumer Services Hotline -- 1-800-392-4211, or TDD Hotline -- 1-800-829-7541.

2. That the parties shall file a proposed procedural schedule no later than April 10, 1998.

3. That this order shall become effective on March 24, 1998.

BY THE COMMISSION

A handwritten signature in dark ink, appearing to read "Dale Hardy Roberts". The signature is written in a cursive, somewhat stylized font.

Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

(S E A L)

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

G. George, Regulatory Law Judge

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COMMISSION COUNSEL
PUBLIC SERVICE COMMISSION