

STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION

At a Session of the Public Service  
Commission held at its office  
in Jefferson City on the 26th  
day of May, 1993.

In the matter of Moore Bend Water Company's )  
tariff sheet designed to increase rates for ) CASE NO. WR-93-271  
water service pursuant to the Commission's )  
informal rate procedure. )

ORDER APPROVING TARIFF SHEET

On March 31, 1993, Moore Bend Water Company (Moore Bend) filed for a rate increase in its water operations under the Commission's informal rate procedure. Moore Bend serves approximately 98 residential water customers.

The Staff of the Commission (Staff) completed an investigation of Moore Bend's books, records and operations related to providing water service, and on May 12, 1993, filed a memorandum concerning Moore Bend's request. Staff indicated that Staff, Moore Bend and the Office of the Public Counsel (Public Counsel) have agreed that the Commission should approve the rates contained in the tariff sheet filed by Moore Bend on March 31, 1993, with an effective date of June 1, 1993. The rates contained in the proposed tariff sheet are:

Monthly Service Charge: \$8.24 (includes 2,000 gallons);  
Monthly Commodity Charge: \$1.47 (per 1,000 gallons over 2,000  
gallons).

The proposal would increase Moore Bend's annual water revenues by approximately \$2,096, a 27 percent increase. For an average residential customer using 4,000 gallons per month, the monthly charge would increase from \$8.60 to \$11.18, an increase of 30 percent.

Moore Bend's customers were notified of Moore Bend's requested rate increase by written notice on October 19, 1992, and of Staff's proposal on April 2, 1993. Staff indicated it received five letters from Moore Bend

customers. The letters indicated that the customers thought Moore Bend's proposed rate increase was too high. No service complaints were received by Staff.

Staff stated that the proposed tariff sheet will have no effect on any other matters involving Moore Bend that may be pending before the Commission. Staff recommended that the Commission approve the tariff sheet filed by Moore Bend on March 31, 1993, for service on and after June 1, 1993.

The standard for Commission approval of the proposed rates is whether they are just and reasonable. The burden of proof to demonstrate that the proposed rates are just and reasonable is upon Moore Bend.

Moore Bend has experienced increases in operating expenses since its last rate increase in June, 1989, due to extensive improvements to its water system and new testing regulations imposed by the Environmental Protection Agency and the Missouri Department of Natural Resources. The proposed rates have resulted from extensive negotiations between Staff, Moore Bend, and Public Counsel. The resulting increased revenues will allow Moore Bend to cover its increased cost of providing safe and adequate service. Thus, the Commission finds that the proposed rates are just and reasonable and determines that the tariff sheet filed by Moore Bend on March 31, 1993, should be approved for service on and after June 1, 1993.

IT IS THEREFORE ORDERED:

1. That the following tariff sheet filed by Moore Bend Water Company is hereby approved for service on and after June 1, 1993:

P.S.C. MO. No. 2

3rd Revised Sheet No. 4 Canceling 2nd Revised Sheet No. 4.

2. That this Order shall become effective on June 1, 1993.

BY THE COMMISSION

*Brent Stewart*

Brent Stewart  
Executive Secretary

(S E A L)

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