

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a Session of the Public Service
Commission held at its office
in Jefferson City on the 23rd
day of March, 1994.

In the matter of Central Jefferson County)
Utility Company's tariff revision designed)
to increase sewer rates pursuant to the)
Commissioner's informal rate procedure.)

CASE NO. SR-94-238

ORDER APPROVING TARIFF SHEET

On January 21, 1993, Central Jefferson County Utilities, Inc. (Central) filed a letter requesting a rate increase in its water and sewer operations under the Commission's informal rate procedure. Central serves approximately 178 water and sewer customers. On February 7, 1994, Central filed a tariff sheet reflecting increased rates for sewer service.

The Staff of the Commission (Staff) completed an investigation of Central's books, records and operations related to providing water and sewer service, and on March 11, 1994, filed a memorandum concerning Central's request. Staff stated that the parties had consented to an extension of the 150 days deadline for filing tariffs. Staff indicated that its review of Central's expenses and revenue did not justify a rate increase for water service at this time. Staff also indicated that Staff, Central and the Office of the Public Counsel (Public Counsel) have agreed that the Commission should approve the rates for sewer service contained in the tariff sheet filed by Central on February 7, 1994, with an effective date of April 1, 1994. The rates contained in the proposed tariff sheet are:

Single Family Residential	\$18.68 per month;
Multi-family Residential (per single family dwelling unit)	\$14.95 per month;
Commercial, Industrial, Institutional, and Other Minimum Services	\$18.68 per month for the first 7,000 gallons of water usage plus \$1.88 per 1,000 gallons for water usage over 7,000 gallons.

The proposal would increase Central's annual sewer revenues by approximately \$15,294, a 48.94 percent increase. For an average residential

customer, the monthly charge would increase from \$12.67 to \$18.68, an increase of 47 percent.

Central's customers were notified of Central's requested rate increase by written notice on February 8, 1993, and of Staff's proposal on February 3, 1994. Staff indicated it received twelve letters and two phone calls from Central customers. The comments indicated that the customers thought the proposed rate increase was too high and would cause hardship. One customer complained of low water pressure. Staff investigated this complaint and indicated that it has been resolved.

Staff stated that the proposed tariff sheet will have no effect on any other matters involving Central that may be pending before the Commission. Staff recommended that the Commission approve the tariff sheet filed by Central on February 7, 1994, for service on and after April 1, 1994.

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 Central.

Central has experienced increases in operating expenses since its last rate increase in 1984, and has invested in improvement and expansion of its system. The proposed rates have resulted from extensive negotiations between Staff, Central, and Public Counsel. The resulting increased revenues will allow Central 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 Central on February 7, 1994, should be approved for service on and after April 1, 1994.

IT IS THEREFORE ORDERED:

1. That the following tariff sheet filed by Central Jefferson County Utilities, Inc. is hereby approved for service on and after April 1, 1994:

P.S.C. MO. No. 1

2nd Revised Sheet No. D Canceling 1st Revised Sheet No. D.

2. That this Order shall become effective on April 1, 1994.

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,
Kincheloe and Crumpton, CC., Concur.
Perkins, C., Absent.