STATE OF MISSOURI PUBLIC SERVICE COMMISSION JEFFERSON CITY February 15, 2001

CASE NO: SR-2000-556

Office of the Public Counsel P.O. Box 7800 Jefferson City, MO 65102

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Enclosed find certified copy of an ORDER in the above-numbered case(s).

Sincerely,

Dale Hardy Roberts

Ask Hold Roberts

Secretary/Chief Regulatory Law Judge

STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a Session of the Public Service Commission held at its office in Jefferson City on the 15th day of February, 2001.

In the Matter of Osage Water Company's
Request for a Rate Increase for Sewer
Service Pursuant to the Public Service
Commission's Small Company Rate Increase
Procedure

)
Case No. SR-2000-556
Tariff File No. 200000346

ORDER FURTHER SUSPENDING TARIFF, GRANTING MOTION TO COMPEL, AND DENYING MOTION TO CONSOLIDATE

Pursuant to the Commission's informal rate procedure, on November 14, 2000, Osage Water Company (Osage) filed revised tariff sheets designed to increase its rates for sewer service by approximately 8.8 percent. Those tariff sheets bear an effective date of December 29, 2000. Osage also filed a letter requesting that its revised tariff sheets be approved, and an Agreement Regarding Disposition of Small Company Rate Increase Request that it had entered into with the Staff of the Commission.

On November 30, 2000, the Office of the Public Counsel (Public Counsel) filed a request for a local public hearing pursuant to 4 CSR 240-2.200(1)(E). A local public hearing was held in Osage Beach on January 9, 2001. Public Counsel filed a "Notice of Public Counsel's Objection to Tariff Sheets, Motion to Suspend Tariff Sheets and Request for Evidentiary Hearing" on January 16, 2001.

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On January 31, 2001, the Commission issued an order that suspended the tariff sheets until February 27, 2001, and established a procedural schedule. Because that procedural schedule, although expedited, will not allow a decision by February 27, 2001, the Commission will further suspend the tariff sheets.

On January 18, 2001, Osage filed a pleading that, inter alia, asked the Commission to quash four data requests (DRs) submitted to Osage by Public Counsel. Osage stated that Public Counsel has not conducted any formal investigation of Osage, nor reviewed Osage's books. Osage stated that Public Counsel has not identified any errors in Staff's revenue requirement calculations or rate design. Osage asserted that the DRs are not timely, and not appropriate at this point in the proceedings.

On January 25, 2001, Public Counsel filed a response to Osage's objections to the DRs. Public Counsel asserted that its right to submit DRs to a utility is not conditioned upon the existence of an open case or whether that utility is a party to a case. Public Counsel recognizes that, if it were to perform a complete audit of a utility under the small company rate increase procedure rules, it must conduct that audit at the same time Staff is conducting its audit. However, Public Counsel states that nothing in the small company rate increase procedure rules limit its broad right to request data from a

¹ The Commission notes that Osage's objection to the DRs was based solely on the timing. Osage did not object on the basis of relevance, undue burden, or any other basis. Not having timely made any other objections, Osage has waived them.

utility. The Commission agrees, and will order Osage to respond to the contested DRs.

On February 1, 2001, Public Counsel filed a motion to consolidate this case with WR-2000-557 (in which Osage is seeking an increase in water rates pursuant to the small company rate increase procedure rules). Public Counsel asserts that the issues and the parties in the two cases are identical. The proposed tariff sheets in this case are based upon Staff's audit of the revenues, expenses, and rate base associated with Osage's sewer operations, and would increase rates by approximately 8.8 percent. Although there will be some overlap, the evidence on which the Commission will make its decision regarding the proposed increase in sewer rates may be different than the evidence on the proposed increase in water rates. The Commission will deny the motion to consolidate.

IT IS THEREFORE ORDERED:

- 1. That the tariff sheets filed by Osage Water Company on November 14, 2000, and assigned Tariff No. 200000346, and subsequently docketed as Case No. SR-2000-556, are further suspended to October 28, 2001, or until otherwise ordered by this Commission.
- 2. That Osage Water Company's motion to quash Data Requests 1050 through 1054 submitted by the Office of the Public Counsel is denied and Osage Water Company shall provide answers to those data requests no later than February 20, 2001.
- 3. That the motion to consolidate filed by the Office of the Public Counsel on February 1, 2001, is denied.

4. That this order shall become effective on February 25, 2001.

BY THE COMMISSION

Ark Hold Roberts

Dale Hardy Roberts Secretary/Chief Regulatory Law Judge

(SEAL)

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

Mills, Deputy Chief Regulatory Law Judge

ALJ/Sec.'y:

ALJ/Sec.'y:

Date Circulated

CASE NO.

Servation of Case No.

Drainer, Vice Chair

Drainer, Commissioner

Schemenamer, Commissioner

Schemenamer, Commissioner

Schemenamer, Commissioner

Action taken:

Action taken:

Must Vote Not Later Than

Must Vote Not Later Than

STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City,

Missouri, this 15th day of February 2001.

Dale Hardy Roberts

Secretary/Chief Regulatory Law Judge

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