

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of the Application of Mid Mo)
Sanitation, LLC for a Small Company Rate) Case No. SR-2010-0095
Increase.)

**THE OFFICE OF THE PUBLIC COUNSEL’S REQUEST
FOR EVIDENTIARY HEARING**

COMES NOW the Office of the Public Counsel (Public Counsel) and for its Request for Evidentiary Hearing states as follows:

1. On September 11, 2009, Mid Mo Sanitation, LLC (Mid Mo) initiated a small company rate increase proceeding with the Missouri Public Service Commission (Commission) requesting an increase in its sewer rates of \$1 per year. Mid Mo initiated this rate increase request in compliance with the Commission’s *Order Approving Stipulation and Agreement* in Case No. SA-2009-0319, in which the Commission ordered Mid Mo to file a small utility rate case pursuant to Commission Rule 4 CSR 240-3.050, within 90 days of the effective date of that order (June 13, 2009).
2. On April 9, 2010, the Staff of the Missouri Public Service Commission (Staff) filed a *Notice of Company/Staff Agreement Regarding Disposition of Small Sewer Company Revenue Increase Request* (Company/Staff Agreement) indicating agreement between Staff and Mid Mo for a sewer rate increase of \$3,721 annually (approximately 16.5%). Public Counsel did not join in the agreement because it believes that the Company/Staff Agreement overstates the revenue requirement of Mid Mo.
3. On April 14, 2010, Mid Mo filed proposed revised tariff sheets related to the Company/Staff Agreement. The proposed revised tariff sheets bore an effective date of June 1,

2010. In the Commission's April 30, 2010 Order Suspending Tariff, these proposed revised tariff sheets were suspended until August 11, 2010.

4. On April 29, 2010, a local public hearing was held to allow customers to comment on the proposed sewer rate increase. However, at this hearing the Commission was informed that customers had not received notice of the hearing as required under 4 CSR 240-3.050 (14). Therefore, a second local public hearing was held on June 3, 2010.

5. 4 CSR 240-3.050 (19) requires Public Counsel to file, no later than ten (10) working days after the local public hearing, a pleading stating its position regarding the Company/Staff Agreement and the related tariff revisions, or requesting that the Commission hold an evidentiary hearing, and providing the reasons for its position or request. 4 CSR 240-3.050 (20) states that if Public Counsel requests an evidentiary hearing, the request shall include a specified list of issues that the Public Counsel believes should be the subject of the hearing.

6. Public Counsel, Staff and Mid Mo have been in active discussion regarding a resolution of this matter. However, Staff and Mid Mo have been unwilling to implement changes to Mid Mo's revenue requirement that Public Counsel believes are necessary for just and reasonable utility rates. Therefore, pursuant to the requirements in 4 CSR 240-3.050 (19), Public Counsel requests an evidentiary hearing.

7. Pursuant to 4 CSR 240-3.050 (19) and (20), Public Counsel states that its specified list of issues and the reasons for its request are as follows:

- a) Salary: The Company/Staff Agreement provides salaries for Mr. William Bright which approximate \$42/hour and Ms. Kristina Bright which approximate \$39/hour. Public Counsel believes these salaries are excessive given the market rate of salaries for activities of this type and the small size of the utility.

b) Return on Contributed Plant: The Company/Staff Agreement includes a return on plant that was contributed to Mr. Bright. As Mr. Bright has no investment in this contributed plant, it is a violation of rate making principals to provide a return on that contributed plant.

c) Amortization for Contributed Plant: The Company/Staff Agreement fails to include an amortization of the contributed plant as an offset to depreciation. The failure to include amortization for contributed plant is a violation of rate making principals.

WHEREFORE, Public Counsel respectfully requests that the Commission schedule an evidentiary hearing in this matter.

Respectfully submitted,

OFFICE OF THE PUBLIC COUNSEL

/s/ Christina L. Baker

By:_____

Christina L. Baker (#58303)
Senior Public Counsel
P O Box 2230
Jefferson City, MO 65102
(573) 751-5565
(573) 751-5562 FAX
christina.baker@ded.mo.gov

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, emailed or hand-delivered to the following this 11th day of June 2010:

General Counsel Office
Missouri Public Service Commission
200 Madison Street, Suite 800
P.O. Box 360
Jefferson City, MO 65102
GenCounsel@psc.mo.gov

Samuel Ritchie
General Counsel Office
Missouri Public Service Commission
200 Madison Street, Suite 800
P.O. Box 360
Jefferson City, MO 65102
Samuel.Ritchie@psc.mo.gov

Dean Cooper
Mid Mo Sanitation, LLC
P.O. Box 456
312 East Capitol
Jefferson City MO 65102
dcooper@brydonlaw.com

/s/ Christina L. Baker
