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# BEFORE THE PUBLIC SERVICE COMMISSION

## OF THE STATE OF MISSOURI

In the Matter of the Investigation by the Staff ) of the Missouri Public Service Commission into ) Case No. TR-98-345 the Earnings of Lathrop Telephone Company.

### ORDER ADOPTING PROCEDURAL SCHEDULE

Lathrop Telephone Company (Lathrop) and the Staff of the Missouri Public Service Commission (Staff) filed a Stipulation and Agreement on February 13, 1998, in which they requested Commission approval of a plan to resolve the Staff's per book earnings review of Lathrop by reducing Lathrop's gross intrastate revenues by approximately \$182,711 on an annual basis. The Office of the Public Counsel (OPC) did not sign the Stipulation and Agreement, but did not request a hearing. Southwestern Bell Telephone Company (SWBT) applied for intervention and requested a hearing on March 30. The Commission granted intervention to SWBT, as well as to AT&T Communications of the Southwest, Inc. (AT&T), on April 10 and directed the parties to file a procedural schedule or a stipulation and agreement no later than May 11.

Pursuant to the Commission's Notice of Extension issued on June 10, Staff filed a proposed procedural schedule on June 19, indicating that all parties were in agreement. Staff indicated that the parties have narrowed their disagreement to one issue, and that an evidentiary hearing is not necessary to resolve the issue. Staff proposed dates for the filing of testimony and a hearing memorandum and for conducting an evidentiary hearing, but suggested as an alternative

that the Commission permit the parties to file a memorandum setting forth each party's position and base its decision on the memorandum rather than formal evidence. No party responded to Staff's motion.

Rather than adopting Staff's proposed alternative of submitting the case on the basis of a memorandum, the Commission will adopt the proposed procedural schedule as set out in the ordered paragraphs below. All of the dates are those proposed by Staff, except for the date for filing direct testimony. In addition, the Commission finds that the following conditions shall be applied to the schedule. The Commission will take Staff's suggestion that the case be resolved based upon written filings under advisement, and if the Commission deems it appropriate, the Commission may render a decision after the testimony has been filed and before the evidentiary hearing takes place. By requiring the parties to file testimony, the Commission will ensure that the case is ripe for an evidentiary hearing if the Commission finds that live cross-examination will be necessary.

- A. The Commission will require the prefiling of testimony as defined in 4 CSR 240-2.130. The practice of prefiling testimony is designed to give parties notice of the claims, contentions and evidence in issue and to avoid unnecessary objections and delays in the proceedings caused by allegations of unfair surprise at the hearing. The Commission expects the parties to comply with the requirements of 4 CSR 240-2.130, including the filing of testimony on line-numbered pages.
- B. Testimony and schedules shall not be filed under seal and treated as proprietary or highly confidential unless a protective order has first been established by the Commission. The party that considers

the information to be proprietary or highly confidential should request a protective order. Any testimony or schedule filed without a protective order first being established shall be considered public information.

- C. The parties shall file a hearing memorandum setting out the issues to be heard and the witnesses to appear on each day of the hearing and the order in which they shall be called, an appendix containing definitions of technical terms, each party's position on the disputed issues, and the order of cross-examination. The hearing memorandum will set forth the issues that are to be heard and decided by the Commission. Any issue not contained in the hearing memorandum will be viewed as uncontested and not requiring resolution by the Commission. Staff will be responsible for preparing and filing the hearing memorandum.
- D. The Commission emphasizes the importance of the deadline for filing the hearing memorandum. Commission Staff will be responsible for preparing and filing the hearing memorandum and, unless the Commission orders otherwise, the hearing memorandum shall be filed on or before the date set. Each party is required to provide Staff with its position on each unresolved issue at least two business days prior to the filing deadline for the hearing memorandum. Each party shall either present its signature element (a signed page), shall provide written authorization to permit the General Counsel to sign for that particular party, or shall be available to sign the final draft at the offices of the General Counsel prior to the filing deadline. A hearing memorandum which is not signed is considered noncompliant as to the party whose signature is missing and any party who fails or refuses to sign the final copy of the hearing memorandum is hereby ordered to file its own hearing memorandum,

which follows the same numbering and topic outline, by the hearing memorandum filing date.

- E. The Commission's general policy provides for the filing of the transcript ten working days after the conclusion of the hearing. Any party seeking to expedite the filing of the transcript shall tender a written request to the regulatory law judge at least five days before the hearing.
- F. Initial briefs shall be limited to 30 pages and reply briefs to 15 pages. The briefs to be submitted by the parties shall follow the same format established in the hearing memorandum. Initial briefs must set forth and cite the proper portions of the record concerning the remaining unresolved issues that are to be decided by the Commission. All pleadings, briefs and amendments shall be filed in accordance with 4 CSR 240-2.080(7).

#### IT IS THEREFORE ORDERED:

1. That the following procedural schedule is adopted for this proceeding, subject to the conditions discussed above:

Direct testimony - August 10, 1998 3:00 p.m.

Rebuttal testimony - September 14, 1998 3:00 p.m.

Surrebuttal and cross - October 6, 1998 surrebuttal testimony 3:00 p.m.

Hearing Memorandum - October 20, 1998

Evidentiary hearing - November 19, 1998 9:00 a.m.

2. The evidentiary hearing will be held in the Commission's hearing room on the fifth floor of the Harry S Truman State Office

Building, 301 West High Street, Jefferson City, Missouri. Anyone wishing to attend who has special needs as addressed by the Americans with Disabilities Act should contact the Missouri Public Service Commission at least ten (10) days before the prehearing conference or hearing at: Consumer Services Hotline — 1-800-392-4211 or TDD Hotline — 1-800-829-7541.

3. That this order shall become effective on August 14, 1998.

#### BY THE COMMISSION

Hole Hoed Roberts

Dale Hardy Roberts

Secretary/Chief Regulatory Law Judge

(SEAL)

Amy E. Randles, Regulatory Law Judge, by delegation of authority pursuant to 4 CSR 240-2.120(1) (November 30, 1995) and Section 386.240, RSMo 1994.

Dated at Jefferson City, Missouri, on this 4th day of August, 1998.

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COMMISSION COUNSEL.
PUBLIC SERVICE COMMISSION