

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Joint Application of Stoddard County)
Sewer Company, Inc., R.D. Sewer Co., L.L.C. and the)
Staff of the Missouri Public Service Commission for an) **Case No. SO-2008-0289**
Order Authorizing Stoddard County Sewer Co., Inc. to)
Transfer its Assets to R.D. Sewer Co., L.L.C., and for an)
Interim Rate Increase.)

ORDER ADOPTING LIST OF ISSUES, ORDER OF OPENING
STATEMENTS, LIST AND ORDER OF WITNESSES AND ORDER OF
CROSS-EXAMINATION, AND NOTICE ADVISING PARTIES AND
WITNESSES REGARDING HOW TO PARTICIPATE IN THE
EVIDENTIARY HEARING BY PHONE

Issue Date: August 1, 2008

Effective Date: August 2, 2008

On August 31, 2008,¹ the Staff of the Missouri Public Service Commission, on behalf of all the parties to this action, filed a document setting out the list of issues, order for opening statements, list and order of witnesses and order for cross-examination of the witnesses that the parties propose to follow in the evidentiary hearing scheduled to begin for this matter on August 13, 2008. That proposal is acceptable to the Commission.

The issues, as submitted by the parties, are as follows:

A. Is the proposed transfer of assets detrimental to the public?

B. Did Stoddard County Sewer Company, Inc. ("Stoddard County") or any other entity, at any time since Stoddard County acquired the real and personal assets described in Paragraphs 42 and 43 of the Application in this case, secure from the Commission an order authorizing it to sell, assign, lease, transfer, mortgage, or otherwise dispose of or encumber any of the

¹ All dates throughout this order refer to the year 2008 unless otherwise noted.

assets that are described in Paragraphs 42 and 43 of the Application in this case?

C. Are any and all purported transfers of any security interest in the assets described in Paragraphs 42 and 43 of the Application in this case therefore void?

D. Should the Commission approve an interim rate increase for the customers who are now served by Stoddard County?

E. If the Commission determines that a rate increase for the customers who are now served by Stoddard County should be approved, how much should the rate increase be?

F. If the Commission determines that a rate increase for the customers who are now served by Stoddard County should be approved, should the Commission make the increased revenues subject to refund?

The Commission further notes that as an ancillary issue to any case before the Commission, the Commission will always hear evidence as to the provision of safe and adequate service. Should the Commission find that evidence exists of unsafe or inadequate service, it may elect to authorize its Staff to pursue a complaint action or to seek penalties for any established violations of State statutes, Commission rules or the company's tariffs.

The parties have also submitted a proposed order for the their witnesses to appear and they request the Commission to notify them when the Commission will call two independent experts retained by the Commission to provide neutral accounting and engineering analyses of Stoddard County Sewer Company, Inc. The Commission shall call the independent subject matter experts as the first two witnesses to testify; i.e. Randy Shepard, of The Bonadio Group, followed by Rodger G. Williams, II, of Smith & Co. Engineers. The Commission shall then follow the order of the remaining witnesses as proposed by the parties.

The Commission has established a conference call bridge to allow the parties and their witnesses to participate in the evidentiary hearing by phone. Any party or witness that wishes to participate in the hearing by telephone may do so by calling (573) 526-5904 or (866)-630-9352 at the time set for the hearing. ALL ATTORNEYS REPRESENTING PARTIES OR WITNESSES SHALL BE PRESENT IN THE HEARING ROOM IN THE OFFICES OF THE MISSOURI PUBLIC SERVICE COMMISSION AT THE GOVERNOR OFFICE BUILDING, ROOM 310, 200 MADISON STREET, JEFFERSON CITY, MISSOURI, ON THE DAYS AND AT THE TIMES SET FOR HEARING. Any party or witness intending to appear by phone must also provide the Commission with an alternative phone number where they may be reached during the hearing in the event the conference call fails.

IT IS ORDERED THAT:

1. The List of Issues, Order for Opening Statements, Order of Witnesses and Order of Cross-Examination submitted by the Staff of the Missouri Public Service Commission on behalf of all of the parties is adopted. The list of issues is adopted with the caveat that the parties' framing of the issues may not accurately reflect the material issues to this matter under the applicable statutes and rules, and it may not include all issues that the Commission finds material to its final decision.
2. The ancillary issue regarding the provision of safe and adequate service is adopted.
3. The Commission shall call its independent subject matter expert witnesses first, and then shall follow the order of witnesses as set out by the parties.
4. Any party or witness wishing to appear at the evidentiary hearing by telephone shall follow the instructions in the body of this order.

5. No later than August 8, 2008, any party or witness wishing to appear at the evidentiary hearing by telephone shall provide the Commission with an alternative phone number where they may be reached during the hearing.

6. No later than August 8, 2008, the independent experts retained by the Commission in this matter, i.e. Bonadio and Company, L.L.P. and Smith and Company Engineers, shall file with the Commission the Curriculum Vitae of all subject matter experts contributing to the reports they have previously filed with the Commission.

7. The Commission's Data Center shall serve a copy of this Order and Notice to:

Randell Shepard, CPA
Bonadio and Company, L.L.P.
171 Sully's Trail
Pittsford, New York 14534

And

Roger Williams, Professional Engineer
Smith & Company Engineers
P.O. Box 72
Poplar Bluff, Missouri 63901

8. This order shall become effective on August 2, 2008 at 12:01 a.m.

BY THE COMMISSION



Colleen M. Dale
Secretary

(S E A L)

Harold Stearley, Regulatory Law Judge,
by delegation of authority pursuant to
Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,
on this 1st day of August, 2008.