

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

In the Matter of the Application of Cannon)
Home Association for a Small Company)
Rate Increase.) **Case No. SR-2009-0144**

OFFICE OF THE PUBLIC COUNSEL'S POSITION STATEMENT

COMES NOW the Office of the Public Counsel (Public Counsel) and for its Position Statement states as follows:

1. On October 20, 2008, Cannon Home Association (Cannon) initiated a small company revenue increase request with the Missouri Public Service Commission (Commission) for its sewer services in Ralls County, Missouri.
2. On March 16, 2009, 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 an agreement between Staff and Cannon for a sewer rate increase of \$4,317 annually (approximately 19.17%). Public Counsel did not join in the agreement.
3. Revised tariff sheets reflecting the proposed rates agreed to in the Company/Staff Agreement were filed by Cannon on March 23, 2009.
4. A second customer notice dated March 30, 2009 was sent by Cannon which invited customers to submit comments within twenty (20) days after the date of the notice. Accordingly, the comment period for the second customer notice ended on April 19, 2009.
5. 4 CSR 240.3-050(15) requires Public Counsel to file a pleading stating its position regarding the Company/Staff Agreement and the related tariff revisions, or requesting a local

public hearing or an evidentiary hearing no later than five (5) working days after the end of the comment period for the second customer notice.

6. Public Counsel states that it did not sign the Staff/Company Agreement because, although Public Counsel agreed with most of Staff's audit positions, Public Counsel had concerns regarding the development and appropriate allocation of electricity, repairs & maintenance, transportation, software, land line telephone, internet and cell phone costs between Cannon and the non-regulated Timberidge Resort also owned by the owners of Cannon.

7. Even after continued discussions with Staff, Public Counsel believes that some of these costs should not be included in the utility's cost of service. However, the dollar amounts are small enough that Public Counsel believes opposition to the Staff/Company Agreement and the related tariff revisions would not be in the best interests of ratepayers.

8. Therefore, in compliance with 4 CSR 240.3-050(15), Public Counsel now states its position that while it does not agree with the Staff/Company Agreement and the related tariff revisions, Public Counsel will not oppose their approval by the Commission.

WHEREFORE, Public Counsel respectfully submits its Position Statement.

Respectfully submitted,

OFFICE OF THE PUBLIC COUNSEL

/s/ Christina L. Baker

By: _____

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, emailed or hand-delivered to the following this 24th day of April 2009:

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