

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 23rd day
of December, 2009.

In the Matter of the Highway H Utilities, Inc.'s)
Small Sewer Company Rate Increase Request) **File No. SR-2009-0392**

In the Matter of the Highway H Utilities, Inc.'s)
Small Water Company Rate Increase Request) **File No. WR-2009-0393**

ORDER APPROVING STIPULATION AND AGREEMENT

Issue Date: December 23, 2009

Effective Date: December 23, 2009

This order approves the Stipulation and Agreement entered into between Highway H Utilities, Inc. and the Office of the Public Counsel. The Staff of the Commission, a party to this case, did not join in the agreement but does not oppose its approval.

Background

Highway H Utilities, Inc., initiated this small company rate increase proceeding on April 30, 2009, requesting that the Commission allow an increase of \$34,000 in its sewer service revenue and \$66,000 for its water service. On September 23, Staff filed a notice of an agreement between it and the company whereby the company would receive increase of \$17,592 for sewer service and \$19,254 for water service. Public Counsel did not join in the agreement but instead requested a local public hearing.

Because the Commission could not hold a local public hearing in the time remaining until the effective date of the company's tariff, the Commission suspended the tariff until March of 2010 and set both local public and evidentiary hearing dates. Several weeks

later, Public Counsel withdrew its request for a local public hearing and now files the instant Stipulation and Agreement.

The Stipulation and Agreement

The company and Public Counsel agree that the company's water revenue shall be increased by \$14,750 and its sewer revenue by \$13,100. With the general provisions usually included in stipulations and agreements, Public Counsel and the company also agree on the following:

- The company will maintain all of its financial records in accordance with the Commission's Uniform System of Accounts.
- Within 15 days or during its next billing cycle after the issuance of a Commission Order approving the terms of the agreement, the company will mail its customers a written notice of the rates and charges included in its proposed tariff and notify Staff who will file such notice in the case.
- Within 30 days of the effective date of an order approving the Stipulation, the Company will keep time reporting records by water and sewer accounts for all directly assigned and shared employees and provide written verification of such to Staff.
- Within 30 days of the effective date of the order approving the Stipulation, the company will: 1) initiate the practice of obtaining actual meter readings for all customer accounts, including multi-family dwelling accounts, and use these meter readings as a basis for preparing accurate billing; 2) store all important customer business documents in a lockable, fireproof cabinet.
- Within 3 months of the effective date of an order approving the Stipulation, the company will develop continuing property records and depreciation schedules for utility plant and, within 15 days of doing so, provide written verification of implementation to Staff.
- The company will implement a ten-year replacement program for its existing meters according to 4 CSR 240-10.030(38) with the first year of the replacements to be completed no later than June 30, 2010 and provide to Staff the addresses of the replaced meters by July 10, 2010.

Discussion

Public Counsel and the company filed the Agreement on December 11, 2009. Because Staff did not join in the Agreement, it is nonunanimous.¹ Under the Commission's rules,² Staff had until December 18, to file any objection to the Agreement but did not do so. The Commission may therefore treat the Agreement as unanimous.³ The Commission notes that every decision and order in a contested case shall be in writing and, except in default cases or cases disposed of by stipulation, consent order or agreed settlement, shall include findings of fact and conclusions of law. Consequently, the Commission need not make findings of fact or conclusions of law.

The Commission finds the Agreement reasonable and will approve it. The parties will be directed to comply with its terms. The Commission will also reject the revised tariffs filed by the company and will direct it to file tariffs in compliance with the Agreement.

THE COMMISSION ORDERS THAT:

1. The Stipulation and Agreement filed by the Office of the Public Counsel and Highway H Utilities, Inc. is approved.
2. The signatories shall abide by the terms of the Stipulation and Agreement.
3. The following revised tariff sheet filed by Highway H Utilities, Inc., and assigned Tariff File No. YS-2010-0233, is rejected:

P.S.C. MO No. 1
1st Revised Sheet No. 5, Cancelling Original Sheet No. 5

¹ 4 CSR 240-2.115(2)(A).

² 4 CSR 240-2.115(2)(B).

³ 4 CSR 240-2.115(2)(D).

4. The following revised tariff sheets filed by Highway H Utilities, Inc., and assigned Tariff File No. YW-2010-0235, are rejected:

P.S.C. MO No. 1

1st Revised Sheet No. 4, Cancelling Original Sheet No. 4
1st Revised Sheet No. 5, Cancelling Original Sheet No. 5
1st Revised Sheet No. 7, Cancelling Original Sheet No. 7.

5. Highway H Utilities, Inc., is authorized to file tariffs in compliance with the Stipulation and Agreement.

6. This order shall become effective upon issuance.

BY THE COMMISSION



Steven C. Reed
Secretary

(S E A L)

Clayton, Chm., Davis, Jarrett,
Gunn, and Kenney, CC., concur.

Jones, Senior Regulatory Law Judge