#### STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 28th day of July, 2010.

In the Matter of the Application of Mid MO Sanitation, LLC for a Small Company Rate Increase

File No. SR-2010-0095

# ORDER APPROVING UNANIMOUS DISPOSITION AGREEMENT

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Issue Date: July 28, 2010

Effective Date: August 7, 2010

#### Background

On September 11, 2009, Mid MO Sanitation, LLC filed with the Missouri Public Service Commission a request to increase by \$1.00 its annual sewage operating revenues. The company filed the request as ordered by the Commission in File No. SA-2009-0319.

On April 9, 2010, the company and the Staff of the Commission filed an agreement regarding the disposition of the company's request. The agreement provided for an increase of \$3,721.00 in the company's annual revenues. The Office of the Public Counsel did not join in the agreement but instead requested that the Commission hold a local public hearing.

The Commission held a local public hearing on June 3. Customers expressed concern regarding management and accounting fees and expenses for billing and collections.<sup>1</sup> Setting out concerns with regard to excessive employee salaries, return on contributed plant and amortization of contributed plant, OPC filed on June 11 a request for

<sup>&</sup>lt;sup>1</sup> Transcript, Local Public Hearing, pages 4-6.

an evidentiary hearing. The Commission set the matter for a hearing to be held on July 19

but the hearing was cancelled in light of the unanimous agreement, which was filed on

July 16.

### The Agreement

The agreement provides for a \$1.00 increase in the company's annual revenues as

originally requested by the company. Additionally, under the agreement, the company is

required to implement the following procedures within 30 days of the effective date of this

order:

- Develop and distribute to all current and future customers a written document containing information that specifies the rights and responsibilities of the company and its customers.
- Incorporate a contact telephone number and payment due date on customers' bills and clearly state on each bill when the customers are subject to a 5% late payment fee.
- Prepare a written notice that could be used to notify customers when scheduling disconnections of service due to nonpayment.
- Develop and implement a process to ensure all customer complaints received by company personnel are documented and maintained. Documentation shall include the customer's name, address, nature of the complaint, date of occurrence, as well as an explanation of what the company has done to address the complaint.

The agreement also requires that the company mail to its customers a final written notice of

the rates and charges in its tariff prior to or with its next billing cycle, and to send a copy to

Staff for filing in this docket. Finally, the parties point out that the current tariffs in effect for

the company will remain in effect and that the company need not file revised tariff sheets.

Currently, residential and commercial customers pay a flat, monthly rate of \$64.66 and

\$96.98, respectively.

### Discussion

Upon review of the agreement and the transcript of the local public hearing, the Commission finds that the terms and obligations set out in the agreement are reasonable. The Commission will therefore approve the agreement and direct the parties to abide by the terms set out therein. The Commission will close this file upon Staff filing a copy of the customer notice required in the agreement.

## THE COMMISSION ORDERS THAT:

1. The Unanimous Disposition Agreement filed on July 16, 2010, is approved.

2. The signatories to the Unanimous Disposition Agreement shall comply with the terms of the Agreement.

3. This order shall become effective on August 7, 2010.

# BY THE COMMISSION

Steven C. Reed Secretary

(SEAL)

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

Jones, Senior Regulatory Law Judge