

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 12th day of
April, 2007.

In the Matter of W.P.C. Sewer Company's)	<u>Case No. SR-2007-0357</u>
Request for a Small Company Rate Increase)	Tariff No. YS-2007-0686

**ORDER APPROVING AGREEMENT REGARDING DISPOSITION OF
SMALL COMPANY RATE INCREASE REQUEST AND APPROVING
TARIFF**

Issue Date: April 12, 2007

Effective Date: April 27, 2007

Syllabus: This order approves the agreement between the W.P.C. Sewer Company ("W.P.C."), the Staff of the Missouri Public Service Commission and the Office of the Public Counsel. Further, it approves W.P.C.'s tariff. The tariff will implement a rate increase for the company.

On September 11, 2006, W.P.C. initiated a small company rate increase under Commission Rule 4 CSR 240-3.330, which was assigned Tracking File No. QS-2007-0005. W.P.C. provides sewer service to approximately 67 residential customers located in the South Walnut Hills development in Sedalia, Pettis County, Missouri.

On March 28, 2007, after working with the Commission's Staff and the Office of the Public Counsel, W.P.C. filed a tariff designed to increase its rate for sewer service. W.P.C. had originally requested a rate increase intended to generate an additional \$14,094.00 in sewer service operating revenues, but after working with Staff and the Office of the Public Counsel, W.P.C. filed revised tariff sheets containing customer rates intended

to produce an increase of \$5,112.00 in the company's annual sewer system operating revenues. W.P.C. also filed a letter requesting that the Commission approve its revised tariff sheets for an increase in its sewer service rates.

On March 30, 2007, Staff filed the *Unanimous Agreement Regarding Disposition of Small Sewer Company Rate Increase Request*, and on April 11, 2007, Staff filed its recommendation that the Commission approve the tariff, the disposition agreement, and the depreciation rates attached to the agreement. Based upon its audit of W.P.C.'s books and records, an evaluation of its depreciation rates, and an analysis of its capital structure and cost of capital, Staff concluded that W.P.C. could justify an increase of \$5,112.00 in its annual sewer service operating revenues.

The Commission has the authority to approve W.P.C.'s proposed tariff revision pursuant to Sections 393.140(11) and 393.150.¹ Section 393.130.1 provides that all charges made by any sewer corporation for service rendered or to be rendered shall be "just and reasonable and not more than allowed by law or by order or decision of the commission." The Commission finds the agreement between W.P.C., Staff and Public Counsel, to be just and reasonable, and shall approve the agreement. Also, the Commission finds the tariff sheets to be just and reasonable, and shall approve them. Furthermore, the Commission finds the depreciation rates proposed by Staff to be just and reasonable and shall approve them.

¹ All statutory citations refer to RSMo 2000 unless otherwise noted.

IT IS ORDERED THAT:

1. The Unanimous Agreement Regarding Disposition of Small Sewer Company Rate Increase Request is approved and the parties are directed to comply with the terms of the agreement.

2. The following tariff sheet filed by W.P.C. Sewer Company, and assigned Tariff File No. YS-2007-0686, is approved for service on or after April 27, 2007:

P.S.C. MO No. 1

2nd Revised Sheet No. 4, Canceling 1st Original Sheet No. 4

3. The Depreciation Schedule in Attachment F to the Unanimous Agreement Regarding Disposition of Small Sewer Company Rate Increase Request is approved as the schedule of depreciation rates authorized for W.P.C. Sewer Company's use.

4. This order shall become effective on April 27, 2007.

5. This case may be closed on April 28, 2007.

BY THE COMMISSION



Colleen M. Dale
Secretary

(S E A L)

Davis, Chm., Murray, Gaw, Clayton and Appling, CC., concur

Stearley, Regulatory Law Judge