

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

In the Matter of R.D. Sewer Company, L.L.C.'s )  
Small Company Rate Increase )

**File No. SR-2009-0226**  
**Tariff No. YS-2009-0765**

## ORDER GRANTING REQUEST FOR A LOCAL PUBLIC HEARING AND SUSPENDING TARIFF

Issue Date: June 4, 2009

Effective Date: June 4, 2009

## Background

On November 26, 2008, R.D. Sewer Company (“R.D. Sewer”)<sup>1</sup> initiated a small sewer company rate increase action pursuant to Commission Rule 4 CSR 240-3.050 and pursuant to the Commission’s directives in its Report and Order in File No. SO-2008-0289.<sup>2</sup> R.D. Sewer originally sought to make permanent the interim rate increase that was ordered in File No. SO-2009-0289; however, after the Commission’s Staff (“Staff”) completed a full audit of the company, R.D. Sewer and Staff agreed that R.D. Sewer’s annualized sewer system operating revenue should be increased by \$14,549.00.

On April 27, 2009,<sup>3</sup> Staff and R.D. Sewer filed a Disposition Agreement (“Agreement”) that included comprehensive accounting schedules, a review of R.D. Sewer’s customer service and business operation and example tariffs designed to

<sup>1</sup> R.D. Sewer provides service to approximately 172 customers in its certificated service area under the provision of its Commission-approved tariff.

<sup>2</sup> See 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 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, Report and Order issued on

<sup>3</sup> All dates from this point forward refer to the year 2009 unless otherwise noted.

implement the agreed upon revenue requirements. On April 30, R.D. Sewer filed revised tariff sheets reflecting certain rate and language changes to bring the tariffs into full conformity with the Agreement. The tariff sheets are assigned tracking number YS-2009-0765 and bear an effective date of June 15.

### **Public Counsel's Response**

The Office of the Public Counsel ("Public Counsel") did not join in the Agreement. Instead, on May 29, Public Counsel filed motions requesting the Commission suspend R.D. Sewer's tariff and schedule a local public hearing, or in the alternative, an evidentiary hearing. Public Counsel notes there are specific customer comments filed that indicate the existence of poor service and inadequate maintenance of the company's infrastructure. Additionally Staff's Engineering and Management Services Department Report, filed with the Agreement, indicates there are inappropriate fees and charges not provided for in the company's tariffs. These reasons are sufficient for the grant of a public hearing.<sup>4</sup>

The time-line filed by Staff, which is the procedural schedule by operation of 4 CSR 240-3.050(5), contemplates holding a local public hearing on, or around, June 29. Additionally, Commission Rule 4 CSR 240-2.110(1) requires the Commission to set the time and place for hearings and serve notice as required by law. Section 536.067(4), RSMo 2000, and Section 386.390.5, RSMo 2000, require at least ten days notice be given prior to a hearing. In complying with its statutory mandate, and taking into consideration the expedited nature of the small water company rate increase procedure, the Commission

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<sup>4</sup> Because the Commission is granting Public Counsel's request for a local public hearing, it will not grant the alternative motion for an evidentiary hearing. The parties will have the opportunity for further negotiations prior to the time-line's deadline of July 9, 2009, for Public Counsel to file a position statement and state, with particularity, any reasons for requesting an evidentiary hearing.

shall set the date for the local public hearing, by separate order, as reasonably close to June 29 as is practical.

### **Tariff Suspension**

Because the date for the local public hearing is beyond the effective date for the tariffs, the Commission shall suspend the tariffs.

### **THE COMMISSION ORDERS THAT:**

1. That the following revised tariff sheets filed by R.D. Sewer Company on April 30, 2009, and assigned Tariff File No. YS-2009-0765, are suspended for 60 days, or until August 14, 2009, or until otherwise ordered by the Commission:

#### **P.S.C. MO No. 1**

4th Revised Sheet No. 7, Canceling 3rd Revised Sheet No. 7  
Original Sheet No. 7a  
2nd Revised Sheet No. 8, Canceling 1st Revised Sheet No. 8  
2nd Revised Sheet No. 9, Canceling 1st Revised Sheet No. 9

2. The Commission shall set a local public hearing by separate order.
3. This order shall become effective immediately upon issue.

**BY THE COMMISSION**



Colleen M. Dale  
Secretary

( S E A L )

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

Dated at Jefferson City, Missouri,  
on this 4<sup>th</sup> day of June, 2009.