

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

In the Matter of the Application of Peaceful Valley)
Service Company Request for an Increase in Sewer)
Operating Revenues.)

Case No. SR-2009-0146

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 21, 2008, Peaceful Valley Service Company (Peaceful Valley) initiated a small company revenue increase request with the Missouri Public Service Commission (Commission) for its sewer service in Gasconade County, Missouri.
2. On March 20, 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 Peaceful Valley for a sewer rate increase of \$13,219 annually (approximately 136.10%). 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 Peaceful Valley on March 23, 2009.
4. A second customer notice dated March 30, 2009 was sent by Peaceful Valley 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. A corrected second customer notice was sent to customers on April 9, 2009 which corrected the table summarizing the proposed rate and charge revisions to indicate that the listed residential charges were quarterly charges not monthly charges.

6. 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.

7. 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 some costs included in the proposed rates.

8. After discussions with the President of the Peaceful Valley Homeowners Association which owns the utility, Public Counsel determined that all customers are members of the homeowners association and have an equal voice in the operation of the utility if they wish to participate. Therefore, Public Counsel believes its concerns about these costs have been alleviated to a degree that opposition to the Staff/Company Agreement and the related tariff revisions would not be in the best interests of ratepayers.

9. 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: _____

Christina L. Baker (#58303)

Senior Public Counsel

PO Box 2230

Jefferson City, MO 65102

(573) 751-5565

(573) 751-5562 FAX

christina.baker@ded.mo.gov

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:

General Counsel Office
Missouri Public Service Commission
200 Madison Street, Suite 800
PO Box 360
Jefferson City, MO 65102
GenCounsel@psc.mo.gov

Samuel Ritchie
General Counsel Office
Missouri Public Service Commission
200 Madison Street, Suite 800
PO Box 360
Jefferson City, MO 65102
samuel.ritchie@psc.mo.gov

Peaceful Valley Service Company
Jim Verhulst, Operations Manager
3408 B Peaceful Valley Road
Owensville, MO 65066
pvsc@fidnet.com

/s/ Christina L. Baker
