

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the matter of the application of Highway H Utilities,)
Inc., for permission, approval and a certificate of)
convenience and necessity authorizing it to construct,) Case No. WA-90-26
install, own, operate and maintain a water system for the)
public in a portion of Pulaski County, Missouri.)
)

APPEARANCES: Gary W. Duffy, Hawkins, Brydon, Swearngen & England P.C., Post Office
Box 456, Jefferson City, Missouri 65102, for Highway H. Utilities,
Inc.

HEARING

EXAMINER: Alisa M. Dotson.

REPORT AND ORDER

On July 31, 1989, Highway H Utilities, Inc. (Applicant) filed an applica-
tion for authority to operate as a water supply utility for the public in a portion
of Pulaski County, Missouri.

On August 18, 1989, the Commission gave notice and set September 18, 1989
as the intervention deadline. No interventions were filed.

Findings of Fact

The Missouri Public Service Commission, having considered all of the
competent and substantial evidence upon the whole record, makes the following
findings of fact.

Applicant is a corporation duly organized and existing under the laws of
the state of Missouri with its principal office and place of business located at Post
Office Box 308, H Highway East Outer Road, Waynesville, Missouri. A metes and bounds
description of the proposed service area is Appendix C to the application and is
incorporated herein by reference.

There are no water companies under the jurisdiction of this Commission
rendering service in the proposed area and no incorporated cities within the proposed
service area.

On February 6, 1990, the Commission Staff (Staff) filed a memorandum recommending that the instant application be approved. The Staff stated that the proposed rates are designed to produce annual revenues of \$12,552.00 and should be reviewed by the Staff within 18 months of the Commission's Report And Order.

The Commission has reviewed the application, attached exhibits and the Staff's recommendation. The Commission finds that the Applicant is qualified to provide the service, the service is needed and a grant of authority would promote the public interest. Therefore, the Commission has determined that the Applicant shall be granted a certificate of public convenience and necessity.

The Staff and Applicant's proposed residential water service rates are \$5.46 minimum for the first 2,000 gallons per month and a \$1.00 usage charge per 1,000 gallons above 2,000 gallons per month. The average residential bill for water use of 7,000 gallons per month would be \$10.46.

The Commission finds said rates are reasonable and should be adopted.

Conclusions of Law

The Missouri Public Service Commission has arrived at the following conclusions of law.

The Commission has jurisdiction over this application pursuant to Sections 393.170 and 393.150, R.S.Mo. 1986. Section 393.170 states the Commission has the authority to grant a certificate of public convenience and necessity when it has determined such a grant will be in the public interest. Section 393.150 empowers the Commission to set just and reasonable rates.

The Commission has determined that an oral hearing is not necessary in the instant case. The requirement for a hearing contained in Section 393.170 was met when the opportunity for hearing was provided and no proper party requested the opportunity to present evidence. *State ex rel. Rex Deffenderfer Enterprises, Inc. v. Public Service Commission*, 776 S.W.2d 494, 496 (Mo. App. 1989). Although notice was given, no interventions or motions for hearing were filed. The Applicant submitted its evidence by verified statement. Since there has been no objection to the same,

the Commission concludes that pursuant to Section 536.070(12), the verified statements are sufficient to grant the requested authority.

The Applicant is qualified and financially able to operate the water system described in the application. The Commission has determined that there is now and will in the future be a need for adequate water service in the proposed service area and that it is in the public interest to grant the authority requested by the Applicant. The Commission further determines that the rates described herein are reasonable and should be adopted.

It is, therefore,

ORDERED: 1. That Highway H Utilities, Inc., is hereby granted a certificate of public convenience and necessity to construct, install, own, operate, control, manage and maintain a water system for the public in a certain portion of Pulaski County, Missouri, as described in the application.

ORDERED: 2. That the rates set by this Report And Order shall be interim and Highway H Utilities, Inc., is hereby ordered to file a permanent rate case on or before eighteen (18) months after the effective date of this Report And Order.

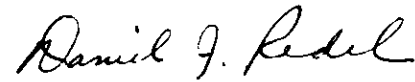
ORDERED: 3. That Highway H Utilities, Inc., shall file, within thirty (30) days of the effective date of this Report And Order, tariffs reflecting the rates and charges as authorized in this order. Said tariffs shall also contain the rules and regulations concerning the utility's operation and service, which shall comply with the Commission's rules.

ORDERED: 4. That Highway H Utilities, Inc., shall keep its books and records for the water operation in accordance with the Uniform System of Accounts.

ORDERED: 5. That Highway H Utilities, Inc., shall keep a telephone log, time sheets and other records verifying utility operating costs.

ORDERED: 6. That this Report And Order shall become effective on the
26th day of February, 1990.

BY THE COMMISSION



Daniel J. Redel
Acting Secretary

(S E A L)

Steinmeier, Chm., Mueller, Rauch,
McClure and Letsch, CC., Concur.

Dated at Jefferson City, Missouri,
on this 16th day of February, 1990.