

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

In the Matter of S.K. & M. Water and)
Sewer Company’s Request For)
Increases in Annual Water and)
Sewer System Operating Revenues) **Case No. SR-2019-0157**

RESPONSE TO ORDER DIRECTING FILING

COMES NOW the Staff of the Missouri Public Service Commission (Staff), by and through counsel, and for its *Response* to the Commission’s Order Directing Filing of June 14, 2019, states as follows:

1. On May 17, 2019, Staff and S.K. & M. Water and Sewer Company (“S.K. & M.” or “Company”) filed a *“Non-Unanimous Agreement Regarding Disposition of Small Utility Company Revenue Increase Request (“Disposition Agreement”)*, memorializing a settlement reached regarding S.K. & M’s request for a rate increase regarding both its sewer and water services.

2. After the *Disposition Agreement* was filed, the Office of the Public Counsel (OPC) discovered an error regarding the agreed upon net rate base for sewer as of January 1, 2019.¹

3. The *Disposition Agreement* as filed on May 17, 2019 reads “The agreed upon net rate base for sewer is zero dollars as of January 1, 2019.”²

4. That number is incorrect. Therefore, a second *Disposition Agreement*, was filed on May 29, 2019, which provides in Appendix A that “The agreed upon net rate base

¹ *Non-Unanimous Agreement Regarding Disposition of Small Utility Company Revenue Increase Request*, pg. 2.

² *Id.*

for sewer is \$880 as of January 1, 2019.”³ For some reason, the explanatory cover sheet drafted to accompany the *Disposition Agreement* filed on May 29, 2019, was never filed. Neither was the *Disposition Agreement* filed on May 29, 2019, labelled in such a way as to make it clear that it was amended or corrected and that it therefore superseded the one filed on May 17, 2019.

5. The Office of the Public Counsel has informed the parties that it does not oppose the *Disposition Agreement* as amended and filed on May 29, 2019.

6. Additionally, the Company erroneously labelled each tariff sheet as “Original Sheet No. 1.” Staff has contacted the Company, explained the error, and understands that the Company will submit corrected sheets.

7. Staff’s responses to the Commission’s questions are as follows:

1. The purpose of the *Disposition Agreement* filed on May 29, 2019, is to correct an erroneous number in the *Disposition Agreement* filed on May 17, 2019.

a) No, the two *Disposition Agreements* are not identical.

b) The Commission should approve the *Disposition Agreement* filed on May 29, 2019.

2. The tariff sheets in JW-2019-0214 are mislabeled. The Commission cannot approve JW-2019-0214 in its present form. The Commission should approve JW-2019-0214 after the Company has submitted corrected sheets.

WHEREFORE, Staff submits this *Response* to the Commission’s *Order Directing Filing* of June 14, 2019, and apologizes for the confusion inadvertently created.

³ Pg. 2.

Respectfully submitted,

/s/ Kevin A. Thompson

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was delivered to the parties and or their counsel of record by U.S. Postal Service postage prepaid, or by hand, or served electronically, on this 14th day of June, 2019.

/s/ Kevin A. Thompson