

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

In the Matter of a Small Utility Rate Case)
Procedure for Rogue Creek Utilities, Inc.) **File No. SR-2013-0435**

In the Matter of a Small Utility Rate Case)
Procedure for Rogue Creek Utilities, Inc.) **File No. WR-2013-0436**

AGREEMENT REGARDING EMERGENCY INTERIM RATES AND REQUEST FOR ORDER

COMES NOW Rogue Creek Utilities, Inc. (“Rogue Creek”), the Staff of the Missouri Public Service Commission (“Staff”), and the Office of the Public Counsel (“Public Counsel”), (collectively, “signatories”) and for their *Agreement Regarding Emergency Interim Rates and Request for Order* (“*Agreement*”) jointly state and request as follows:

1. The signatories have reached agreement regarding the implementation of emergency interim rates, pending resolution of Rogue Creek’s requests for permanent rate relief, on the terms contained in this document.
2. In conjunction with the filing of this document, Rogue Creek is filing revised tariff sheets in compliance with the specimen tariff sheets attached hereto as Appendix A and Appendix B, bearing an effective date of June 12, 2013.
3. The signatories agree that Rogue Creek’s present operational and financial conditions constitute good cause for the revised tariff sheets to take effect on less than 30 days’ notice, and as soon as is practicable.
4. The signatories agree, based on current customer numbers and an assumed 100% payment rate, that the Interim Rates included in the revised tariff sheets are designed to increase Rogue Creek’s gross monthly revenues as follows:

Interim Rate A – Water	\$821
Interim Rate A – Sewer	\$544

ATTACHMENT

Interim Rate B – Water	\$1,018
Interim Rate B – Sewer	\$988

5. The Interim Rates will be billed in addition to Rogue Creek's current rates and will be shown as separate line items on the customers' bills. The Interim Rates will be billed and collected subject to refund, as described in Paragraph 10, below.

6. The signatories agree that the revenues to be collected through implementation of Interim Rate B are to be used as follows:

- a. Inspection of water storage tanks (bid price of \$2,685);
- b. Installation of new water well pressure switch and associated expenses (estimated cost of \$1,000);
- c. Payment of past-due accounts payable owed to Environmental Management Services (\$4,850 total as of 05/06/13);
- d. Clearing of partially blocked main downstream of recent main replacement adjacent to Watercrest Road and east of lake spillway (estimated cost of \$500);
- e. Clearing of blocked/overflowing multi-family lateral near 11106 Rogue Creek Road (estimated cost of \$1,500); and
- f. Repair of sewer main break near 10264 Watercrest Road (estimated cost of \$1,500).

7. Rogue Creek agrees to make every reasonable effort to complete the items described in Paragraph 6 above no later than November 30, 2013.

8. To the extent the revenues collected pursuant to Interim Rate B exceed the costs of the items described in Paragraph 6 above, Rogue Creek agrees to use such excess revenues to pay toward one or more of the following items:

- a. Repair of sludge return pump at sewage treatment plant;
- b. Purchase of water meters needed for replacement of leaking or inoperable meters;
- c. Past-Due Accounts Payable owed to Floyd Medley;
- d. Past-Due Accounts Payable owed to Brad Mashek; and
- e. Past-Due Accounts Payable owed to Johansen Consulting Services.

9. The signatories recognize that even with implementation of the proposed Interim Rates outstanding past-due balances will still likely be owed to Floyd Medley, Brad Mashek and Johansen Consulting Services, and the signatories agree to address those balances as a part of the rates to be set at the conclusion of these cases (SR-2013-0435 and WR-2013-0436).

10. To the extent that the combination of Rogue Creek's current monthly charges and Interim Rate A exceed the calculated permanent rates resulting from these cases (SR-2013-0435 and WR-2013-0436), the signatories agree that the difference between the new permanent rates and the combination of the current monthly charges and Interim Rate A, multiplied by the months the charges under Interim Rate A were collected, multiplied by the number of customers on each applicable service, shall be refunded to the customers through the tariff sheets effectuating the permanent rates in these cases. As a result, these Interim Rates are designated as "SUBJECT TO REFUND."

11. Rogue Creek agrees that it will not withdraw its operating revenue increase requests that are the subject of these cases (SR-2013-0435 and WR-2013-0436).

12. As part of its order approving this *Agreement*, the signatories request that the Commission:

- a. Approve the revised tariff sheets that Rogue Creek is filing in conjunction with the filing of this *Agreement* as soon as is practicable, for good cause shown;
- b. Direct Rogue Creek to make every reasonable effort to complete the items described in Paragraph 6 prior to November 30, 2013;
- c. Direct Rogue Creek to use the monies collected pursuant to Interim Rate B in the manner described in Paragraphs 6 and 8.

13. General provisions:

Contingent Waiver of Rights

This *Agreement* is being entered into solely for the purpose of settling the issue of interim rates in these cases. Unless otherwise explicitly provided herein, none of the signatories shall be deemed to have approved or acquiesced in any ratemaking or procedural principle, including, without limitation, any method of cost determination or cost allocation or revenue-related methodology. Except as explicitly provided herein, none of the signatories shall be prejudiced or bound in any manner by the terms of this *Agreement* in this or any other proceeding regardless of whether this *Agreement* is approved.

This *Agreement* has resulted from extensive negotiations among the parties, and the terms hereof are interdependent. If the Commission does not approve this *Agreement* unconditionally and without modification, then this *Agreement* shall be void and no signatory shall be bound by any of the agreements or provisions hereof.

If the Commission does not approve this *Agreement* without condition or modification, and notwithstanding the provision herein that it shall become void, (1) neither this *Agreement* nor any matters associated with its consideration by the Commission shall be considered or argued to be a waiver of the rights that any signatory has for a decision in accordance with RSMo. §536.080 or Article V, Section 18 of the Missouri Constitution, and (2) the signatories shall retain all procedural and due process rights as fully as though this *Agreement* had not been presented for approval, and any suggestions, memoranda, testimony, or exhibits that have been offered or received in support of this *Agreement* shall become privileged as reflecting the substantive content of settlement discussions and shall be stricken from and not be considered as part of the administrative or evidentiary record before the Commission for any purpose whatsoever.

In the event the Commission accepts the specific terms of this *Agreement* without condition or modification, the signatories waive their respective rights to present oral argument and written briefs pursuant to RSMo. §536.080.1, their respective rights to the reading of the transcript by the Commission pursuant to §536.080.2, their respective rights to seek rehearing pursuant to §536.500, and their respective rights to judicial review pursuant to §386.510. This waiver applies only to a Commission order approving this *Agreement* without condition or modification issued in this proceeding and only to the issues that are resolved hereby. It does not apply to any matters raised in any prior or subsequent Commission proceeding nor any matters not explicitly addressed by this *Agreement*.

Right to Disclose

Any party may file suggestions or a memorandum in support of this *Agreement*. Each of the parties shall be served with a copy of any such suggestions or memorandum and shall be entitled to submit to the Commission, within five (5) days of receipt of the suggestions or memorandum, responsive suggestions or a responsive memorandum, which shall also be served on all

parties. The contents of any suggestions or memorandum provided by any party are its own and are not acquiesced in or otherwise adopted by the other signatories, whether or not the Commission approves and adopts this *Agreement*.

WHEREFORE, the signatories respectfully request that the Commission issue an order approving the terms and conditions of this *Agreement*. The signatories further request that the Commission specifically include in that order the items described in Paragraph 12, including approval of the filed revised tariff sheets to become effective on less than 30 days' notice, for good cause shown.

Respectfully Submitted,

ROGUE CREEK UTILITIES, INC.

/s/ Dale W. Johansen

Dale W. Johansen
Johansen Consulting Services
Court-Appointed Receiver
Rogue Creek Utilities, Inc.
dalewjconsult@gmail.com
573-230-3007

STAFF OF THE
MO PUBLIC SERVICE COMMISSION

/s/ Sarah Kliethermes

Sarah L. Kliethermes MBE 60024
Senior Counsel
Attorney for Staff of the
MO Public Service Commission
P. O. Box 360
Jefferson City, MO 65102
Phone: (573) 751-6726
Fax: (573) 751-9285
sarah.kliethermes@psc.mo.gov

OFFICE OF THE PUBLIC COUNSEL

/s/ Christina L. Baker

Christina L. Baker (#58303)
Senior Public Counsel
P O 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, hand-delivered, transmitted by facsimile or electronically mailed to counsel of record this 14th day of April, 2013.

/s/ Sarah Kliethermes

Canceling P.S.C. MO No. 2 4th Revised Sheet No. 6
P.S.C. MO No. 2 3rd Revised Sheet No. 6

Rogue Creek Utilities, Inc. For: **Certificated Service Areas in Washington County**
Name of Issuing Company Certificated Service Area

Schedule of Sewer Rates

Availability – The following monthly sewer service charges are available to any sewer customer located on the Company's collecting mains suitable for supplying the service requested.

Monthly Sewer Service Charges – The following minimum monthly service charges must be paid. +

Regular Monthly Service Charge +	\$15.46		
Interim Rate A	\$5.61	(see Note 1 below)	*
Interim Rate B	\$10.18	(see Note 2 below)	*

Note 1: Interim Rate A will be in effect on a "subject to refund basis" through completion of the Company's pending operating revenue increase request (PSC File No. SR-3013-0435) or 05/16/2014, whichever occurs earlier. To the extent the combination of this interim rate and the regular monthly service charge exceeds the new permanent rates set as a result of the operating revenue increase request, the difference in those rates multiplied by the months collected multiplied by the applicable customers shall be refunded through a reduction in the new permanent rates. *

Note 2: Interim Rate B will expire on November 30, 2013. *

Taxes – Any applicable Federal, State or local taxes computed on a billing basis shall be added as separate items in rendering each bill.

Late Payment Charge – Billings will be made and distributed at monthly intervals. Bills will be rendered net, bearing the last date on which payment will then be considered delinquent. The period after which the payment is considered delinquent is 21 days after rendition of the bill. A charge of \$3.00 or three percent (3%) per month times the unpaid balance, whichever is more, shall be added to the delinquent amounts. The unpaid balance shall include all amounts owed the Company plus all reconnection costs, all collection costs and reasonable attorney's fees for collection.

* Indicates New Rate or Text
+ Indicates Change

Appendix A

Issue Date: May XX, 2013
Month/Day/Year

Effective Date: June XX, 2013
Month/Day/Year

Issued By: Dale W. Johansen – Receiver
Name & Title of Issuing Officer

915 Country Ridge Drive, Jefferson City, MO 65109
Company Mailing Address

Canceling P.S.C. MO No. 2 4th Revised Sheet No. 6
P.S.C. MO No. 2 3rd Revised Sheet No. 6

Rogue Creek Utilities, Inc. For: **Certificated Service Areas in Washington County**
Name of Issuing Company Certificated Service Area

Schedule of Water Rates

Availability – The following monthly water service charges are available to any water customer on the Company’s main for supplying the service requested.

Monthly Minimum Water Service Charges – The following minimum monthly service charges must be paid regardless of the quantity of water metered. +

Regular Monthly Service Charge + \$11.51 (includes 1,000 gallons)
Interim Rate A \$7.97 (see Note 1 below) *
Interim Rate B \$9.89 (see Note 2 below) *

Note 1: Interim Rate A will be in effect on a "subject to refund basis" through completion of the Company's pending operating revenue increase request (PSC File No. WR-3013-0436) or 05/16/2014, whichever occurs earlier. To the extent the combination of this interim rate and the regular monthly service charge exceeds the new permanent rates set as a result of the operating revenue increase request, the difference in those rates multiplied by the months collected multiplied by the applicable customers shall be refunded through a reduction in the new permanent rates. *

Note 2: Interim Rate B will expire on November 30, 2013. *

Water Service Commodity Charge – The following charge shall be billed for all metered usage greater than 1,000 gallons per month. +

\$1.189 per 1,000 gallons over metered usage of 1,000 gallons/month

Taxes – Any applicable Federal, State or local taxes computed on a billing basis shall be added as separate items in rendering each bill.

Late Payment Charge – Billings will be made and distributed at monthly intervals. Bills will be rendered net, bearing the last date on which payment will then be considered delinquent. The period after which the payment is considered delinquent is 21 days after rendition of the bill. A charge of \$3.00 or three (3%) per month times the unpaid balance, whichever is more, shall be added to delinquent amounts. The unpaid balance shall include all amounts owed the Company plus all reconnection costs, all collection costs and reasonable attorney’s fees for collection.

* Indicates New Rate or Text
+ Indicates Change

Appendix B

Issue Date: May XX, 2013
Month/Day/Year

Effective Date: June XX, 2013
Month/Day/Year

Issued By: Dale W. Johansen – Receiver
Name & Title of Issuing Officer

915 Country Ridge Drive, Jefferson City, MO 65109
Company Mailing Address