

1 STATE OF MISSOURI
2 PUBLIC SERVICE COMMISSION
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4 TRANSCRIPT OF PROCEEDINGS
5
6 Local Public Hearing
7 April 29, 2010
8 Fulton, Missouri
9 Volume 1
10 In The Matter Of The)
Application Of Mid MO)
11 Sanitation, LLC For A) File No. SR-2010-0095
Small Company Rate)
12 Increase)
13)
14
15 KENNARD L. JONES, Presiding
SENIOR REGULATORY LAW JUDGE.
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1 P R O C E E D I N G S

2 JUDGE JONES: We are on the record with
3 Case No. SR-2010-0095, the case of Mid MO Sanitation,
4 LLC, small company rate increase. This is the local
5 public hearing for this rate increase. My name is
6 Kennard Jones. I am the regulatory law judge
7 presiding over this matter.

8 There has been a question-and-answer
9 session prior to this, and right now we are on the
10 record to create a transcript for the Commissioners
11 to be able to review prior to making a decision in
12 this case.

13 With that, let's go ahead and get
14 started. What I'm going to do is call you up in the
15 order that you signed up. If you'll come up here and
16 use the microphone. I'll swear you in, you give
17 testimony. And I doubt it, but if I have any
18 questions, they'll probably be questions for
19 clarification to -- to get from you, and then I'll
20 excuse you and then go to the next person.

21 And if after we go through the whole
22 list, there's anyone else that wants to give
23 testimony, I'll present that opportunity to you.

24 Okay. First we'll call Bob Burch. And
25 raise your right hand.

1 (The witness was sworn.)

2 JUDGE JONES: Thank you. You may have a
3 seat. Please restate and spell your name for the
4 court reporter.

5 MR. BURCH: Bob, B-o-b, Burch,
6 B-u-r-c-h.

7 JUDGE JONES: Thank you. You may
8 proceed.

9 MR. BURCH: Really, I just have a
10 comment, and I'd like to know why we can't postpone
11 this because none of us were notified prior to
12 yesterday. We -- you know, we have no representation
13 of the commercial sites here and only about 20
14 percent of the homeowners. And I feel like more
15 would be here had they had adequate notification.

16 JUDGE JONES: Okay. Let me -- before
17 you leave, I realize that you've asked a question,
18 and I'll say this to the rest of you. At this point
19 I -- I won't answer any questions, so I'll take your
20 question to be one of rhetoric -- a rhetorical
21 question, and I'm assuming that's what you intended?

22 MR. BURCH: Uh-huh.

23 JUDGE JONES: Okay. All right. You may
24 be excused. We'll call the next witness. I don't
25 know if it's Jo Ann or --

1 MR. SWENSON: John.

2 JUDGE JONES: Oh, John. Okay.

3 MR. SWENSON: John, J-o-h-n, Swenson,
4 S-w-e-n-s-o-n.

5 JUDGE JONES: Can you raise your right
6 hand.

7 (The witness was sworn.)

8 JUDGE JONES: Thank you, sir. You may
9 proceed.

10 MR. SWENSON: I simply want to object to
11 any rate increase on our sewer charges because we
12 have not had adequate notice. The Staff here
13 admitted that they had not sent out notice, and the
14 operator admitted that he had not sent out notice by
15 mail to us, so what we got was thirdhand.

16 We have not had any financial
17 information available to us so that we could in any
18 way challenge the reasonableness of the financial
19 information involved in -- in deciding on a rate
20 increase. So I think that the lack of notice has
21 prejudiced our ability to really comment in any
22 intelligent way.

23 JUDGE JONES: Okay. Thank you. Next
24 I'll call Rita Adams. Can you raise your right hand.

25 (The witness was sworn.)

1 JUDGE JONES: Thank you. You may be
2 seated.

3 MS. ADAMS: Rita Adams, R-i-t-a,
4 A-d-a-m-s. And the two comments that I just would
5 like to have on record is that, number one, for
6 possible future rate hearings if this one is able to
7 be postponed, would be to actually have them at the
8 Millersburg Christian Church at Millersburg where
9 everyone lives and where the businesses are located.

10 It was very difficult for people working
11 in Columbia and in the Millersburg area to get to
12 Fulton by 5:30 for a meeting when people don't even
13 get off work until 5:00.

14 And then my second statement is just to
15 object to any rate increase. We moved to the
16 subdivision in November of '07 and was told at the
17 time that the monthly sewer bill fees were \$30 a
18 month, which we agreed to that. And then last year
19 it went up to the 64.66, and then, you know, not even
20 a year later they're asking for a future one of
21 75.35.

22 JUDGE JONES: Okay. Thank you. Lisa
23 Johnson.

24 (The witness was sworn.)

25 JUDGE JONES: Thank you. You may be

1 seated.

2 MS. JOHNSON: Lisa, L-i-s-a, Johnson,
3 J-o-h-n-s-o-n.

4 JUDGE JONES: You can proceed.

5 MS. JOHNSON: I just concur with my own
6 neighbors about the -- I object to the rate hike and
7 was hoping that we would be able to postpone it or
8 continue it for a later date so we have time to learn
9 more about it and get our questions answered as far
10 as expenses and what the increase would be going
11 towards and such. So I think we could use a little
12 more time to get our folks here.

13 JUDGE JONES: Okay. Thank you. I
14 believe it's Tim Froggatt -- Froggatt.

15 MR. FROGGATT: You were right the first
16 time.

17 (The witness was sworn.)

18 JUDGE JONES: Thank you, sir. You may
19 be seated.

20 MR. FROGGATT: It's Tim, T-i-m,
21 F-r-o-g-g-a-t-t.

22 JUDGE JONES: You may proceed.

23 MR. FROGGATT: I just want to object to
24 the rate increase, and then just basically to
25 reiterate that we didn't have any notice, no

1 financial information and very limited amount of any
2 preparation that we could have had.

3 JUDGE JONES: Okay. Dave McCarthy.

4 (The witness was sworn.)

5 JUDGE JONES: Thank you, sir. You may
6 be seated.

7 MR. McCARTHY: David, D-a-v-i-d,
8 McCarthy, M-c-C-a-r-t-h-y. I think most of those in
9 the subdivision feel that in the last year we've had
10 a good job of taking care of our sewer system out
11 there, and that that is a relief because we've had
12 numerous problems with it before. I think we want to
13 make sure that Bill is able to make ends meet on that
14 financially out there, but I think also we were kind
15 of pulled real tight here on the time to get prepared
16 for this, and there's a lot of things that we didn't
17 get a chance to find out about.

18 For example, the copy of the audit and
19 the cost of operating the system out there. Bill's
20 entitled to a fair profit on that, I think, and we
21 appreciate the proper maintenance he's doing right
22 now. And I think that it would be fair to have
23 another hearing on this where we could get most of
24 the subdivision together to hear it. And I thank
25 you.

1 JUDGE JONES: Thank you, sir. And
2 finally, Kevin Macker.

3 (The witness was sworn.)

4 JUDGE JONES: Thank you, sir. You may
5 be seated.

6 MR. MACKER: Kevin, K-e-v-i-n, Macker,
7 M-a-c-k-e-r. And I agree with the rest of the
8 neighbors about no notification, and we need to have
9 another hearing if we can. I also believe that we
10 need to have the financial information along with the
11 audit so we -- if we have any questions about those
12 expenses, it can be explained. That's about it.

13 JUDGE JONES: Okay. I don't know if I
14 should be doing this or not, but it seems to be a
15 practical thing to say, at least, if you-all didn't
16 receive notice, that is a problem. I will say that.

17 And I -- I don't know if you-all talked
18 about this during your question-and-answer session,
19 but there is what we call an operational law date in
20 this case. That date is June 1st, which means we
21 have only several weeks before that tariff goes into
22 effect or not. So anything we do has to be done
23 really quick.

24 And I'll also say this, something
25 you-all may not know, which is irrelevant to you

1 specifically, but from a practical standpoint is
2 relevant. The Commission's calendar for May is
3 probably -- I've been at the Commission for eight
4 years now, and it's probably the fullest I've ever
5 seen a calendar. There are literally hearings every
6 day for the month of May.

7 But in the meantime, there has to be a
8 solution to this problem, and it seems that a lot
9 of -- for everyone as far as I can tell that has
10 testified -- and I'm assuming that those of you who
11 haven't, shared the same sentiment, you want
12 information to be able to respond to.

13 Now, I don't know to what -- maybe I can
14 have an attorney here tell me. Can they get all the
15 information -- all the information's in the record,
16 right?

17 MR. RITCHIE: I've directed them to the
18 EFIS system where they can view the Company/Staff
19 disposition agreement, and they'll be able to see
20 some of the details of how we reached our proposed
21 figure.

22 JUDGE JONES: Okay. And all of -- do
23 all of you have access to the Internet and will be
24 able to view that information? Because that's all
25 the information I have too. Everything that's in

1 that record that you will be able to view is all that
2 the Commissioners and myself are able to view. What
3 I'm thinking -- and I -- and I'm just trying to get a
4 general consensus from you-all and feedback from the
5 attorneys here that are present, is that you be given
6 time -- let me back up.

7 It is possible to have another local
8 public hearing. Logistically, I don't know how
9 possible it is, but it's certainly possible. And I'm
10 not trying to avoid that, but to offer something that
11 at least addresses your -- your concerns is that
12 you-all be given time to look at that information
13 that's available and then file comments in response
14 to the information you've been able to view.

15 Three people filed comments based on the
16 Company's initial letter, so I'm assuming that, well,
17 28 people can file comments after looking at -- at
18 the information that's in our system. Is that
19 something you-all might be amenable to? Nod yes, no,
20 one way or the other. Is that -- is that mic
21 portable? And this is Mr. McCarthy.

22 MR. MCCARTHY: Thank you, your Honor. I
23 would like to request that the president of our
24 subdivision, if it's possible, to either go online
25 and gather that information for us or get somebody to

1 help do -- get that somehow and get it out to the
2 rest of the people and to everybody in the
3 subdivision. Is that possible?

4 UNIDENTIFIED SPEAKER: Yeah, I don't see
5 why not.

6 MR. McCARTHY: Because a lot of people
7 might not be able to get into that system. I
8 couldn't. We -- we have to have some system out
9 there in order to get that information together to
10 everyone up there. I don't think everyone has a
11 computer. So that's my comment. Thank you.

12 JUDGE JONES: Okay. Now, let me get
13 some feedback from the Office of Public Counsel.
14 What do you think about that, Ms. Baker?

15 MS. BAKER: Quite frankly, I am going to
16 go back and look at the schedule in this case. I
17 know that we've already had one extension to see
18 exactly what -- what is available to it, but I'd say
19 that I'm very disappointed that your order as far as
20 notice did not go out. I know that it was a short
21 time frame anyway.

22 JUDGE JONES: Well, the order went out.
23 The notice didn't go out.

24 MS. BAKER: That's what I'm saying.

25 JUDGE JONES: Okay.

1 MS. BAKER: I'm sorry that they did not
2 follow the -- the order that came out, and especially
3 given the short time frame that was allowed for this
4 local public hearing, basically just a couple of
5 weeks after my request. So I -- I would imagine that
6 Public Counsel will be filing something.

7 JUDGE JONES: Okay. So you're --

8 MS. BAKER: Not --

9 JUDGE JONES: -- withholding your
10 response until you have time to -- as a lawyer
11 would --

12 MS. BAKER: Yes, yes.

13 JUDGE JONES: -- to gather your
14 thoughts?

15 MS. BAKER: Yes. Because we just found
16 out sitting -- sitting up front.

17 JUDGE JONES: Well, I just -- I just --
18 I just found out sitting here that -- I assumed that
19 you-all got notice by mail yesterday which was the
20 impression I got. And I was also specifically told
21 by someone that notice was mailed last Wednesday, so
22 I'll deal with that on a personal level.

23 I don't particularly appreciate being
24 lied to, so --

25 MR. RITCHIE: The notice not being sent

1 out is also news to the Staff as of -- as of this
2 afternoon, or at least myself.

3 JUDGE JONES: Well, at least yourself,
4 because someone in particular -- let me put it this
5 way: If I asked you, when did notice go out and then
6 someone says last Wednesday, that means, for whatever
7 reason, they know it went out last Wednesday. So
8 that's a lie as far as I'm concerned and nothing
9 else. There's no gray area about that. Truth is
10 truth. It's just that simple.

11 But it sounds like from what I'm hearing
12 here, you-all may be amenable to that. Ms. Baker,
13 however, I don't want to say she's your attorney, but
14 she represents the public at large, as I'm sure you-all
15 have discovered during the question-and-answer session,
16 and after her review, we'll try to see how to fix
17 this.

18 Now, I can tell you this: If we have to
19 gather again, I will probably be looking at the third
20 week in May. That's the timeline that I'm looking
21 at. Now, I don't know how that can -- how that's
22 going to work with the effective date of the tariff
23 and whatnot, but that's what I'll be looking at if we
24 have to gather again, because I have a hearing for
25 the next two weeks starting Monday with another -- a

1 rate case.

2 So with that, does anyone else have any
3 suggestions -- I'm speaking particularly to the
4 attorneys -- on how to address this problem today?

5 MS. BAKER: We -- we have apologized
6 profusely, and we have stated that we appreciate
7 those who did come and those who passed around the
8 information to those who did not know.

9 JUDGE JONES: Okay.

10 MS. BAKER: And other than that, I don't
11 know what else to say.

12 JUDGE JONES: Okay. Well, with that,
13 then, we'll go off the record. Thank you all for
14 coming out.

15 (WHEREUPON, the local public hearing was
16 adjourned.)

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