

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a Session of the Public Service
Commission held at its office
in Jefferson City on the 4th
day of March, 1994.

In the matter of the application of)
Taney County Utilities Corporation,)
a Missouri corporation, for permission,) CASE NO. SA-94-65
approval and a certificate of convenience)
and necessity authorizing it to construct,)
install, own, operate, control, manage and)
maintain a sewer system for the public,)
located in an unincorporated area in Taney)
County, Missouri.)

ORDER GRANTING CERTIFICATE

On August 30, 1993, Taney County Utilities Corporation (Applicant) filed an application with the Commission for a certificate of public convenience and necessity to provide sewer service in an unincorporated area of Taney County, Missouri.

On September 3, 1993, the Commission issued an Order and Notice directing its Records Department and Information Office to send notice of the application. The Commission stated that applications to intervene in this proceeding should be filed on or before October 4, 1993. No applications to intervene were filed.

On February 8, 1994, the Staff of the Commission (Staff) filed a memorandum recommending that the Commission approve the application. Staff has proposed the following rate structure:

Monthly Sewer Rates:

Customer Charge (Includes 1,000 gallons)	\$7.00;
Usage Charge (Maximum of 8,000 gallons)	\$2.00 per 1,000 gallons;

Contributions in Aid of Construction:

New Connect Fee	\$810.
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The proposed rates are based on a total revenue requirement of \$11,401 and a rate of return of 10.48 percent on a rate base of \$13,321.

Staff has also recommended that:

- (A) the rates be reviewed by Staff within 18 months after the effective date of a certificate issued by the Commission;
- (B) Applicant keep its books and records in accordance with the Uniform System of Accounts.
- (C) the depreciation rates shown on Attachment 1 to this Order be approved; and
- (D) Applicant file a tariff within 10 days after the effective date of this Order.

The Commission may grant a certificate of convenience and necessity if it is necessary or convenient for the public service. Section 393.170 (3), RSMo 1986. Upon review of the application and Staff's recommendation, the Commission finds that providing adequate, safe, and reliable sewer service to the proposed service area is in the public interest, and that Applicant's proposal, subject to Staff's recommendations, is reasonable. Thus, the Commission determines that Applicants should be granted a certificate, subject to the conditions outlined by Staff, as it is necessary and convenient for the public service.

IT IS THEREFORE ORDERED:

1. That Taney County Utilities Corporation is hereby granted a certificate of convenience and necessity to construct, install, operate, and maintain a sewer system in an unincorporated area of Taney County, Missouri as contemplated by its application and this Order.

2. That Taney County Utilities Corporation shall file a complete tariff consistent with this Order on or before March 14, 1994 with said tariff to be effective on April 1, 1994.

3. That the tariff to be filed pursuant to Ordered Paragraph 2 shall reflect the rates for sewer service specified in this Order.

4. That the Staff of the Commission shall review Taney County Utilities Corporation's rates within 18 months after the effective date of this Order.

5. That Taney County Utilities Corporation shall keep its books and records in accordance with the Uniform System of Accounts.

6. That Taney County Utilities Corporation shall utilize depreciation

rates as shown on Attachment 1 to this Order.

7. That nothing in this Order shall be considered as a finding by the Commission of the reasonableness of the expenditures herein involved, nor of the value for ratemaking purposes of the properties herein included, nor as a acquiescence in the value placed on said properties by Taney County Utilities Corporation.

8. That the Commission reserves the right to consider the ratemaking treatment to be afforded the facilities constructed pursuant to the certificate of convenience and necessity granted herein, and its resulting cost of capital, in any later proceeding.

9. That this Order shall become effective on March 14, 1994.

BY THE COMMISSION



David L. Rauch
Executive Secretary

(S E A L)

Mueller, Chm., McClure, Perkins,
Kincheloe and Crumpton, CC., Concur.

**RECOMMENDED DEPRECIATION RATES
FOR TANEY COUNTY UTILITY COMPANY
(SEWER)**

Recommendation of PSC Water and Sewer Department

<u>Acct. No.</u>	<u>Description of Account</u>	<u>Annual Rate Percent</u>
311	Structures & Improvements	3.0
352.1	Collection Sewers (Force)	2.0
352.2	Collection Sewers (Gravity)	2.0
353	Other Collection Plant	4.0
354	Services to Customers	2.0
355	Flow Measurement Devices	3.3
362	Receiving Wells & Pump Pits	5.0
363	Pumping Equipment	10.0
372	Oxidation Lagoons and Reed Bed Facilities	4.0
374	Plant Sewers	4.5
375	Outfall Sewers	2.0
376	Other Treatment & Disposal Plant	5.0
391	Office Furniture & Equipment	5.0
392	Transportation Equipment	14.2
393	Other General Equipment	10.0
395	Power Operated Equipment	6.7