

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

In the Matter of the Small Company Rate)
Increase Request of Gladlo Water & Sewer) File Nos. SR-2009-0419
Company, Inc.)

THE OFFICE OF THE PUBLIC COUNSEL'S POSITION STATEMENT

COMES NOW the Office of the Public Counsel (Public Counsel) and for its Position Statement states as follows:

1. On May 20, 2009, Gladlo Water & Sewer Company, Inc. (Gladlo) initiated a small company rate increase proceeding requesting an increase in its sewer rates of \$7,095.36 (76.5%) per year. Gladlo's request also included a request to expedite the processing of this rate increase request.
2. On October 7, 2009, the Staff of the Missouri Public Service Commission (Staff) filed a Notice of Company/Staff Agreement Regarding Disposition of Small Company Revenue Increase Request (Company/Staff Agreement) indicating an agreement between Staff and Gladlo for a sewer rate increase of \$4,494 annually (approximately 47.63%). Public Counsel did not join in the agreement.
3. Revised tariff sheets reflecting the proposed rates agreed to in the Company/Staff Agreement was filed by Gladlo on October 8, 2009.
4. As the Company/Staff Agreement was executed by only Gladlo and Staff, 4 CSR 240.3-050(15) requires Public Counsel to file a pleading stating its position regarding the Company/Staff Agreement and the related tariff revisions, or requesting a local public hearing or

an evidentiary hearing no later than five (5) working days after the end of the comment period for the written customer notice contemplated in 4 CSR 240-3.050(14).

5. Public Counsel states that it did not sign the Company/Staff Agreement because, although Public Counsel agreed with most of Staff's audit positions, Public Counsel had concerns regarding the utility's lack of current standing as a business with the Missouri Secretary of State and a stated return on equity in the Company/Staff Agreement above current market levels.

6. However, Public Counsel now states its position that while it does not agree with the Company/Staff Agreement and related tariff revisions, it will not oppose their approval by the Missouri Public Service Commission (Commission).

7. As stated above, 4 CSR 240-3.050(14) requires a written notice of the proposed tariff revisions no later than five (5) working days after the utility makes its tariff filing.

8. Additionally, 4 CSR 240-3.050(22) requires a final written notice of Commission approval of any tariff revisions resulting from a small utility rate case.

9. Given that Public Counsel does not oppose the Company/Staff Agreement, Public Counsel believes that it would be burdensome to Gladlo and its customers to require a written customer notice as contemplated in 4 CSR 240-3.050(14) as well as a final written notice per 4 CSR 240-3.050(22) if the Commission approves the Company/Staff Agreement and the related tariff revisions. Consequently, Public Counsel requests a waiver of the written customer notice as contemplated in 4 CSR 240-3.050(14). The final written notice per 4 CSR 240-3.050(22) would still be required.

10. Therefore, in compliance with 4 CSR 240.3-050(15), Public Counsel now states its position that while it does not agree with the Company/Staff Agreement and the related tariff

revisions, Public Counsel will not oppose their approval by the Commission. Additionally, if the Commission approves the Company/Staff Agreement and the related tariff revisions, Public Counsel requests a waiver of the second customer notice as contemplated in 4 CSR 240-3.050(14). The final written notice per 4 CSR 240-3.050(22) would still be required.

WHEREFORE, Public Counsel respectfully submits its Position Statement.

Respectfully submitted,

OFFICE OF THE PUBLIC COUNSEL

/s/ Christina L. Baker

By:_____

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, emailed or hand-delivered to the following this 8th day of October 2009:

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