

# Attachment 1

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

|                                          |   |                                     |
|------------------------------------------|---|-------------------------------------|
| The Office of the Public Counsel,        | ) |                                     |
|                                          | ) |                                     |
| Complainant,                             | ) |                                     |
| v.                                       | ) | <b><u>File No. SC-2015-0152</u></b> |
|                                          | ) |                                     |
| Central Rivers Wastewater Utility, Inc., | ) |                                     |
|                                          | ) |                                     |
| Respondent.                              | ) |                                     |

### **STIPULATION AND AGREEMENT**

**COME NOW** Central Rivers Wastewater Utility, Inc. (Central Rivers), the Staff of the Missouri Public Service Commission (Staff) and the Office of the Public Counsel (Public Counsel), (collectively the Parties), and respectfully state to the Missouri Public Service Commission (Commission) that, as a result of negotiations, the Parties have reached the stipulations and agreements contained herein.

1. **Issue Settled.** This Stipulation and Agreement is intended to settle all issues in the Office of the Public Counsel's Amended Complaint. The Parties recommend that the Commission accept this Stipulation and Agreement as a fair compromise of their respective positions.

2. **Customer Deposits.** Central Rivers will refund all customer deposits to the effected customers, including 6% simple interest (as determined in accordance with **Appendix A**), over a two-year period, beginning with the effective date of rates from Central Rivers' last rate case (February 1, 2015). Central Rivers will provide reports to Staff and the Public Counsel every six (6) months identifying the progress of the refunds. For any customers Central Rivers is unable to locate by January 31, 2017, Central Rivers will provide the amount to be paid to the State Treasurer as unclaimed

property in accordance with the Uniform Disposition of unclaimed Property Act (Sections 447.500 – 447.595, RSMo).

3. **STEP/STEG.** Amounts charged and received by Central Rivers for STEP and STEG installations prior to September 6, 2015<sup>1</sup> shall be recorded as Contributions in Aid of Construction (CIAC) on a going-forward basis.

4. **Certificated Area.** Central Rivers agrees to file an application for certificate of convenience and necessity within sixty (60) after the effective date on an order approving this Stipulation and Agreement in order to address any areas where the Company may be serving outside its existing certificated areas.

#### **General Provisions**

5. This Stipulation and Agreement is being entered into solely for the purpose of settling the identified issue in the case that is listed above. Unless otherwise explicitly provided herein, none of the Parties to this Stipulation and Agreement 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. Other than explicitly provided herein, none of the Parties shall be prejudiced or bound in any manner by the terms of this Stipulation and Agreement in these or any other proceeding regardless of whether this Stipulation and Agreement is approved. Moreover, this Stipulation and Agreement reflects the entirety of the agreement entered into among the Parties. The terms of the Stipulation and Agreement shall be interpreted only by reference to the document itself. Except as specifically stated in this Stipulation and Agreement, the Parties disclaim the use of any

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<sup>1</sup> A new tariff which permits entities other than Central Rivers to install STEP and STEG systems became effective on September 6, 2015.

prior written or oral agreement or draft agreement, parole or other extrinsic evidence to interpret the terms of this Stipulation and Agreement.

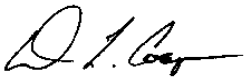
6. This Stipulation and Agreement has resulted from negotiations among the Parties and the terms hereof are interdependent. If the Commission does not approve this Stipulation and Agreement unconditionally and without modification, then this Stipulation and Agreement shall be void and no Party shall be bound by any of the agreements or provisions hereof, except as explicitly provided herein.

7. If the Commission does not approve this Stipulation and Agreement without condition or modification, and notwithstanding the provision herein that it shall become void; neither this Stipulation and 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 Party has for a decision in accordance with §536.080 RSMo 2000 or Article V, Section 18 of the Missouri Constitution, and the Parties shall retain all procedural and due process rights as fully as though this Stipulation and Agreement had not been presented for approval, and any suggestions, memoranda, testimony, or exhibits that have been offered or received in support of this Stipulation and 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.

8. In the event the Commission accepts the specific terms of this Stipulation and Agreement without condition or modification, the Parties waive their respective rights to present oral argument and written briefs pursuant to §536.080.1 RSMo 2000; their respective rights to the reading of the transcript by the Commission pursuant to

RSMo §536.080.2 RSMo 2000; their respective rights to seek rehearing, pursuant to §536.500 RSMo 2000; and their respective rights to judicial review pursuant to §386.510 RSMo 2000. Further, in the event the Commission accepts the specific terms of this Stipulation and Agreement, all prefiled testimony not yet admitted into evidence shall be received into evidence without the necessity of the witnesses taking the stand. The waivers contained in this paragraph apply only to a Commission order approving this Stipulation and 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 Stipulation and Agreement.

**WHEREFORE**, the Parties respectfully request that the Commission issue its Order approving the specific terms and conditions of the Stipulation and Agreement.

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| <br><hr/> Dean L. Cooper, MBE #36592<br><b>BRYDON, SWEARENGEN &amp; ENGLAND P.C.</b><br>312 E. Capitol Avenue<br>P.O. Box 456<br>Jefferson City, MO 65012<br>(573) 635-7166 telephone<br>(573) 635-3847 facsimile<br><a href="mailto:dcooper@brydonlaw.com">dcooper@brydonlaw.com</a><br><br>ATTORNEYS FOR CENTRAL RIVERS<br>WASTEWATER UTILITY, INC. | OFFICE OF THE PUBLIC COUNSEL<br><br>By: <u>    //S// CM by dlc    </u><br>Cydney Mayfield<br>Deputy Counsel<br>Missouri Bar No. 58303<br>P O Box 2230<br>Jefferson City, MO 65102<br>(573) 522-6189<br>(573) 751-5562 FAX<br><a href="mailto:cydney.mayfield@ded.mo.gov">cydney.mayfield@ded.mo.gov</a> |
| <u>    //S// KAT by dlc    </u><br>Kevin A. Thompson<br>Missouri Bar Number 36288<br>Chief Staff Counsel<br>Missouri Public Service Commission                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                         |

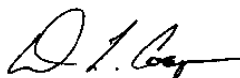
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| P.O. Box 360<br>Jefferson City, MO 65102<br>573-751-6514 (Voice)<br>573-526-6969 (Fax)<br>kevin.thompson@psc.mo.gov<br>Attorney for the Staff of the<br>Missouri Public Service Commission |  |
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### CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the foregoing document was sent by electronic mail on March 24, 2016, to the following:

Kevin Thompson  
Office of the General Counsel  
Governor Office Building  
Jefferson City, MO 65101  
[Kevin.Thompson@psc.mo.gov](mailto:Kevin.Thompson@psc.mo.gov)  
[staffcounsel@psc.mo.gov](mailto:staffcounsel@psc.mo.gov)

Cydney Mayfield  
Office of the Public Counsel  
Governor Office Building  
Jefferson City, MO 65101  
[opcservice@ded.mo.gov](mailto:opcservice@ded.mo.gov)  
[Cydney.mayfield@ded.mo.gov](mailto:Cydney.mayfield@ded.mo.gov)



## **APPENDIX A**

| <b>Years Deposit Held</b> | <b>Deposit Amount</b> | <b>Annual Interest Rate</b> | <b>Total Refund Amount</b> |
|---------------------------|-----------------------|-----------------------------|----------------------------|
| < 6 Mo.                   | \$64                  | 6%                          | \$64.00                    |
| 6 -12 Mo.                 | \$64                  | 6%                          | \$65.92                    |
| 1 - 2 Yr.                 | \$64                  | 6%                          | \$67.84                    |
| 2 - 3 Yr.                 | \$64                  | 6%                          | \$71.68                    |
| 3 - 4 Yr.                 | \$64                  | 6%                          | \$75.52                    |
| 4 - 5 Yr.                 | \$64                  | 6%                          | \$79.36                    |
| 5 - 6 Yr.                 | \$64                  | 6%                          | \$83.20                    |
| 6 – 7 Yr.                 | \$64                  | 6%                          | \$87.04                    |
| 7 - 8 Yr.                 | \$64                  | 6%                          | \$90.88                    |
| 8 - 9 Yr.                 | \$64                  | 6%                          | \$94.72                    |
| 9 - 10 Yr.                | \$64                  | 6%                          | \$98.56                    |
| 10 - 11 Yr.               | \$64                  | 6%                          | \$102.40                   |
| 11 - 12 Yr.               | \$64                  | 6%                          | \$106.24                   |
| 12 - 13 Yr.               | \$64                  | 6%                          | \$110.08                   |
| 13 - 14 Yr.               | \$64                  | 6%                          | \$113.92                   |
| 14 - 15 Yr.               | \$64                  | 6%                          | \$117.76                   |
| 15 - 16 Yr.               | \$64                  | 6%                          | \$121.60                   |
| 16 - 17 Yr.               | \$64                  | 6%                          | \$125.44                   |
| 17 - 18 Yr.               | \$64                  | 6%                          | \$129.28                   |
| 18 - 19 Yr.               | \$64                  | 6%                          | \$133.12                   |
| 19 - 20 Yr.               | \$64                  | 6%                          | \$136.96                   |