

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

In the Matter of a Working File to)
Consider Changes to Commission)
Rules and Practices Regarding Rate)
Case Expense)

File No. AW-2011-0330

Staff's Status Report

COMES NOW the Staff of the Missouri Public Service Commission and for its Status Report, states as follows:

1. The Commission established this workshop docket by order on April 27, 2011, to collect information regarding whether it is appropriate for shareholders to bear responsibility for a portion of rate case expense, or whether it is appropriate to establish a dollar or revenue percentage cap on rate case expense that can be passed on to ratepayers.

2. In that order, Staff was directed to investigate the question, including a study of how all other states handle the issue, and to file a report of its findings not later than July 1, 2011.

3. Staff states that its investigation is ongoing and is not yet complete.

A. Survey of all states – A survey instrument concerning other jurisdictions' handling of rate recovery of rate case expense was developed and, in mid-May, 2011, was sent to all other state public utility commissions ("PUCs"). To date, survey responses have been received from 20 PUCs. Staff may follow up with some or all non-responding jurisdictions to attempt to obtain additional information.

B. Case Research – Some of the survey respondents have provided

citations to prior rate cases or court proceedings concerning rate case expense issues in their states. These cites will be researched by the Staff Counsel's Office. That work has not yet been done.

C. Missouri Data – Staff is compiling rate case expense data from major utility filings in this jurisdiction for the past five years, in order to provide a more detailed perspective of recent expenditures by utilities in this area. This analysis will incorporate information concerning both legal representation costs and technical consultant costs included within utility rate case expenses .

D. Fee-Setting by Courts – Federal courts typically set attorneys fees in some types of proceedings, such as bankruptcy and civil rights litigation, and have been doing so for years. The methods developed by those courts may be useful to the Commission and will be included in Staff's report. That work has also not yet been done.

WHEREFORE, Staff prays that the Commission will direct it to complete its investigation and research and to prepare and file a final report; in the interim, Staff proposes to provide a monthly status report.

Respectfully Submitted,

/s/ Kevin A. Thompson

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Certificate of Service

I certify that a true and correct copy of the foregoing has been served electronically, by hand-delivery, or by 1st Class United States Mail, postage prepaid, upon all of the parties hereto according to the Service List maintained for this case by the Commission.

s/ Kevin A. Thompson