

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service Commission held at its office in St. Louis on the 13th day of August, 2014.

In the Matter of the Application of Lincoln County Sewer & Water, LLC for Approval of a Rate Increase)
)
)

File No. SR-2013-0321

**ORDER APPROVING TARIFF SHEETS
IN COMPLIANCE WITH COMMISSION ORDER**

Issue Date: August 13, 2014

Effective Date: August 19, 2014

Background

On April 2, 2014, the Commission issued a Report and Order resolving the issues presented in this rate case. On May 8, Lincoln County filed a motion to establish rate case expense. The Commission held a hearing on the motion and issued an order resolving the issue on July 23. In its order, the Commission directed Lincoln County to file tariff sheets consistent with the July 23rd order and the Report and Order issued on April 2.

On July 30, Lincoln County filed proposed tariff sheets with an effective date of September 1, but requested that the Commission approve the sheets to go into effect by August 19. Also, on July 30, Public Counsel filed a motion asking the Commission to clarify whether the assessment for Fiscal Year 2014 or that of 2015 should be used in calculating rates. Staff and Lincoln County each responded to Public Counsel's motion and agree that the 2014 assessment is appropriate because use of the 2015 assessment will violate the matching principle.

Assessment

Public Counsel states that due to a change in the assessment for water and sewer companies, application of the 2015 assessment will lower Lincoln County's assessment by \$1,426.19. Public Counsel also states the following:

An issue that was not brought before the Commission was the amount of the current PSC Assessment amount to include in rates. This is due to the fact that [the] PSC Assessment amount for Lincoln County Sewer and Water applicable at the time of the November 2013 evidentiary hearing was recognized by the parties to be that ordered by the Commission for Fiscal Year 2014. As a mere pass-through, no party questioned the amount of the Fiscal Year 2014 PSC Assessment for LCSW and no audit was necessary to verify the reasonableness of the amount.¹

It is clear from Public Counsel's statement that while arguing the case at large, the parties assumed that the 2014 assessment would apply; that positions and arguments put before the Commission during the November hearing were premised on the 2014 assessment being included in rates. The only issue decided by the Commission in its latest order was that of rate case expense. All else remains as it was at the time of the Commission's April 2 Report and Order. Hence, the 2014 assessment, that was effective at the time of the November 2013 hearing and when the Report and Order was issued, is the assessment that should be applied.

Tariff sheets

Lincoln County filed proposed tariff sheets. On August 6, Staff stated that the proposed tariff sheets are in compliance with the Commission's orders of April 2 and July 23, 2014. In response, Public Counsel filed a pleading stating that the proposed rates are calculated using the 2014 PSC Assessment. The Commission has determined that the 2014 PSC Assessment should be used in calculating rates. There is no other opposition to

¹ The Office of the Public Counsel's Request for Clarification, paragraph 3; filed on July 30, 2014.

the proposed tariff sheets. The Commission will approve the proposed tariff sheets, which are based on the 2014 assessment.

Section 393.140 (11), RSMo requires that tariffs be filed with an effective date of 30 days. However, for good cause shown, tariff sheets may be approved in less than 30 days. Utility plant investment that caused Lincoln County to file this rate increase request has been in service approximately 24 months. There is no reason to further delay the application of rates approved by the Commission. The Commission will therefore approve the tariff sheets to go into effect on August 19, 2014.

THE COMMISSION ORDERS THAT:

1. The proposed tariff sheets, Tariff File Nos. YS-2015-0036 and YW-2015-0035, are approved to become effective on August 19, 2014.
2. This order shall become effective on August 19, 2014.



BY THE COMMISSION

A handwritten signature in black ink that reads "Morris L. Woodruff". The signature is written in a cursive, flowing style.

Morris L. Woodruff
Secretary

R. Kenney, Chm., Stoll, W. Kenney,
and Rupp, CC., concur.
Hall, C., absent.

Jones, Senior Regulatory Law Judge