1	STATE OF MISSOURI		
2	PUBLIC SERVICE COMMISSION		
3			
4	TRANSCRIPT OF PROCEEDINGS		
5	Local Public Hearing		
б	February 16, 2010		
7	Republic, Missouri		
8	Volume 3		
9	In the Matter of the Application) of Ozark Meadows, Aqua)		
10	Development Company, d/b/a Aqua) File No. Missouri Inc Request for Increase) SR-2010-0023		
11	in Annual Sewer System Operating) Revenues MPC Sewer Utility Small)		
12	Company Rate Increase Procedures)		
13	In the Matter of Aqua RU Inc) d/b/a Aqua Missouri Request for)		
14	Increase in Annual Water System) File No. Operating Revenues MPSC Water) WR-2010-0025		
15	Utility Small Company Rate) Increase)		
16			
17	In the Matter of Aqua Missouri) Inc (CU) Request for Increase in) File No. Annual Sewer System Operating) SR-2010-0026		
18	Revenue MPSC Sewer Utility Small) Company Rate Increase Procedures)		
19	In the Matter of Aqua Missouri)		
20	Inc (CU) Request for an Increase) in the Annual Water System) File No.		
21	Operating Revenues MPSC Water) WR-2010-0027 Utility Small Company Rate)		
22	Increase Procedures) MR. HAROLD STEARLEY,		
23	Presiding, SENIOR REGULATORY LAW JUDGE		
24	REPORTED BY: KAREN S. ROGERS, Registered		
25	Professional Reporter, Certified Realtime Reporter		

APPEARANCES For Aqua Missouri Inc: NO APPEARANCE For the Office of the Public Counsel: MS. CHRISTINA BAKER OFFICE OF THE PUBLIC COUNSEL 200 Madison Street, Suite 650 Jefferson City, Missouri 65102 (573) 751-5565 christina.baker@ded.mo.gov Public Service Commission Staff: NO APPEARANCE

1 2 3 A P P E A R A N C E S 4 (Continued) 5 Public Service Commission Staff Counsel: б 7 MR. ERIC DEARMONT 8 PUBLIC SERVICE COMMISSION 9 Governor Office Building 10 200 Madison Street, Suite 800 Jefferson City, Missouri 65102 11 (573) 751-5472 12 eric.dearmont@psc.mo.gov 13 14 15 16 Aqua Missouri Staff: MS. TENA HALE-RUSH, Regional Manager 17 18 MR. AARON LACHOWICZ, Operations Manager PO Box 7017 19 20 Jefferson City, Missouri 65102 (573) 634-2699 21 22 tchale-rush@aquaamerica.com ajlachowicz@aquaamerica.com 23 24 25

A P P E A R A N C E S (Continued) б Court Reporter: MS. KAREN S. ROGERS, RPR, CCR No. 846 MIDWEST LITIGATION SERVICES 1911 South National Avenue, Suite 402 Springfield, Missouri 65804 (417) 877-9700 krogers@midwestlitigation.com

1 2 PROCEEDINGS 3 4 (Proceedings began at 6:03 5 p.m. on Tuesday, February б 16, 2010, with appearances 7 as noted.) 8 JUDGE STEARLEY: Can everyone hear me all right? Is this working? All right. Good evening. 9 10 It's Tuesday, February 16th, 2010. 11 The Missouri Public Service Commission has 12 set this time for a local public hearing in four 13 separate file numbers, in which Aqua Missouri Incorporated is seeking a general rate increase for 14 15 its water and sewer service here in Missouri. Those file numbers are SR-2010-0023, 16 WR-2010-0025, SR-2010-0026, and WR-2010-0027. 17 My name is Harold Stearley, and I'm the 18 regulatory law judge that will preside over 19 20 tonight's hearings. 21 Unfortunately, none of the commissioners 22 could be here tonight in person. However, they will 23 be reviewing the tape and transcripts of this 24 proceeding tonight, and any testimony or comments will be reviewed prior to the commissioners making 25

1 any decision in this matter.

This is an official hearing, so any comments or testimony that the commission receives tonight will be taken under oath. I will swear you in, and our court reporter this evening will be taking down all of the testimony.

7 The way we will proceed is I will call the 8 people who have signed up on our list. They can 9 step forward. I'll have you state and spell your 10 name for our court reporter. I will ask you a 11 couple preliminary questions, and then you may give 12 your comments.

After that the attorneys who are representing parties here tonight may have some questions for you or I may have a couple questions for you before you complete your comments.

17Does anyone have any questions regarding18the procedure we're going to follow tonight?

Well, seeing none, I will begin by taking entries of appearance for counsel for the parties, starting with Aqua Missouri. And I'll let the record reflect that Aqua Missouri has no attorney present tonight.

24 The Office of the Public Counsel?25 MS. BAKER: Thank you, Your Honor.

Christina Baker, PO Box 2230, Jefferson City, 1 2 Missouri, 65102, appearing on behalf of the Office 3 of the Public Counsel and the rate payers. 4 JUDGE STEARLEY: Thank you, Ms. Baker. For 5 the Staff of the Missouri Public Service б Commission? 7 MR. DEARMONT: Good evening, Judge. Eric Dearmont on behalf of the Staff of the Missouri 8 Public Service Commission, PO Box 360, Jefferson 9 City, Missouri, 65102. 10 11 JUDGE STEARLEY: All right. Thank you, 12 Mr. Dearmont. 13 I would also like to be sure everyone knows we are webcasting our proceeding tonight, so this is 14 15 going out live over the Internet. 16 And we would like to thank our hosts here 17 in Republic for the use of their facilities and the 18 ability to link up for our webcast. Now looking at our witness list, the first 19 20 name I have on here is Mr. Greg Brock. Mr. Brock, 21 would you like to give testimony this evening? 22 MR. BROCK: My name is Greg Brock. I 23 represent the Ozark Sentinel newspaper based in 24 Kimberling City, and we have a sister paper, a 25 Tri-County Sentinel, in Aurora, Missouri.

And I believe most of my questions were 1 2 answered before we started this evening, and so I'm 3 satisfied with the information I've been given. 4 JUDGE STEARLEY: Okay. Well, very well. 5 Thank you, Mr. Brock. 6 MR. BROCK: Thank you. 7 JUDGE STEARLEY: The next person I have on 8 our list is Mr. James Fry. Mr. Fry, would you like 9 to give some comments or testimony? 10 MR. FRY: No, sir. Not this evening, Your Honor. My questions were answered, like 11 12 Mr. Brock's, before the meeting was started. JUDGE STEARLEY: Okay. Well, very well. 13 MR. FRY: Thank you. 14 JUDGE STEARLEY: Thank you very much. I 15 16 think we have perhaps one or two other people in the 17 crowd here. I will give everyone an opportunity. Is there anyone who would like to speak today? 18 (The audience does not 19 20 respond.) 21 JUDGE STEARLEY: Okay. Well, seeing none, 22 I'd like to remind our people in our audience here 23 and the people who might be viewing this on the web, 24 there are multiple ways to contact the commission. 25 If you'd like to register comments with the

commission regarding these rate cases, you can do that by phoning us. You can do that by emailing. You can do it by posting comments on our web page or you can contact the Office of the Public Counsel as well. Seeing that we have no one here to testify, I guess we'll bring this public hearing to a close rather quickly, and we stand adjourned. I thank you all very much for coming. (The hearing was concluded at 6:08 p.m. on Tuesday, February 16, 2010.) (No exhibits were marked during the course of this hearing.) * *

1 2 3 CERTIFICATE OF REPORTER 4 5 STATE OF MISSOURI) б) SS: COUNTY OF GREENE) 7 8 9 I, Karen S. Rogers, Registered Professional 10 Reporter, Certified Realtime Reporter, and Notary Public in and for the State of Missouri, do hereby 11 12 certify that I was personally present at the taking of the proceedings as set forth in the caption sheet 13 14 hereof; that I then and there took down in stenotype 15 the proceedings had at said time; and that the foregoing is a full, true, and accurate 16 transcription of such stenotype notes so made at 17 such time and place, all to the best of my skill and 18 19 ability. 20 21 22 23 Karen S. Rogers, RPR, CCR No. 846, 24 Notary Public 25

1		
2		
3	I N D E X	
4		PAGE
5	TITLE PAGE	1
6		
7	INDEX	11
8		
9	APPEARANCES	2
10		
11	WITNESS NAME	
12	Mr. Greg Brock	7
13	Mr. James Fry	8
14		
15	CERTIFICATE OF REPORTER	10
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		