

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service Commission held at its office in Jefferson City on the 26th day of May, 2016.

In the Matter of Cannon Home Association, Inc. Request for a Rate Increase)
)

File No. SR-2016-0112
YS-2016-0282

ORDER APPROVING COMPANY/STAFF DISPOSITION AGREEMENT AND APPROVING TARIFF

Issue Date: May 26, 2016

Effective Date: June 3, 2016

On November 16, 2015, Cannon Home Association, Inc. (“Cannon”) filed a rate increase request with the Missouri Public Service Commission (“Commission”) pursuant to the small company rate case procedure¹. Cannon provides service to approximately 105 residential customers and five commercial customers in Ralls County, Missouri. On April 14, 2016, the Staff of the Commission filed a *Notice of Company/Staff Agreement Regarding Disposition of Small Company Rate Increase Request*, which included the Company/Staff Disposition Agreement (“Agreement”) signed by representatives of Staff and Cannon. Cannon and Staff agreed that Cannon’s sewer system operating revenue should be increased by \$22,647.00, representing an increase of approximately 68%. The Office of Public Counsel (“Public Counsel”) did not join in the Agreement.

Cannon filed revised tariff sheets on April 14, 2016 reflecting the proposed rates agreed to by Staff and Cannon in the Agreement. On May 24, 2016, Public Counsel filed a

¹ Commission Rule 4 CSR 240-3.050. Cannon originally requested an increase of \$25,000.00 in its annual sewer system operating revenues.

position statement indicating that Public Counsel does not object to the Agreement or the related tariff revisions. Public Counsel did not request a local public hearing or evidentiary hearing.

The Commission has the legal authority to accept stipulations and agreements as offered by the parties pursuant to Section 536.060, RSMo 2000. The requirement for a hearing is met when the opportunity for hearing has been provided and no proper party has requested the opportunity to present evidence.² Since no party has requested a hearing in this case, the Commission may grant the relief requested based on the Agreement. Consequently, based on the Commission's independent and impartial review of the verified filings, the Commission will approve the Agreement.

THE COMMISSION ORDERS THAT:

1. The Company/Staff Disposition Agreement with regard to Cannon Home Association, Inc.'s request for an increase in sewer revenue, File No. SR-2016-0112, entered into by the Staff of the Missouri Public Service Commission and Cannon Home Association, Inc. and filed on April 14, 2016, is approved.
2. The signatories to the agreement referenced in ordered paragraph 1 shall comply with the terms of the Company/Staff Disposition Agreement. A copy of the Agreement is attached to this order as Appendix A.
3. Cannon Home Association, Inc. shall implement the depreciation rates attached to the Company/Staff Disposition Agreement for File No. SR-2016-0112, as described in ordered paragraph 1.

² *State ex rel. Rex Deffenderfer Enterprises, Inc. v. Public Service Commission*, 776 S.W.2d 494, 496 (Mo. App. 1989).

4. The following revised tariff sheets filed by Cannon Home Association, Inc. on April 14, 2016, and assigned Tariff File No. YS-2016-0282, are approved to become effective for service provided on and after June 3, 2016. The tariff sheets approved are:

P.S.C. MO No. 2, canceling P.S.C. MO No. 1

Original Sheet Nos. 1 through 44

5. This order shall become effective on June 3, 2016.

6. This case shall be closed on June 4, 2016.



BY THE COMMISSION

A handwritten signature in cursive script that reads "Morris L. Woodruff".

Morris L. Woodruff
Secretary

Hall, Chm., Stoll, Kenney,
Rupp, and Coleman, CC., concur.

Bushmann, Senior Regulatory Law Judge