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STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a session of the Public Service
Commission held at its office
in Jefferson City on the 3rd
day of December, 1993.

In the matter of St. Joseph Light & Power Company tariff)
sheets designed to increase rates for electric service)
provided to customers in the Missouri service area of) Case No. ER-94-163
the company.)
)

SUSPENSION ORDER AND NOTICE OF PROCEEDINGS
AND EXTENSION OF DATE TO SUBMIT DEPRECIATION STUDY AND DATA BASE

On November 22, 1993, St. Joseph Light & Power Company (Company) submitted to the Commission tariffs reflecting increased rates for electric service provided to customers in the Missouri service area of the Company. The proposed tariffs bear a requested effective date of December 22, 1993. The proposed tariffs are designed to produce an annual increase of approximately 7.9 percent (\$5.5 million) in the Company's revenues.

To allow sufficient time to study the effect of the proposed tariffs and to determine if they are just, reasonable and in the public interest, the Commission is of the opinion that the proposed tariffs should be suspended for a period of 120 days, plus an additional six months, beyond the requested effective date, unless otherwise ordered by the Commission.

Inasmuch as the Commission is required by law to give rate increase cases preference over all other questions pending before it and to decide such cases as quickly as possible, and since the burden of proof that the proposed rates are just and reasonable is upon the company proposing such rates, the Commission is of the opinion that a hearing should be scheduled at which time the Company shall present its entire case in support of its proposed rates. To facilitate the hearing process in this matter, the Commission concludes that a

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schedule of proceedings should be established, and that all parties should be required to file prepared testimony and schedules in advance of the hearing.

The Commission is further of the opinion that the Records Department of the Commission should serve a copy of this order upon the mayor of each city and the county commission of each county in the Company's service area. In addition, the Information Office shall send notice of this order to the publisher of each newspaper located in the counties in which the Company provides service, as listed in the newspaper directory of the current Official Manual of the State of Missouri, and to the members of the General Assembly representing the Missouri area served by the Company.

The Commission is also of the opinion that the Company should give notice to its customers pursuant to 4 CSR 240-2.110(10) as hereinafter ordered.

Any city, county, or other proper entity desiring to intervene in this proceeding shall file its application to intervene on or before the date set in this order as provided by 4 CSR 240-2.110(12) and shall serve a copy of the application on the Company's attorney, Gary W. Duffy, Brydon, Swearengen & England P.C., Post Office Box 456, 312 East Capitol Avenue, Jefferson City, Missouri 65102.

The Commission will require the prefiling of testimony as defined in 4 CSR 240-2.130. The practice of prefiling testimony is designed to give parties notice, at the earliest reasonable opportunity, of the claims, contentions and evidence in issue and to avoid unnecessary objections and delays in the proceedings caused by allegations of unfair surprise at the hearing.

Nothing in this order, nor in any other order in this case, shall preclude a party from addressing, or having a reasonable opportunity to address, matters not previously disclosed and arising at the hearing. The Commission, in its discretion and for good cause shown, may waive strict application of these requirements.

Since the instant case is subject to a statutory time limit, the Commission's general policy provides for the filing of the transcript within two (2) weeks after the conclusion of the hearing. If any party seeks to expedite the filing of the transcript, such a request shall be tendered, in writing, to the hearing examiner at least five (5) days prior to the date of hearing. The hearing examiner, in consultation with the chief hearing reporter, will determine whether the transcript can, and should, be expedited.

The Commission believes it is appropriate to limit the length of initial briefs to 100 pages and reply briefs to 50 pages. All pleadings, briefs and amendments shall be filed in accordance with 4 CSR 240-2.080(7).

The Commission is of the opinion that the Company should submit any requests for true-up in a motion concurrent with its prefiled direct testimony. The requests should include a proposed date to which the Company's financial data is to be brought forward as well as a proposed time for a true-up hearing. The Company's proposal should also specify a complete list of accounts or items of expense, revenues and rate base designed to prevent any improper mismatch in those areas. The Commission will not consider a true-up of isolated adjustments, but will examine only a "package" of adjustments designed to maintain the proper revenue-expense-rate base match at a proper point in time. *Re: Kansas City Power & Light Company*, 26 Mo. P.S.C. (N.S.) 104, 110 (1983). Company shall include in its prefiled testimony its recommendation concerning the proper test year to be used in these proceedings.

The Commission's Staff, the Public Counsel and all intervenors shall state their positions regarding the Company's true-up and test year proposals as hereinafter ordered. The test year is the twelve-month period which is used to audit a company's books to determine the proper amounts of rate base, expenses and revenues to be used in calculating a revenue requirement for a company. A resolution of the test year issue must be made early in the proceedings so that

parties' testimony can be reconciled to the same period. The test year involves an audit of all books and records of a company so that a total revenue requirement can be calculated.

Company's prefiled direct testimony should be based upon a twelve-month period using a specific test year ending date. Staff's and other parties' test year proposals should include a specific twelve-month period as a test year and should include any additional period for which Staff or another party has updated significant items from the test year. The test year with the additional period will be called a test year as updated, or updated test year. In addition to a proposed test year or a proposed test year as updated, a party may request isolated changes, such as those imposed by governmental bodies, as part of its case and the Commission will consider whether those isolated changes are known and measurable and whether they should be included in Company's revenue requirement. An issue to be considered in this determination is whether the proposed adjustment affects the matching of rate base, expenses and revenue.

The Commission will schedule a prehearing conference in this case to allow the parties the opportunity to resolve substantive issues as well as to consider those matters described in 4 CSR 240-2.090(6). The parties shall also utilize the prehearing conference to eliminate those issues which can be resolved through updating of a party's case, clarification of misunderstandings, explanation of an issue's interrelationship with other issues, and correction of clerical or arithmetic errors if such issues have not been eliminated prior to the prehearing.

The parties shall file a hearing memorandum setting out the issues to be heard and the witnesses to appear on each day of the hearing, definitions of terms used in describing those issues, each party's position on those issues and quantification of the amount on each issue in dispute.

The parties shall file a reconciliation setting forth the total amount or values of each party's case as well as the individual contested amounts or values associated with each party's recommendation for expenses, revenues and rate base in conformance with the issues in the hearing memorandum. If necessary, the reconciliation may be amended or replaced during the proceedings to reflect any change in the issues or amounts in controversy.

The Commission emphasizes the importance of the deadlines for filing the hearing memorandum and the case reconciliation. The Commission Staff will be responsible for preparing and filing the hearing memorandum and case reconciliation. Unless the Commission orders otherwise, the hearing memorandum and case reconciliation shall be filed on the dates set. Each party is expected to provide Staff with its position on each unresolved issue in sufficient time for Staff to meet the established filing deadlines.

The Commission has determined that all prefiled testimony, briefs and reply briefs in this case shall be filed by 3:00 p.m. on the date they are scheduled to be filed.

Testimony and schedules shall not be filed under seal and treated as proprietary or highly confidential unless a protective order has first been established by the Commission. The party which considers information to be proprietary or highly confidential should request a protective order to ensure the information is treated as designated. Any testimony or schedule filed without a protective order first being established shall be considered public information. The Commission has a form protective order which will be used in this proceeding.

The Commission has determined that Staff should be authorized to file a complaint seeking a reduction in Company's revenues if its audit reflects that Company's earnings are excessive. The Commission will authorize Staff to file such a complaint to be consolidated with this case.

Concurrent with the submission of tariffs to increase rates, Company filed an application for a variance from Commission rule 4 CSR 240-20.030(6)(B)2. This rule requires an electric corporation, when requesting a general rate increase, to file a depreciation study and data base concurrent with the tariffs. Company requests a variance to extend the time for providing its depreciation study and data base until January 31, 1994. Company states that its consultant will not have completed the study until that date.

The Commission considers Company's request reasonable and will grant the waiver to January 31, 1994.

IT IS THEREFORE ORDERED:

1. That all proposed tariff sheets submitted on November 22, 1993, by St. Joseph Light & Power Company for the purpose of increasing rates for electric service are hereby suspended for a period of one hundred twenty (120) days from December 22, 1993, to April 21, 1994.

2. That since it is apparent that the investigation of these tariffs cannot be completed within one hundred twenty (120) days, the tariffs are hereby further suspended for a period of six (6) months beyond April 21, 1994, to October 21, 1994, unless otherwise ordered by the Commission.

3. That any proper person or entity desiring to intervene and participate in this proceeding shall, except for good cause shown, file its application to intervene and serve a copy of same upon the Company's attorney on or before January 3, 1994.

4. That the following procedural schedule is hereby adopted for this proceeding:

Company direct testimony

January 10, 1994
3:00 p.m.

Staff, Public Counsel and
intervenors direct testimony

April 11, 1994
3:00 p.m.

All parties rebuttal testimony	May 11, 1994 3:00 p.m.
Prehearing conference	May 23-27, 1994 10:00 a.m.
Hearing memorandum	June 3, 1994
Reconciliation	June 3, 1994
All parties surrebuttal testimony	June 10, 1994 3:00 p.m.
Hearing	June 20-24, 1994 10:00 a.m.

The prehearing conference and hearing shall be held at the Commission's offices on the fifth floor of the Harry S Truman State Office Building, 301 West High Street, Jefferson City, Missouri. Any person with special needs as addressed by the Americans With Disabilities Act shall notify the Chief Hearing Examiner [(314) 751-7497] at least ten (10) days prior to the hearing.

5. That the Company shall file fifteen (15) copies of its prepared direct testimony and schedules and minimum filing requirements with the Executive Secretary of the Commission, and shall serve two (2) copies of same upon the Public Counsel and each party who has filed a timely and proper application to intervene. Company shall provide eleven (11) additional copies of its testimony to Staff.

6. That concurrent with the filing of its prepared testimony and exhibits in this matter, the Company shall file with the Commission its recommendation concerning the proper test year for use in this case. On or before February 10, 1994, the Commission's Staff, the Public Counsel and the intervenors shall either concur in the Company's recommendation or shall recommend alternatives to the Company's suggested test year.

7. That if Company requests a true-up audit and hearing, it shall file a pleading with such request concurrent with its prepared direct testimony and exhibits. Concurrent with their prefiled direct testimony, the Commission

Staff, the Public Counsel and all intervenors shall file a pleading indicating either concurrence in the Company's request or suggested alternatives to the Company's true-up recommendation.

8. That the Commission Staff shall file fifteen (15) copies of its prepared direct testimony and schedules with the Executive Secretary of the Commission, and serve five (5) copies of same upon the Company and two (2) copies of same upon the Public Counsel and each intervenor.

9. That the Public Counsel and each intervenor shall file fifteen (15) copies of their prepared direct testimony and schedules with the Executive Secretary of the Commission, and serve five (5) copies of same upon the Company and two (2) copies of same upon each other party.

10. That all parties shall file their rebuttal and surrebuttal testimony in the same quantities as required for direct testimony. Company shall provide eleven (11) additional copies of its testimony to Staff.

11. That testimony and any attachments to a witness's testimony shall be marked and filed only in the manner prescribed by 4 CSR 240-2.130(11).

12. That the Company shall notify each affected customer of all hearings by either a notice on or accompanying a bill, or in a separate notice, at least ten (10) days but not more than forty-five (45) days prior to the first of those hearings, unless otherwise ordered by the Commission. The notice shall be in the following form:

NOTICE

St. Joseph Light & Power Company has filed revised tariffs with the Missouri Public Service Commission (PSC) which would increase the Company's Missouri jurisdictional annual gross revenues by approximately 7.9 percent. For the average residential customer, the proposed increase would be approximately \$4.00 per month.

An evidentiary hearing has been set before the PSC beginning at 10:00 a.m., June 20, 1994, in the PSC's hearing room on the fifth floor of the Harry S Truman State Office Building, 301 West High Street, Jefferson City, Missouri. If you wish

to comment or secure information, you may contact the Office of Public Counsel, Post Office Box 7800, Jefferson City, Missouri 65102, telephone (314) 751-4857.

If any person has special needs as addressed by the Americans With Disabilities Act, please contact the Missouri Public Service Commission at least ten (10) days prior to the hearing at one of the following numbers: Consumer Services Hotline -- 1-800-392-4211, or TDD Hotline -- 1-800-829-7541.

13. That all counsel and parties to this proceeding shall review 4 CSR 240-4.020, comply with its terms and communicate the meaning and importance of that rule to all personnel whom counsel believes or reasonably should believe ought to be made aware of that rule.

14. That all counsel shall immediately report to the Commission all future possible violations of any Commission rule by any party, including the party they represent.

15. That the Records Department and Information Office of the Commission shall serve a copy of this order and provide notice as described in this order.

16. That requests for expedited transcripts or procedural determinations shall be made as described in this order.

17. That initial briefs filed in this case shall be no longer than one hundred (100) pages and reply briefs shall be no longer than fifty (50) pages, unless otherwise ordered by the Commission.

18. That prefiled testimony shall only be filed under seal pursuant to a protective order approved by the Commission.

19. That Commission Staff is authorized to file a complaint against Company if its audit reflects that Company's earnings are excessive.

20 That St. Joseph Light & Power Company is hereby granted a waiver which extends the date for submitting its depreciation study and data base until January 31, 1994.

21. That this order shall become effective on the date hereof.

BY THE COMMISSION

A handwritten signature in cursive script, reading "David L. Rauch".

David L. Rauch
Executive Secretary

(S E A L)

Mueller, Chm., McClure, Perkins,
Kincheloe and Crumpton, CC., concur.