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STATE OF MISSOURI

PUBLIC SERVICE COMMISSION

TRANSCRIPT OF PROCEEDINGS

Prehearing Conference

May 22, 2012

Jefferson City, Missouri

Volume 3

In the Matter of Lincoln)
County Sewer & Water, LLC,)
for a Certificate of)
Convenience and Necessity) Case No. WA-2012-0018, et al.
Authorizing it to Own,)
Operate, Maintain, Control)
and Manage Water Systems in)
Lincoln County, Missouri)

HAROLD STEARLEY, Presiding

SENIOR REGULATORY LAW JUDGE

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A P P E A R A N C E S

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1 P R O C E E D I N G S

2 JUDGE STEARLEY: All right. Good morning. It's
3 Tuesday, May 22nd, 2012. The Commission set this time for
4 a prehearing conference in File No. WA-2012-0018, et al.,
5 which is captioned as In the Matter of Lincoln County
6 Sewer & Water, LLC, for a Certificate of convenience &
7 Necessity Authorizing it to Own, Operate, Maintain,
8 Control and Manage Water Systems and Sewer Systems in
9 Lincoln County, Missouri.

10 My name is Harold Stearley. I'm the presiding
11 officer over today's conference. I will begin by taking
12 entries of appearance starting with Lincoln County.

13 MR. COOPER: Dean L. Cooper from law firm of
14 Brydon, Swearngen & England, PC, on behalf of Lincoln
15 County Sewer & Water, LLC. And I'll provide the address
16 to the court reporter.

17 JUDGE STEARLEY: Thank you, Mr. Cooper. For the
18 Office of the Public Counsel?

19 MS. BAKER: Thank you. Christina Baker,
20 appearing on behalf of the Office of the Public Counsel
21 and the ratepayers.

22 JUDGE STEARLEY: Thank you, Ms. Baker. And for
23 the Staff of the Missouri Public Service Commission?

24 MS. LEWIS: Rachel Lewis and Amy Moore for the
25 Staff of the Missouri Public Service Commission. We've

1 given our address to the court reporter this morning.

2 JUDGE STEARLEY: Also, we have some people over
3 the phone line with us today. Who -- who all do we have
4 from Staff on the phone?

5 MR. CASSIDY: John Cassidy and Lisa Hannigan.

6 JUDGE STEARLEY: All right. Thank you. All
7 right. The parties had asked for this prehearing
8 conference when they filed their proposed procedural
9 schedule. Are there any preliminary matters the parties
10 need me to take up at this time?

11 Okay. It's my understanding -- I know you all
12 have been negotiating on this case, but you're at an
13 impasse; is that correct?

14 MS. LEWIS: On some of the issues, we're at an
15 impasse. So some of the issues will go to hearing.

16 JUDGE STEARLEY: Okay. With regard to the
17 issues that are in dispute, Public Counsel had filed its
18 response for Staff's recommendations. And it appears
19 there is an issue regarding depreciation of a particular
20 pump?

21 MS. BAKER: Yes. One -- one account in the
22 Bennington Water.

23 JUDGE STEARLEY: And you had also mentioned some
24 concerns regarding meter installation program and
25 subdivision elemental fees. Are those all items that are

1 still in dispute, or have any of those things resolved?

2 MS. BAKER: We believe there's resolution on all
3 of the issues except for the pump count. I mean, we are
4 discussing, and -- and I think that is the main one.

5 MS. LEWIS: There's also a difference in the
6 meter reading.

7 JUDGE STEARLEY: Okay. The company, does that
8 correspond with your position? Are there other things the
9 Commission Staff has recommended that the company's not in
10 favor of?

11 MR. COOPER: I think that largely corresponds to
12 our position. There may be another question or two I need
13 to ask as we -- as we move forward but work towards what I
14 guess we would hope to be a partial stipulation and
15 agreement. But largely, yes, that -- that corresponds to
16 my understanding.

17 JUDGE STEARLEY: Any narrowing of the issues
18 would certainly aid the Commission in giving you a quicker
19 decision on the issues that are in dispute. I'm taking it
20 that you guys are at a total impasse that having some type
21 of mediation would not be helpful at this time; is that
22 correct?

23 MS. LEWIS: (Witness shakes head.)

24 MS. BAKER: I mean, I've put things on the table
25 that they've fought.

1 MS. LEWIS: We've tried. And I don't think
2 mediation is going to help.

3 JUDGE STEARLEY: I just wanted to put that
4 option out because it was available to the parties. All
5 right. Well, if there's nothing specifically for me to
6 take up at this time, I appreciate you clarifying for me
7 what you're all working on, and we will conclude the
8 on-the-record portion of this.

9 If any other resolution is reached, you can --
10 you certainly know how to let us know.

11 MS. LEWIS: Okay.

12 JUDGE STEARLEY: All right. Thank you all very
13 much. We're off the record.

14 MS. LEWIS: Thank you, Judge. Thank you, Court
15 Reporter.

16 (The proceedings were concluded at 9:05 a.m. on
17 May 22, 2012.)

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REPORTER'S CERTIFICATE

STATE OF MISSOURI)

)ss.

COUNTY OF OSAGE)

I, Monnie S. Mealy, Certified Shorthand Reporter,
Certified Court Reporter #0538, and Registered
Professional Reporter, and Notary Public, within and for
the State of Missouri, do hereby certify that I was
personally present at the proceedings as set forth in the
caption sheet hereof; that I then and there took down in
stenotype the proceedings had at said time and was
thereafter transcribed by me, and is fully and accurately
set forth in the preceding pages.

Monnie S. Mealy, CSR, CCR #0539

Registered Professional Reporter

PREHEARING CONFERENCE 5/22/2012

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<p>9:7 option 12:4 OSAGE 13:5 other 11:8 12:9 out 12:4 over 9:11 10:2 Own 7:17 9:7</p> <hr/> <p style="text-align: center;">P</p> <p>P 8:1,1 9:1 pages 13:15 partial 11:14 particular 10:19 parties 10:7,9 12:4 PC 8:14 9:14 people 10:2 personally 13:11 phone 10:3,4 portion 12:8 position 11:8,12 preceding 13:15 prehearing 7:7 9:4 10:7 preliminary 10:9 present 13:11 presiding 7:23 9:10 procedural 10:8 proceedings 7:5 12:16 13:11,13 Professional 13:9,22 program 10:24 proposed 10:8 provide 9:15 Public 7:2 8:2,3 8:6,7 9:18,20 9:23,25 10:17 13:9 pump 10:20 11:3 put 11:24 12:3 P.O 8:4,8,15</p> <hr/> <p style="text-align: center;">Q</p> <p>question 11:12 quicker 11:18</p>	<p style="text-align: center;">R</p> <p>R 8:1 9:1 Rachel 8:2 9:24 ratepayers 9:21 reached 12:9 reading 11:6 recommendati... 10:18 recommended 11:9 record 12:13 regard 10:16 regarding 10:19 10:24 Registered 13:8 13:22 REGULATO... 7:24 REPORTED 8:20 reporter 9:16 10:1 12:15 13:7,8,9,22 REPORTER'S 13:1 resolution 11:2 12:9 resolved 11:1 response 10:18 right 9:2 10:6,7 12:5,12 RPR 8:21</p> <hr/> <p style="text-align: center;">S</p> <p>S 8:1,21 9:1 13:7 13:21 schedule 10:9 SENIOR 7:24 Service 7:2 8:2,3 9:23,25 Services 8:22 set 9:3 13:11,15 Sewer 7:14 8:12 9:6,8,15 shakes 11:23 sheet 13:12 Shorthand 13:7 some 10:2,14,15</p>	<p>10:23 11:20 specifically 12:5 ss 13:4 Staff 8:2 9:23,25 10:4 11:9 Staff's 10:18 starting 9:12 State 7:1 13:3,10 Stearley 7:23 9:2,10,17,22 10:2,6,16,23 11:7,17 12:3 12:12 stenotype 13:13 still 11:1 stipulation 11:14 Street 8:3 subdivision 10:25 Suite 8:23 Swearengen 8:14 9:14 Systems 7:19 9:8 9:8</p> <hr/> <p style="text-align: center;">T</p> <p>table 11:24 take 10:10 12:6 taking 9:11 11:19 Thank 9:17,19 9:22 10:6 12:12,14,14 their 10:8 things 11:1,8,24 think 11:4,11 12:1 time 9:3 10:10 11:21 12:6 13:13 today 10:3 today's 9:11 total 11:20 towards 11:13 transcribed 13:14 TRANSCRIPT 7:5</p>	<p>tried 12:1 Truman 8:23 Tuesday 9:3 two 11:12 type 11:20</p> <hr/> <p style="text-align: center;">U</p> <p>understanding 10:11 11:16</p> <hr/> <p style="text-align: center;">V</p> <p>very 12:12 Volume 7:11</p> <hr/> <p style="text-align: center;">W</p> <p>W 8:23 wanted 12:3 Water 7:14,19 8:12 9:6,8,15 10:22 WA-2012-0018 7:16 9:4 Well 12:5 were 12:16 we're 10:14 12:13 We've 9:25 12:1 Witness 11:23 work 11:13 working 12:7</p> <hr/> <p style="text-align: center;">#</p> <p>#0538 13:8 #0539 13:21</p> <hr/> <p style="text-align: center;">2</p> <p>200 8:3 2012 7:9 9:3 12:17 207 8:23 22 7:9 12:17 22nd 9:3 2230 8:8</p> <hr/> <p style="text-align: center;">3</p> <p>3 7:11 312 8:16 3432 8:23 360 8:4</p>	<p style="text-align: center;">4</p> <p>456 8:15</p> <hr/> <p style="text-align: center;">5</p> <p>526-6715 8:5 573 8:5,10,18,25</p> <hr/> <p style="text-align: center;">6</p> <p>635-7166 8:18 636-7551 8:25 65102 8:4,9,17 65109 8:24</p> <hr/> <p style="text-align: center;">7</p> <p>751-5565 8:10</p> <hr/> <p style="text-align: center;">9</p> <p>9:05 12:16</p>
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