

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of Hickory Hills Water &)	
Sewer Co.'s Request for a Small)	Case No. WR-2006-0250, consol.
Company Rate Increase.)	

STAFF'S INFORMATION IN RESPONSE TO COMMISSION ORDER

COMES NOW the Staff of the Missouri Public Service Commission (Staff) and for its *Staff's Information In Response To Commission Order* (Information), states as follows:

1. On June 2, 2006, the Commission issued its *Order Directing Parties To Respond* ordering the parties to "...file information with the Commission setting forth the total revenue increase or decrease for each system should the Commission accept their position" in this case by June 7, 2006.

2. Accordingly, the Staff submits the following information:

(a) Water system total increase in revenue: \$2,000

(b) Sewer system total increase in revenue: \$2,500

Supporting calculations are contained in *Staff's Monetary Summary of Contested Issues* attached hereto as Appendix A, and incorporated by reference herein.

WHEREFORE, the Staff submits its Information as directed by the Commission.

Respectfully submitted,

/s/ Robert S. Berlin

Robert S. Berlin
Associate General Counsel
Missouri Bar No. 51709

Attorney for the Staff of the
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102
(573) 526-7779 (Telephone)
(573) 751-9285 (Fax)
email: bob.berlin@psc.mo.gov

Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to all counsel of record this 7th day of June 2006.

/s/ Robert S. Berlin

Staff Monetary Summary of Contested Issues

Item	\$ Amount	Quantity	Total	Allocation	
				Water-75%	Sewer-25%
Salary	\$ 19.00	675 hours	\$ 12,825.00	\$ 9,618.75	\$ 3,206.25
FICA Taxes	7.65%		\$ 981.11	\$ 735.83	\$ 245.28
Total Salary			<u>\$ 13,806.11</u>	<u>\$ 10,354.58</u>	<u>\$ 3,451.53</u>
Mileage	\$ 0.405	9316 miles	\$ 3,772.98	\$ 2,829.74	\$ 943.25
Retirement	9%	\$ 13,546	\$ 1,219.14	\$ 914.36	\$ 304.79
Total Impact on Rates			<u><u>\$ 18,798.23</u></u>	<u><u>\$ 14,098.67</u></u>	<u><u>\$ 4,699.56</u></u>

HICKORY HILLS WATER & SEWER COMPANY

Rate Making Income Statement-Water

Operating Revenues at Current Rates

1 Tariffed Rate Revenues *	\$ 16,217
2 Other Operating Revenues *	\$ -
3 Total Operating Revenues	<u>\$ 16,217</u>
4 * See "Revenues - Current Rates" for Details	

Cost of Service

Item	Amount
1 Pumping Equipment-Purchased Power	\$ 745
2 Water Treatment Expense-Chemicals	\$ 176
3 Water Treatment -Testing/Laboratory Fees	\$ 1,430
4 Maintenance of Parts/Equipment	\$ 682
5 Maintenance Expense-Outside Labor	
6 Administration & General - Salaries	\$ 208
7 Office Supplies	\$ 299
8 Bookkeeping	\$ 323
10 Postage Expense	\$ 247
11 Telephone Expense	\$ 582
12 Insurance Expense	\$ 1,659
14 Regulatory Commission Expense	\$ 37
15 Miscellaneous General Expenses	\$ 23
16 Sub-Total Operating Expenses	<u>\$ 6,411</u>
17 Property Taxes	\$ -
18 MO Franchise Taxes	\$ -
19 Employer FICA Taxes	\$ 16
20 Federal Unemployment Taxes	\$ -
21 State Unemployment Taxes	\$ -
22 State & Federal Income Taxes	\$ 22
23 Sub-Total Taxes	<u>\$ 38</u>
24 Depreciation Expense	\$ 320
25 CIAC Depreciation	\$ -
26 Amortization of Engineering Expense	\$ 127
27 Amortization of Well Repair-5 years	\$ 391
28 Sub-Total Depreciation/Amortization	<u>\$ 838</u>
29 Return on Rate Base	\$ 310
30 Total Cost of Service Before Contested Issues	<u>\$ 7,597</u>
31 Overall Revenue Increase/(Decrease) exc. Contested Issues	<u>\$ (8,620)</u>
32 Mr. Cliffords Salary	\$ 9,619
33 Employer FICA Taxes-Mr. Cliffords Salary	\$ 736
34 Automobile Expense-Mileage	\$ 2,830
35 Employee Pensions & Benefits-Retirement	\$ 914
36 Total of Contested Items	<u>\$ 14,099</u>
37 Total Cost of Service Including Contested Issues	<u>\$ 21,696</u>
38 Total Revenue Increase Allowed Based on Staff's Position	\$ 5,479
39 Less Amount over Company's Request	\$ (3,479)
40 Revenue Increase Limited To Company's Request	<u>\$ 2,000</u>

HICKORY HILLS WATER & SEWER COMPANY

Rate Making Income Statement-Sewer

Operating Revenues at Current Rates

1	Tariffed Rate Revenues *	\$	6,965
2	Other Operating Revenues *	\$	-
3	Total Operating Revenues	\$	6,965
4	* See "Revenues - Current Rates" for Details		

Cost of Service

Item	Amount
1 Sewer Treatment Expense-Chemicals	\$ 1,296
2 Sewer Treatment -Testing/Laboratory Fees	\$ 1,146
3 Maintenance Expense-Parts/Equipment	\$ 650
4 Maintenance Expense-Outside Labor	\$ 207
5 Permit Fees	\$ 299
6 Administration & General - Salaries	\$ 247
7 Office Supplies	\$ 301
8 Postage Expense	\$ 1,659
9 Telephone Expense	\$ 323
10 Insurance Expense	\$ 249
11 Bookkeeping	\$ 23
12 Regulatory Commission Expense	\$ 6,400
13 Miscellaneous General Expenses	\$ -
14 Sub-Total Operating Expenses	\$ -
15 Property Taxes	\$ -
16 MO Franchise Taxes	\$ 16
17 Employer FICA Taxes	\$ -
18 Federal Unemployment Taxes	\$ -
19 State Unemployment Taxes	\$ 3
20 State & Federal Income Taxes	\$ 19
21 Sub-Total Taxes	\$ 65
22 Depreciation Expense	\$ (32)
23 CIAC	\$ 295
24 Amortization of Engineering Expense	\$ 328
25 Sub-Total Depreciation/Amortization	\$ 38
26 Return on Rate Base	\$ 6,785
27 Total Cost of Service Before Contested Issues	\$ (181)
28 Overall Revenue Increase/(Decrease) exc. Contested Issues	\$ 3,206
29 Mr. Cliffords Salary	\$ 245
30 Employer FICA Taxes-Mr. Cliffords Salary	\$ 943
31 Automobile Expense-Mileage	\$ 305
32 Employee Pensions & Benefits-Retirement	\$ 4,699
33 Total of Contested Items	\$ 11,484
34 Total Cost of Service Including Contested Issues	\$ 4,518
35 Total Revenue Increase Allowed Based on Staff's Position	\$ (2,018)
36 Less Amount over Company's Request	\$ 2,500
37 Revenue Increase Limited To Company's Request	\$

AFFIDAVIT OF JAMES M. RUSSO

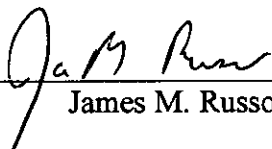
STATE OF MISSOURI)

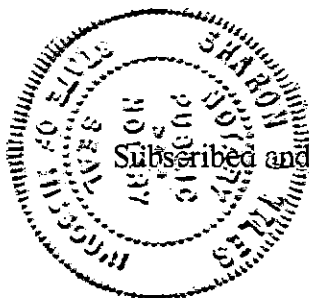
) ss

Case No. WR-2006-0250, et al.

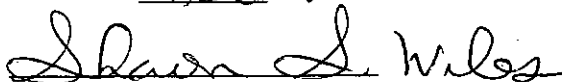
COUNTY OF COLE)

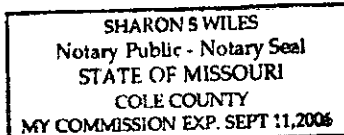
James M. Russo, of lawful age, on his oath states: (1) that he is the Rate and Tariff Supervisor of the Water & Sewer Department of the Missouri Public Service Commission; (2) that he prepared the foregoing *Staff Monetary Summary of Contested Issues*; (3) that he has knowledge of the matters set forth in the foregoing *Staff Monetary Summary of Contested Issues*, and they are true and correct to the best of his knowledge, information and belief.


James M. Russo



Subscribed and sworn to before me this 7th day of June 2006.


Notary Public



My Commission Expires: September 11, 2006