

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

In the Matter of I.H. Utilities, Inc. Small)
Company Rate Increase.) **Case No. WR-2010-0048**

THE OFFICE OF THE PUBLIC COUNSEL'S POSITION STATEMENT

COMES NOW the Office of the Public Counsel (Public Counsel) and for its Position Statement states as follows:

1. On August 25, 2006, the Missouri Public Service Commission (Commission) received a Rate Increase Request Letter from I.H. Utilities, Inc. (IH Utilities or Company) and issued a tracking number of QW-2007-0003.
2. On August 3, 2009, the Staff of the Missouri Public Service Commission (Staff) filed a Notice of Company/Staff Agreement Regarding Disposition of Small Water Company Revenue Increase Request and Motion to Set Prehearing Conference (Company/Staff Agreement) which reflected an agreed-upon annualized operating revenue increase in the amount of \$17,085 (20.087%). Public Counsel's input was not considered for the Company/Staff Agreement nor was Public Counsel asked to be a signatory to this agreement.
3. On August 3, 2009, IH Utilities filed proposed tariff revision reflecting the agreements in the Company/Staff Agreement. These proposed tariffs contained an effective date of September 30, 2009, which was suspended until October 27, 2009 by Order of the Commission.
4. On August 4, 2009, Public Counsel requested a local public hearing citing the long period of time between the original customer notice in 2006 and the Company/Staff Agreement, and earlier customer comments which indicated the existence of poor service, billing problems, inadequate maintenance and operational deficiencies.

5. On August 20, 2009, the Commission issued its Order Scheduling Local Public Hearing and Amending Timeline, giving notice that a local public hearing in this matter would be held on October 6, 2009 in Cuba, Missouri.

6. The Commission's Order also directed Public Counsel to file a position statement or a request for evidentiary hearing no later than October 16, 2009.

7. Following the local public hearing, Public Counsel continues to have concerns regarding the quality of service, customer service issues, billing issues, inadequate maintenance and operational deficiencies. Public Counsel is also uncertain about the Company/Staff Agreement treatment of previous collections of an availability charge by IH Utilities.

8. However, Public Counsel now states its position that while it does not agree with the Company/Staff Agreement and related tariff revisions, it will not oppose their approval by the Commission.

WHEREFORE, Public Counsel respectfully submits its Position Statement.

Respectfully submitted,

OFFICE OF THE PUBLIC COUNSEL

/s/ Christina L. Baker

By: _____

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, emailed or hand-delivered to the following this 16^h day of October 2009:

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