

ORIGINAL

P R O C E E D I N G S

of the

RAYTOWN WATER COMPANY

LOCAL PUBLIC HEARING

CASE NO WR-2005-0052

SEPTEMBER 20, 2004

FILED²

OCT 05 2004

Missouri Public
Service Commission

RAYTOWN SOUTH HIGH SCHOOL

RAYTOWN, MISSOURI

FILED

OCT 4 2004

Missouri
Public Service Commission

PRESENT:

JUDGE RONALD D. PRIDGIN

COMMISSIONER CONNIE MURRAY

MR. CLIFF SNODGRASS, PUBLIC SERVICE COMMISSION

MS. RUTH O'NEILL, OFFICE OF PUBLIC COUNSEL

JOHN M. BOWEN & ASSOCIATES, COURT REPORTERS

1930 Commerce Tower, 911 Main Street, Kansas City, Missouri 64105

Missouri

Kansas

Toll Free

Fax

Email

816•421•2876

913•894•8800

1•888•352•1212

816•421•2482

bowen@johnmbowen.com

1 JUDGE PRIDGIN: Good evening. This is the
2 local public hearing for Raytown Water Company, Case
3 Number WR2005-0052. The purpose of this hearing is
4 to hear customers' comments on the proposed rate
5 increase.

6 If you have specific questions or service
7 complaints, I would ask you to see staff members,
8 and I believe you have already probably met them.
9 If you are with the staff or office of public
10 counsel, if you could please raise your hand for
11 folks who may want to ask you questions. Thank you
12 very much.

13 If you want to testify, you'll need to sign
14 up. I have a sign-up sheet up here, and I have a
15 witness who has already volunteered to testify.

16 If you are wanting to say something today
17 and you forget, you can always contact staff or the
18 office of public counsel after the hearing.

19 Let me give you phone numbers if you're
20 interested. If you want to contact staff, you can
21 reach them at 573-751-3234. And the office of the
22 public counsel you may reach at 573-751-4857

23 When we get started, we will be on the
24 record. I'll ask you to spell your name for the
25 court reporter and speak clearly. I'll ask that

JOHN M. BOWEN & ASSOCIATES, COURT REPORTERS

1930 Commerce Tower, 911 Main Street, Kansas City, Missouri 64105
Missouri Kansas Toll Free Fax Email

816-421-2876

913-894-8800

1-888-352-1212

816-421-2482

bowen@johnmbowen.com

1 only one person speaks at a time.

2 Does anyone have any questions before we
3 get started? All right. Seeing none, we will begin
4 the local public hearing.

5 The Missouri Public Service Commission has
6 set this time for local hearing in case WR2005-0052
7 in which Raytown Water Company seeks to implement a
8 rate increase. The Missouri Public Service
9 Commission regulates the rates charged by
10 investor-owned utility companies in Missouri to
11 ensure that those rates are just and reasonable.
12 The commission also regulates the quality of service
13 and safety of the operations of investor-owned
14 utilities.

15 The commission is made up of five
16 commissioners, one of whom is here this evening.
17 The commissioners are appointed by the governor to
18 fix terms and confirmed by the senate. The
19 commissioners employ a staff of engineers,
20 accountants, attorneys, financial analysts, and
21 other specialists in the field of utility
22 regulation.

23 I'm Ron Pridgin. I'm a regulatory law
24 judge for the Missouri Public Service Commission,
25 and I will preside over this evening's hearing.

JOHN M. BOWEN & ASSOCIATES, COURT REPORTERS

1930 Commerce Tower, 911 Main Street, Kansas City, Missouri 64105
Missouri Kansas Toll Free Fax Email

816-421-2876

913-894-8800

1-888-352-1212

816-421-2482

bowen@johnmbowen.com

1 With me today is Commissioner Murray. Also, staff
2 counsel, Cliff Snodgrass, and from the office of
3 public counsel, Ruth O'Neill.

4 This is an official hearing of the Missouri
5 Public Service Commission, and the statements and
6 testimony of witnesses will be recorded by the court
7 reporter and must be given under oath. All of the
8 commissioners will have a chance to read all of your
9 remarks.

10 The purpose of this hearing is to hear from
11 you on the subject of the proposed rate increase.
12 The company will not present witnesses and will not
13 answer your questions on the record. This is your
14 chance to testify and your remarks will be made an
15 official part of the record of this case.

16 I will call the name of each witness who
17 has signed up. I will call you in the order in
18 which you signed up. When I call your name, please
19 come forward and stand at the witness lectern.
20 Please spell your name for the court reporter so she
21 can put it in the record correctly.

22 I will ask you a couple of preliminary
23 questions, such as your name and address, and you
24 can then make your statement. There then may be
25 questions from the commissioner or from me. And

JOHN M. BOWEN & ASSOCIATES, COURT REPORTERS

1930 Commerce Tower, 911 Main Street, Kansas City, Missouri 64105
Missouri Kansas Toll Free Fax Email
816•421•2876 913•894•8800 1•888•352•1212 816•421•2482 bowen@johnmbowen.com

1 please do not leave the witness area until you are
2 excused.

3 There may be someone who wishes to testify,
4 but, because of religious faith, cannot take an
5 oath. If so, please tell me when I ask you to be
6 sworn so that I may affirm your testimony instead.

7 Does anyone have any questions about the
8 procedure? All right. Seeing none, this begins the
9 public hearing on case WR2005-0052 in the matter of
10 the request of Raytown Water Company for a rate
11 increase pursuant to the commission's small company
12 rate increase procedure.

13 Will counsel make their entries of
14 appearance, beginning with staff, please.

15 MR. SNODGRASS: Good evening, Your Honor.
16 My name is Cliff Snodgrass. I represent the
17 interest of the staff of the Missouri Public Service
18 Commission. And my general business address is
19 Suite 800, Governor's Office Building, Jefferson
20 City, Missouri.

21 JUDGE PRIDGIN: Mr. Snodgrass, thank you.
22 On behalf of the office of the public counsel,
23 please.

24 MS. O'NEILL: Thank you, Judge. My name is
25 Ruth O'Neill. I'm with the Office of the Public

JOHN M. BOWEN & ASSOCIATES, COURT REPORTERS

1930 Commerce Tower, 911 Main Street, Kansas City, Missouri 64105
Missouri Kansas Toll Free Fax Email

816•421•2876

913•894•8800

1•888•352•1212

816•421•2482

bowen@johnmbowen.com

1 Counsel. Thank you all for being here tonight. My
2 address is PO Box 2230, Jefferson City, Missouri,
3 65102.

4 JUDGE PRIDGIN: Ms. O'Neill, thank you.
5 All right. I have one witness currently signed up.
6 Justin Davis, do you wish to testify?

7 MR. DAVIS: I can shortly.

8 JUDGE PRIDGIN: If you would, please,
9 approach the witness lectern and raise your right
10 hand to be sworn, sir.

11 (The oath was administered by Judge
12 Pridgin.)

13 JUDGE PRIDGIN: Thank you very much, Mr.
14 Davis. Just a couple of questions for you.

15 EXAMINATION

16 BY JUDGE PRIDGIN:

17 Q. Would you please state and spell your name for the
18 record, sir.

19 A. Justin W. Davis. J-u-s-t-i-n, D-a-v-i-s.

20 Q. And your address, please, sir?

21 A. 7219 Crisp Avenue.

22 Q. Is that here in Raytown?

23 A. Raytown, Missouri, 64133.

24 Q. And are you currently a customer of Raytown Water
25 Company?

JOHN M. BOWEN & ASSOCIATES, COURT REPORTERS

1930 Commerce Tower, 911 Main Street, Kansas City, Missouri 64105
Missouri Kansas Toll Free Fax Email

816•421•2876

913•894•8800

1•888•352•1212

816•421•2482

bowen@johnmbowen.com

1 A. Yes, sir.

2 Q. Anything you would like to say, sir?

3 A. I have just been in correspondence since we were
4 informed as citizens of this increase, and I just
5 want to express my support for the commission's
6 findings.

7 JUDGE PRIDGIN: All right. Mr. Davis, let
8 me see if we have any questions just briefly.

9 Commissioner Murray, any questions for Mr. Davis?

10 EXAMINATION

11 BY COMMISSIONER MURRAY:

12 Q. How long have you been a customer of Raytown Water
13 Company?

14 A. Paying myself, four years.

15 Q. And have you been pleased with the service?

16 A. We have not had any difficulties.

17 Q. Did I understand correctly that you are here in
18 support of what has been proposed?

19 A. On behalf of the commission, the lower totals that
20 you found through your audit, yes, I'm in support of
21 that.

22 COMMISSIONER MURRAY: Thank you.

23 JUDGE PRIDGIN: And I think, just to
24 clarify it, Mr. Davis, are you testifying that you
25 support the agreement that the staff of the

JOHN M. BOWEN & ASSOCIATES, COURT REPORTERS

1930 Commerce Tower, 911 Main Street, Kansas City, Missouri 64105
Missouri Kansas Toll Free Fax Email

816•421•2876

913•894•8800

1•888•352•1212

816•421•2482

bowen@johnmbowen.com

1 commission and the company have reached?

2 THE WITNESS: I am not aware of the
3 agreement. I am only aware of what the findings in
4 your report show. The city was asking for a little
5 over 600,000, and your audit showed about 250,000
6 was necessary. That is all I'm aware of at this
7 moment.

8 JUDGE PRIDGIN: And I think we're saying
9 the same thing. I just wanted to clarify for the
10 record what it was you were saying.

11 Counsel, any questions for Mr. Davis?

12 EXAMINATION

13 BY MR. SNODGRASS:

14 Q. Briefly, sir, I assume you -- did you read the blue
15 informational sheet when you came in this evening?

16 A. Yes, sir.

17 Q. It indicates that the agreement worked out between
18 the staff and the company amounted to a \$273,757
19 rate increase?

20 A. Yes, sir.

21 Q. Is that the figure that you support here this
22 evening?

23 A. That is the figure I support.

24 MR. SNODGRASS: That's all the questions I
25 have. Thank you.

JOHN M. BOWEN & ASSOCIATES, COURT REPORTERS

1930 Commerce Tower, 911 Main Street, Kansas City, Missouri 64105

Missouri

Kansas

Toll Free

Fax

Email

816-421-2876

913-894-8800

1-888-352-1212

816-421-2482

bowen@johnmbowen.com

1 JUDGE PRIDGIN: Ms. O'Neill?

2 EXAMINATION

3 BY MS. O'NEILL:

4 Q. Mr. Davis, thanks for coming. We had a little bit
5 of conversation earlier, and I just wanted to know
6 whether you had an opinion about the proposal for a
7 surcharge on the bills in addition to the rest of
8 the rate increase.

9 A. I'm not informed of all the details. I have trust
10 that the two commissions, through their findings,
11 will probably come up with, like on the other
12 number, a different number. And I would, once
13 again, support the commission's -- or the two
14 commissions' findings over what our water company
15 here locally is requesting.

16 MS. O'NEILL: Thank you. No further
17 questions.

18 JUDGE PRIDGIN: Thank you. Mr. Davis, I
19 don't have any further questions for you. Thank you
20 very much for your attendance and for your
21 testimony, sir. You may be excused. Thank you.

22 THE WITNESS: Thank you.

23 JUDGE PRIDGIN: I don't see anybody else
24 who has signed up to testify. Does anyone else wish
25 to testify this evening?

JOHN M. BOWEN & ASSOCIATES, COURT REPORTERS

1930 Commerce Tower, 911 Main Street, Kansas City, Missouri 64105
Missouri Kansas Toll Free Fax Email

816-421-2876

913-894-8800

1-888-352-1212

816-421-2482

bowen@johnmbowen.com

1 Seeing no further witnesses, Commissioner
2 Murray, is there anything you would like to add?

3 COMMISSIONER MURRAY: No. I'm pleased that
4 we at least had one person who wanted testify,
5 because we are interested in hearing what the people
6 who are customers of the water company have to say,
7 so thank you very much.

8 JUDGE PRIDGIN: I would certainly echo the
9 commissioner's comments, and I appreciate, Mr.
10 Davis, your testimony and everyone else's attendance
11 this evening. Anything further from counsel?

12 MS. O'NEILL: No, Your Honor.

13 MR. SNODGRASS: Nothing from staff, Judge.

14 JUDGE PRIDGIN: Seeing nothing further, if
15 there are no further questions.

16 MR. DAVIS: I have already been up there,
17 but I have one comment to make. I think a lot of
18 people would have preferred a little more disclosure
19 prior to the construction. I think there is
20 probably -- they were planning, of course, before
21 the groundbreaking to go ahead and change the mains.
22 And I think, just so the citizens could have been
23 informed, you know, nine to eight months ahead of
24 time instead of a month or two ahead of time when
25 they planned on implementing it. I think the

JOHN M. BOWEN & ASSOCIATES, COURT REPORTERS

1930 Commerce Tower, 911 Main Street, Kansas City, Missouri 64105
Missouri Kansas Toll Free Fax Email
816•421•2876 913•894•8800 1•888•352•1212 816•421•2482 bowen@johnmbowen.com

1 citizens would appreciate disclosure when they are
2 planning things, not after they have already
3 accomplished what they planned.

4 JUDGE PRIDGIN: Mr. Davis, thank you. And
5 based on your further testimony, let me double-check
6 and see if we have any further questions, first from
7 the commissioner.

8 COMMISSIONER MURRAY: I don't believe so,
9 thank you.

10 JUDGE PRIDGIN: And from counsel?

11 MR. SNODGRASS: None from staff, Judge.

12 MS. O'NEILL: No, Judge.

13 JUDGE PRIDGIN: Thank you. If there is
14 anything further?

15 Hearing nothing further, that will conclude
16 this local public hearing. Thank you very much for
17 your attendance this evening. We are now off the
18 record.

19 * * * * *

20
21
22
23
24
25
JOHN M. BOWEN & ASSOCIATES, COURT REPORTERS

1930 Commerce Tower, 911 Main Street, Kansas City, Missouri 64105
Missouri Kansas Toll Free Fax Email
816•421•2876 913•894•8800 1•888•352•1212 816•421•2482 bowen@johnmbowen.com