

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

In the Matter of the Application of Noel       )  
Water Company, Inc. for a General Increase )  
in Water Revenues through the Informal       )       File No. WR-2009-0395  
Rate Proceedings for Small Companies as       )  
Provided for in Rule 4 CSR 240-3.050.       )

**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 May 6, 2009, Noel Water Company (Noel) initiated a small company rate increase proceeding requesting an increase in its water rates of between \$75,000 and \$80,000 (30% to 33%) per year.
2. On September 23, 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 (Company/Staff Agreement) indicating an agreement between Staff and Noel for a water rate increase of \$68,307 annually (approximately 27.42%). Public Counsel did not join in the agreement.
3. Revised tariff sheets reflecting the proposed rates agreed to in the Company/Staff Agreement were filed by Noel on September 28, 2009.
4. As the Company/Staff Agreement was executed by only Noel and Staff, 4 CSR 240.3-050(15) requires Public Counsel to file a pleading stating its position regarding the Company/Staff Agreement and the related tariff revisions, or requesting a local public hearing or

an evidentiary hearing no later than five (5) working days after the end of the comment period for the written customer notice contemplated in 4 CSR 240-3.050(14).

5. Public Counsel now states that it did not sign the Company/Staff Agreement because, although Public Counsel agreed with most of Staff's audit positions, Public Counsel had concerns regarding the management fee, employee payroll, director's fees, rent, insurance and transportation expense.

6. Even after continued discussions with Staff, Public Counsel believes that some of these costs should not be included in the utility's cost of service. However, the dollar amounts are small enough that Public Counsel believes opposition to the Company/Staff Agreement and the related tariff revisions would not be in the best interests of ratepayers. Therefore, in the interest of time, 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.

7. As stated above, 4 CSR 240-3.050(14) requires a written notice of the proposed tariff revisions no later than five (5) working days after the utility makes its tariff filing.

8. Additionally, 4 CSR 240-3.050(22) requires a final written notice of Commission approval of any tariff revisions resulting from a small utility rate case.

9. Given that Public Counsel does not oppose the Company/Staff Agreement, Public Counsel believes that it would be burdensome to Noel and its customers to require a written customer notice as contemplated in 4 CSR 240-3.050(14) as well as a final written notice per 4 CSR 240-3.050(22) if the Commission approves the Company/Staff Agreement and the related tariff revisions. Consequently, Public Counsel requests a waiver of the written customer notice

as contemplated in 4 CSR 240-3.050(14). The final written notice per 4 CSR 240-3.050(22) would still be required.

10. Therefore, in compliance with 4 CSR 240.3-050(15), Public Counsel now states its position that while it does not agree with the Company/Staff Agreement and the related tariff revisions, Public Counsel will not oppose their approval by the Commission. Additionally, if the Commission approves the Company/Staff Agreement and the related tariff revisions, Public Counsel requests a waiver of the second customer notice as contemplated in 4 CSR 240-3.050(14). The final written notice per 4 CSR 240-3.050(22) would still be required.

**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 28<sup>th</sup> day of September 2009:

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**/s/ Christina L. Baker**

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