

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

In the Matter of the Small Company Rate)
Increase Request of Gladlo Water & Sewer) File No. WR-2009-0418
Company, Inc.)

**THE OFFICE OF THE PUBLIC COUNSEL'S REQUEST
FOR LOCAL PUBLIC HEARING**

COMES NOW the Office of the Public Counsel (Public Counsel) and for its Request for Local Public Hearing states as follows:

1. On May 20, 2009, Gladlo Water & Sewer Company, Inc. (Gladlo) initiated a small company rate increase proceeding requesting an increase in its water rates of \$7,142.75 (70%) per year. In addition, Gladlo requested a temporary rate increase consisting of a twelve-month assessment of \$18.38 per month to cover the cost of a recent major well repair. Gladlo's request also included a request to expedite the processing of this rate increase request.
2. On October 7, 2009, the Staff of the Missouri Public Service Commission (Staff) filed a Notice of Company/Staff Agreement Regarding Disposition of Small Company Revenue Increase Request (Company/Staff Agreement) indicating agreement between Staff and Gladlo for a water rate increase of \$6,998 annually (approximately 66.27%). The Company/Staff Agreement also indicated an agreement for a monthly surcharge in the amount of \$10.00 per customer, to be collected for a period not to exceed 30 months, to cover the cost of the recent major well repair. Public Counsel did not join in the agreement.
3. Revised tariff sheets reflecting the proposed rates agreed to in the Company/Staff Agreement and containing language pertaining to the surcharge were filed by Gladlo on October 8, 2009.

4. As the Company/Staff Agreement was executed by only Gladlo 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. Affording customers the opportunity to speak to the Missouri Public Service Commission (Commission) at a hearing is a critical part of the ratemaking process. According to the Company/Staff Agreement, customers are being asked to bear not only a 66.27% increase to current rates, but also an additional \$10.00 per month surcharge which, by itself, would more than double the customers' monthly bill for approximately 30 months. Public Counsel believes that, since customers are being asked to directly contribute the costs of the well pump replacement, the customers should be allowed the opportunity to comment on whether the imposition of the surcharge is appropriate.

6. An additional concern of the customers is the fact that their utility is now under the control of a court appointed receiver. Public Counsel believes a local public hearing will allow the Commission to opportunity to receive comments from the customers regarding the issues Gladlo and its customers are facing.

7. Therefore, as Gladlo has sought to expedite these proceedings, Public Counsel now requests a local public hearing in this case. Public Counsel does not object to the Commission scheduling the hearing promptly, as long as customers are given sufficient notice.

8. 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. To prevent the unnecessary duplicative costs of mailing a customer notice and a separate notice of local

public hearing at a later date, Public Counsel is making its request for a local public hearing promptly and without delay. It is Public Counsel's hope that a combined notice will be sent to the customers of Gladlo which notifies the customers of the proposed increase and provides information regarding an upcoming local public hearing where comments on that proposed increase may be provided directly to the Commission.

9. Consequently, in order to allow for the mailing of a combined proposed tariff notice and local public hearing notice, Public Counsel requests a waiver of the requirement that the written notice of the proposed tariff revisions be mailed no later than five (5) working days after the utility makes its tariff filing as contemplated in 4 CSR 240-3.050(14).

10. Therefore, in compliance with 4 CSR 240.3-050(15), Public Counsel requests that the Commission schedule a local public hearing in this matter. Additionally, Public Counsel requests a waiver of the requirement that the written notice of the proposed tariff revisions be mailed no later than five (5) working days after the utility makes its tariff filing as contemplated in 4 CSR 240-3.050(14).

WHEREFORE, Public Counsel respectfully submits its Local Public Hearing Request.

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 8th day of October 2009:

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