

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 12th day of
April, 2011.

In the Matter of the Small Company Rate
Increase of Tri-States Utility, Inc.

) **File No. WR-2011-0037**
) **Tariff No. YW-2011-0502**

**ORDER APPROVING SMALL COMPANY RATE INCREASE
AND APPROVING TARIFF**

Issue Date: April 12, 2011

Effective Date: May 1, 2011

This order approves the Unanimous Agreement Regarding Disposition of Small Water Company Revenue Increase between the Staff of the Commission, the Office of the Public Counsel, and Tri-States Utility, Inc. It also approves a tariff implementing the agreed-upon rate increase.

On August 13, 2010, Tri-States initiated a small company rate increase request under Commission Rule 4 CSR 240-3.050, seeking an increase of \$620,000 in its annual water service operating revenues. The company provides retail water service to approximately 3,374 customers in and around the city of Branson, Missouri. In response to Tri-States' request, the Commission's Staff audited the company's books and records, reviewed the company's existing tariff, inspected the company's facilities, and reviewed the company's operation of those facilities.

On January 11, 2011, Staff and Tri-States filed an agreement purporting to resolve all issues in this matter. Among other terms, that agreement would have allowed the company to increase its operating revenue by \$104,824. Tri-States filed a proposed tariff

on January 18, to implement the terms of the agreement. That tariff carried an effective date of March 4.

The Office of the Public Counsel did not join in the initial agreement and, on February 24, requested a local public hearing regarding the proposed rate increase. In response, the Commission suspended Tri-States' tariff and conducted a local public hearing in Branson on March 15.

On March 31, Staff, Public Counsel, and Tri-States filed a unanimous agreement to resolve all issues in this case. The unanimous agreement will allow Tri-States to increase its annual operating revenues by \$88,024. On April 1, Tri-States withdrew the previously suspended tariff and filed a new tariff to implement the agreed upon rate increase. That tariff carries a May 1 effective date and was assigned tariff tracking number YW-2011-0502.

The Commission has the legal authority to accept a stipulation and agreement as offered by the parties pursuant to Section 536.060, RSMo 2000. The requirement for a hearing is met when the opportunity for hearing has been provided and no proper party has requested the opportunity to present evidence.¹ Since no one has requested a hearing, the Commission may grant the relief requested based on the disposition agreement.

The Commission finds that the disposition agreement is reasonable and will approve it. Furthermore, Tri-States' proposed tariff sheet and the rates it establishes, are just and reasonable and shall be approved.

¹ State ex rel. Rex Deffenderfer Enterprises, Inc. v. Public Service Commission, 776 S.W.2d 494, 496 (Mo. App. 1989).

THE COMMISSION ORDERS THAT:

1. The Unanimous Agreement Regarding Disposition of Small Water Company Revenue Increase Request concerning Tri-States Utility, Inc.'s request for a rate increase is approved.
2. Tri-States Utility, Inc., the Office of the Public Counsel, and the Commission's Staff shall comply with the terms of the Unanimous Agreement Regarding Disposition of Small Water Company Revenue Increase Request.
3. The following tariff sheet, filed by Tri-States Utility, Inc. on April 1, 2011, and assigned Tariff File No. YW-2011-0502, is approved for service on and after May 1, 2011:

P.S.C. MO. No. 1
2nd Revised Sheet No. 5, Cancelling 1st Revised Sheet No. 5

4. This order shall become effective on May 1, 2011.

BY THE COMMISSION



Steven C. Reed
Secretary

(S E A L)

Gunn, Chm., Clayton, Davis, Jarrett,
and Kenney, CC., concur.

Woodruff, Chief Regulatory Law Judge