

**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 POSITION STATEMENT

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

1. On May 20, 2009, Gladlo Water & Sewer Company, Inc. (Gladlo) initiated a small company rate increase proceeding with the Missouri Public Service Commission (Commission) 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. On October 8, 2009, Public Counsel requested a local public hearing citing the large percentage increase as well as the additional per month surcharge that was recommended in the Company/Staff Agreement. Public Counsel also cited the issues Gladlo and its customers are facing, namely that the utility is now under the control of a court appointed receiver.

5. On October 15, 2009, the Commission issued its Order Setting Local Public Hearing and Directing Notice to Customers, giving notice that a local public hearing would be held on November 4, 2009 in Rolla, Missouri.

6. On November 12, 2009, Staff filed its Response to Local Public Hearing, indicating no change in its position as stated in the Company/Staff Agreement.

7. 4 CSR 240-3.050(19) requires Public Counsel to file a pleading stating its position regarding the Company/Staff Agreement and the related tariff revisions, or requesting that the Commission hold an evidentiary hearing, and providing the reasons for its position or request, no later than ten (10) working days after the local public hearing.

8. Following the local public hearing, Public Counsel continues to have concerns regarding the implementation of a monthly surcharge as well as the fact that Gladlo is now under the control of a court appointed receiver. 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:_____

Christina L. Baker (#58303)

Senior Public Counsel

P O Box 2230

Jefferson City, MO 65102

(573) 751-5565

(573) 751-5562 FAX

christina.baker@ded.mo.gov

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, emailed or hand-delivered to the following this 13th day of November 2009:

General Counsel Office
Missouri Public Service Commission
200 Madison Street, Suite 800
P.O. Box 360
Jefferson City, MO 65102
GenCounsel@psc.mo.gov

Sarah Kliethermes
General Counsel Office
Missouri Public Service Commission
200 Madison Street, Suite 800
P.O. Box 360
Jefferson City, MO 65102
sarah.kliethermes@psc.mo.gov

Department Legal
Gladlo Water & Sewer Company, Inc.
6825 E Tennessee Ave, Suite 547
Denver, CO 80224
Phone: 303-333-1250
wja407@fidnet.com

/s/ Christina L. Baker
