

**STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION**

At a session of the Public Service Commission held at its office in Jefferson City on the 10th day of November, 2010.

In the Matter of a Request from Raytown Water ) **File No. WR-2010-0304**  
Company for an Increase in Its Operating Revenues ) **Tariff No. YW-2011-0175**

# ORDER GRANTING REQUEST FOR LOCAL PUBLIC HEARING AND SUSPENDING TARIFF, AND NOTICE OF CONTESTED CASE

Issue Date: November 10, 2010

Effective Date: November 10, 2010

On April 30, 2010, Raytown Water Company initiated a small water company rate increase action pursuant to Commission Rule 4 CSR 240-3.050. On September 27, 2010, the Staff of the Commission and Raytown Water filed a Disposition Agreement that included comprehensive accounting schedules, a review of Raytown Water's customer service and business operation, and example tariffs designed to implement the agreed-upon revenue requirements. On October 1, 2010, Raytown Water filed a revised tariff sheet reflecting certain rate and language changes to bring the tariff into full conformity with the Agreement. The tariff sheet bears an effective date of November 18, 2010.

## Public Counsel's Response

The Office of the Public Counsel did not join in the Disposition Agreement. Instead, on November 1, 2010, Public Counsel requested a local public hearing. Public Counsel notes that the Agreement between Staff and Raytown Water would result in a water rate increase of \$344,163 annually, approximately 12.2 percent. Public Counsel

believes this agreement overstates Raytown Water's revenue requirement, and that the company's customers should have a chance to voice their concerns about the proposed rate increase to the Commission at a local public hearing.

The timeline filed by Staff, which is the procedural schedule by operation of 4 CSR 240-3.050(5), contemplates holding a local public hearing on or around December 1, 2010. Additionally, Commission Rule 4 CSR 240-2.110(1) requires the Commission to set the time and place for hearings and serve notice as required by law. Section 536.067(4), RSMo 2000, and Section 386.390.5, RSMo 2000, require at least ten days notice be given prior to a hearing. In complying with its statutory mandate, and taking into consideration the expedited nature of the small water company rate increase procedure, the Commission shall set the local public hearing as set out in the Ordered paragraphs below.

### **Tariff Suspension**

Because the date for the local public hearing will be beyond the effective date for the tariff, the Commission shall suspend the tariff.

### **Notice of Contested Case**

The suspension of the tariff requires the Commission to have a hearing.<sup>1</sup> The requirement of a hearing on such issues signifies a contested case.<sup>2</sup> A contested case is a formal hearing procedure, but it allows for waiver of procedural formalities and a decision without a hearing,<sup>3</sup> including by stipulation and agreement.<sup>4</sup> In addition, as

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<sup>1</sup> Section 393.150.1, RSMo 2000.

<sup>2</sup> Section 536.010(4), RSMo Cum. Supp. 2009.

<sup>3</sup> Section 536.060, RSMo 2000.

<sup>4</sup> 4 CSR 240-2.115.

required by Section 536.067(1)(f), the Commission gives notice that its rules of discovery are set forth at 4 CSR 240-2.090.

**THE COMMISSION ORDERS THAT:**

1. The Commission gives notice that it shall hold a local public hearing on December 1, 2010, beginning at 6:00 p.m. A question-and-answer session will be held before the hearing beginning at 5:30 p.m.

2. The local public hearing shall be held in the City Council Chambers of the Raytown City Hall, 10000 East 59<sup>th</sup> Street, Raytown, Missouri.

3. No later than November 12, 2010, Raytown Water Company shall mail notice of this hearing consistent with this order, said notice being approved by the Staff of the Commission and the Office of the Public Counsel before it is mailed, as required by Commission Rule 4 CSR 240-3.050(18). Staff shall file a copy of the notice in these cases no later than November 15, 2010.

4. Customers wishing to make written comments or secure additional information may contact the Office of the Public Counsel, Post Office Box 2230, Jefferson City, Missouri 65102, telephone (573) 751-4857. Comments may also be registered in this case using the Internet Electronic Filing and Information System (EFIS) at <http://psces/mpsc/>. Use the link to the Public Comment section and fill in all required fields on the comment page.

5. The local public hearing shall be held in a facility that meets the accessibility requirements of the Americans with Disabilities Act. Any person who needs additional accommodation to participate in the hearing should call the Public Service Commission's Hotline at 1-800-392-4211 (voice) or Relay Missouri at 711 prior to the hearing.

6. The Data Center of the Missouri Public Service Commission shall serve a copy of this order upon the county commission of Jackson County, Missouri, and the Mayor of the City of Raytown.

7. The Public Information Office of the Missouri Public Service Commission shall make notice of this order available to members of the General Assembly representing the residents in the service area of Raytown Water Company, and to the news media serving the residents of that service area.

8. No later than December 8, 2010, the Staff of the Commission shall file a pleading as required by Commission Rule 4 CSR 240-3.050(19).

9. No later than December 15, 2010, the Office of the Public Counsel shall file a pleading as required by Commission Rule 4 CSR 240-3.050(19).

10. Tariff File No. YW-2011-0175, filed by Raytown Water Company on October 1, 2010, is suspended from November 18, 2010, the proposed effective date, to January 18, 2011, unless otherwise ordered by the Commission. The tariff sheet suspended is:

**PSC FORM NO. 5**

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**First Revised Sheet No. 9, Cancelling Original Sheet No. 9**

11. This order shall become effective upon issuance.

**BY THE COMMISSION**

A handwritten signature in black ink, appearing to read 'S. Reed', is positioned above the printed name of the Secretary.

Steven C. Reed  
Secretary

( S E A L )

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

Dippell, Deputy Chief Regulatory Law Judge