BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Rex Deffenderfer Enterprises, Inc.) Request for a Increase in Annual Water System) Operating Revenues)

File No. WR-2011-0056

ORDER ESTABLISHING PROCEDURAL SCHEDULE AND GRANTING WAIVER

Issue Date: February 16, 2011 Effective Date: February 16, 2011

On January 28, 2011, Staff filed its Notice of Amended Company/Staff Partial Agreement Regarding Disposition of Small Water Company Revenue Increase Request ("Agreement"). In that Agreement, Rex Deffenderfer Enterprises, Inc. and Staff listed several issues that they could not resolve and requested that the Commission resolve the disputed issues in arbitration. Staff also seeks a waiver of Commission Rule 4 CSR 240-3.050(16) because the unresolved issues listed in the Agreement directly affect the calculation of the utility's revenue requirement and it is not possible for the utility to file new or revised tariff sheets and the notice as required by the rule.

On February 8, 2011, the Office of the Public Counsel filed responses. Public Counsel does not object to Staff's waiver request if this matter proceeds to arbitration. Additionally, Public Counsel states it will agree to arbitration if two additional issues are included, otherwise it requests an evidentiary hearing.

On February 14, 2011, the parties jointly filed a motion to establish a procedural schedule for arbitration. The parties appear to be in agreement that all disputed issues identified by the parties will be disposed of through arbitration pursuant to guidelines established in Commission Rule 4 CSR 240-3.050(3). Consequently, the Commission will

adopt the procedural schedule proposed by the parties; however, the Local Public Hearing will be set by separate order. A procedural conference will also be scheduled.

THE COMMISSION ORDERS THAT:

1. The following procedural schedule is adopted for arbitration of all disputed issues in this matter.

Procedural Conference	February 28, 2011
Joint Statement of Issues	March 8, 2011
Position Statements: All Parties, All Issues	March 10, 2011
Arbitration	April 7-8, 2011

2. The parties shall appear at a procedural conference to be held on Monday, February 28, 2011, beginning at 9:30 p.m. The conference will be held in Room 305 at the Commission's offices in the Governor Office Building, 200 Madison Street, Jefferson City, Missouri. This building meets the accessibility standards required by the Americans with Disabilities Act. Any person requiring additional accommodations to participate in this prehearing conference shall call the Public Service Commission's Hotline at 1-800-392-4211 or dial Relay Missouri at 711 prior to the conference.

3. Any party that wishes to participate in the conference by telephone may do so by calling (573) 522-5993 and entering *456 as the password when prompted at the time set for the conference.

4. The Local Public Hearing will be set by separate order and the exact date is dependent upon the availability of locations. The Local Public Hearing will be held before the arbitration hearing.

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5. Position statements shall be detailed and state the relief sought, the allegations supporting such relief and the factual basis for the allegations with appropriate citation to legal authority and Commission precedent as required in 4 CSR 240-3.050(3).

 Evidence will be adduced during the arbitration as provided by Section 536.070, RSMo 2000.

 For the reasons stated in its motion, the Staff of the Missouri Public Service Commission's request for a waiver of the requirements of Commission Rule 4 CSR 240-3.050(16) is granted.

8. This order shall become effective immediately upon issuance.

BY THE COMMISSION

(SEAL)

Steven C. Reed Secretary

Harold Stearley, Senior Regulatory Law Judge by delegation of authority pursuant to Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri, on this 16th day of February, 2011.