

**STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION**

At a session of the Public Service  
Commission held at its office in  
Jefferson City on the 30th day  
of June, 2010.

In the Matter of the Application of Valley	)	
Woods Water Co., Inc. for an Increase in	)	<b><u>File No. WR-2010-0139</u></b>
Annual Water System Operating Revenues	)	Tariff No. YW-2010-0592

**ORDER APPROVING DISPOSITION AGREEMENT**

Issue Date: June 30, 2010

Effective Date: July 10, 2010

On November 3, 2009, Valley Woods Water Co., Inc. ("Valley Woods")<sup>1</sup> initiated a small company revenue increase request pursuant to Commission Rule 4 CSR 240-3.050. On April 2, 2010,<sup>2</sup> the Commission's Staff filed a Disposition Agreement executed by it and Valley Woods, and on April 7, Valley Woods filed revised tariff sheets in conformity with the agreement bearing an effective date of May 24.<sup>3</sup>

On June 2, the Commission held a local public hearing at the request of the Office of the Public Counsel ("Public Counsel"). Because of the required timing of the request pursuant to the small company rate increase timeline, Valley Woods' tariffs were suspended until October 3 to allow time to hold the hearing and give the parties an opportunity to file their position statements.

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<sup>1</sup> The company serves approximately 40 customers within its certificated service area.

<sup>2</sup> All dates from this point forward in this order refer to the year 2010 unless otherwise noted.

<sup>3</sup> After the Commission's Staff completed a full audit of the company, Valley Woods and Staff agreed that Valley Wood's annualized water system operating revenue should be increased by \$8,169.00, representing an increase of approximately 113%. Under this increase, a residential customer using 6000 gallons of water per month would experience an increase in their water bill of \$19.77 per month (\$17.50 currently to \$37.27 following the increase).

On June 9, Staff filed its Status Report and on June 15, Staff filed a pleading stating that Staff's further investigation after the local public hearing did not reveal any reason for the Staff to change its position.

On June 16, Public Counsel filed its position statement. Public Counsel stated it did not object to the Disposition Agreement or the related tariff sheets.

The Commission finds the Disposition Agreement reasonable and shall approve it.<sup>4</sup>

**THE COMMISSION ORDERS THAT:**

1. The Disposition Agreement regarding Valley Woods Water Co., Inc.'s request for an increase in water revenue, File No. WR-2010-0139, entered into by Valley Woods Water Co., Inc., and the Staff of the Missouri Public Service Commission, and filed on April 2, 2010 is approved.

2. The signatories shall comply with the terms of the Disposition Agreement. A copy of the Agreement is attached to this order as Appendix A.

3. The following tariff sheets filed by Valley Woods Water Co., Inc., on April 7, 2010, and assigned Tariff File No. YW-2010-0592, with the effective date suspended until October 3, 2010, are approved for service rendered on and after July 10, 2010. The tariff sheets approved are:

**P.S.C. MO No. 1**

1<sup>st</sup> Revised Sheet No. 4, Replacing Original Sheet No. 4

1<sup>st</sup> Revised Sheet No. 5, Canceling Original Sheet No. 5

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<sup>4</sup> The Commission has the legal authority to accept stipulations and agreements 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. *State ex rel. Rex Deffenderfer Enterprises, Inc. v. Public Service Commission*, 776 S.W.2d 494, 496 (Mo. App. 1989). Since no party has requested an evidentiary hearing, the Commission may grant the relief requested based on the Agreement.

4. This order shall become effective on July 10, 2010.
5. This file shall be closed on July 11, 2010.

**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.

Pridgin, Senior Regulatory Law Judge