

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of a Request of a Rate Increase by)
Terre Du Lac Utilities Corporation.) **File No. WR-2014-0104**

In the Matter of a Request of a Rate Increase by)
Terre Du Lac Utilities Corporation.) **File No. SR-2014-0105**

THE OFFICE OF THE PUBLIC COUNSEL’S POSITION STATEMENT

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

1. On October 21, 2013, Terre Du Lac Utilities Corporation (TDLU) initiated the above stated small company rate increase proceedings with the Missouri Public Service Commission (Commission) requesting a 16.5% increase in its annual sewer system operating revenues and a 15% increase in its annual water system operating revenues.
2. On March 21, 2014, the Staff of the Missouri Public Service Commission (Staff) filed in each case a *Notice of Company/Staff Agreement Regarding Disposition of Small Company Rate Increase Request* (Company/Staff Agreements) indicating agreement between Staff and TDLU for an increase of \$38,520 (16.88%) in operating revenues for the water system and an increase of \$73,985 (28.09%) in operating revenues for the sewer system. Public Counsel did not join in the agreements.
3. Revised tariff sheets reflecting the proposed rates agreed to in the Company/Staff Agreements were filed by TDLU on March 25, 2014, bearing an effective date of May 15, 2014. The proposed tariffs were subsequently suspended by the Commission until September 21, 2014.

4. On July 24, 2014, Staff filed in each case a *Notice of Updated Staff/Company Agreement Regarding Disposition of Small Company Rate Increase Request* (Updated Company/Staff Agreements) indicating updated agreement between Staff and TDLU for an increase of \$43,230 (18.95%) in operating revenues for the water system and an increase of \$53,717 (20.47%) in operating revenues for the sewer system.

5. It is expected that new revised tariff sheets reflecting the proposed rates agreed to in the Updated Company/Staff Agreements will be filed in the near future, replacing those filed on March 25, 2014 and suspended until September 21, 2014.

6. Public Counsel continues to have concerns with the calculated cost of service for TDLU as presented in the Updated Company/Staff Agreements. The Updated Company/Staff Agreements unreasonably contain several salary increases which will not occur until September 1, 2014, well past the filing of the Updated Company/Staff Agreements.

7. However, Public Counsel now states that while it does not agree with the Updated Company/Staff Agreements, 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: _____

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, emailed or hand-delivered to the following this 25th day of July 2014:

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