

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

In the Matter of a Rate Increase Request for)
Water Service by Spokane Highlands Water) File No. WR-2015-0104
Company.)

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 October 24, 2014, Spokane Highlands Water Company (Spokane) initiated a small company rate increase proceeding requesting an increase in its water rates of \$5,000 per year (approximately 34.6%).
2. On March 12, 2015, the Staff of the Missouri Public Service Commission (Staff) filed its Recommendation and attached *Company/Staff Agreement Regarding Disposition of Small Company Revenue Increase Request* (Company/Staff Agreement), indicating an agreement between Staff and Spokane for a water rate increase of \$3,065 per year (approximately 18.5%). Public Counsel did not join in the agreement.
3. Revised tariff sheets reflecting the proposed rates agreed to in the Company/Staff Agreement were filed by Spokane on March 16, 2015.
4. As the Company/Staff Agreement was executed by only Spokane and Staff, 4 CSR 240.3-050(15) requires Public Counsel to file a pleading stating its position regarding the Company/Staff Agreement and the related tariff revisions, or requesting a local public hearing or an evidentiary hearing no later than five (5) working days after the end of the comment period for the written customer notice contemplated in 4 CSR 240-3.050(14).

5. Public Counsel now states that it did not sign the Company/Staff Agreement because, although Public Counsel agreed with most of Staff's audit positions, Public Counsel had concerns regarding the overall revenue requirement as calculated in the Company/Staff Agreement.

6. Public Counsel continues to have concerns with the revenue requirement as calculated in the Company/Staff Agreement. However, the dollar amounts are small enough that Public Counsel believes opposition to the Company/Staff Agreement and the related tariff revisions would not be in the best interests of ratepayers. Therefore, 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.

7. As stated above, 4 CSR 240-3.050(14) requires a written notice of the proposed tariff revisions no later than five (5) working days after the utility makes its tariff filing.

8. Additionally, 4 CSR 240-3.050(22) requires a final written notice of Commission approval of any tariff revisions resulting from a small utility rate case.

9. Given that Public Counsel will not oppose the Company/Staff Agreement, Public Counsel believes that it would be burdensome to Spokane and its customers to require a written customer notice as contemplated in 4 CSR 240-3.050(14) as well as a final written notice per 4 CSR 240-3.050(22) if the Commission approves the Company/Staff Agreement and the related tariff revisions. Consequently, Public Counsel requests a waiver of the written customer notice as contemplated in 4 CSR 240-3.050(14). The final written notice per 4 CSR 240-3.050(22) would still be required.

10. Therefore, in compliance with 4 CSR 240.3-050(15), Public Counsel now states its position that while it does not agree with the Company/Staff Agreement and the related tariff

revisions, Public Counsel will not oppose their approval by the Commission. Additionally, if the Commission approves the Company/Staff Agreement and the related tariff revisions, Public Counsel requests a waiver of the second customer notice as contemplated in 4 CSR 240-3.050(14). The final written notice per 4 CSR 240-3.050(22) would still be required.

WHEREFORE, Public Counsel respectfully submits its Position Statement.

Respectfully submitted,

OFFICE OF THE PUBLIC COUNSEL

/s/ Christina L. Baker

By: _____

Christina L. Baker (#58303)
Deputy 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 17th day of March 2015:

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

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

Spokane Highlands Water Company
290 Highlands Drive
Spokane, MO 65754
rev0623@yahoo.com

/s/ Christina L. Baker
