BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Application of Rate Increase)	
For Indian Hills Utility Operating Company, Inc.)	Case No. WR-2017-0259

OPC RESPONSE TO ORDER DIRECTING RATE DESIGN SCENARIOS

COMES NOW the Office of the Public Counsel ("OPC"), by and through counsel, in response to the Commission's *Order Directing Filing of Rate Design Scenarios*, and states as follows:

- 1. On January 10, 2018, the Commission issued its *Order Directing Filing of Rate Design Scenarios*, wherein it direct parties to file rate design scenarios not later than January 16 assuming Staff's proposed revenue requirement; an annual monthly customer charge lower than \$59.02 per month, and seasonal volumetric rates with a greater differential than proposed in Staff's brief.
- 2. OPC's rate design contained two separate seasonal customer charges and two separate seasonal variable charges. This philosophy appeared to be favorably viewed upon the Commission at Agenda on January 10, 2018. However, OPC believes the Commission's order to parties departed from that sentiment by requesting a more restrictive rate design scenario, specifically, requiring a single fixed customer charge throughout the year.
- 3. OPC's is aware that Staff has submitted several rate design options that conform to the parameters of the Commission's order.
- 4. OPC has no further recommendation in regards to rate design within the confined parameters, as OPC's rate design modeling in this case is based on both seasonal rates and seasonal customer charges and cannot accommodate the seasonal volumetric rate assignment assuming Staff's revenue requirement and a fixed annual customer charge.

5. OPC will make Dr. Geoff Marke available for questions at Agenda if there are any additional questions.

WHEREFORE, OPC provides this response to order directing rate design scenarios.

Respectfully submitted,

/s/ Hampton Williams

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 16th day of January, 2018.

/s/ Hampton Williams