

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

In the Matter of the Request for Increase in)	
Annual Water System Operating Revenues for)	WR-2015-0138
Village Greens Water 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 December 1, 2014, Village Greens Water Company (Village Greens) initiated a small company rate increase proceeding requesting an increase in its water rates of \$2,400 per year (approximately 7.5%).
2. On June 29, 2015, the Staff of the Missouri Public Service Commission (Staff) filed its Recommendation which included a *Company/Staff Agreement Regarding Disposition of Small Water Company Revenue Increase Request* (Company/Staff Agreement), indicating an agreement between Staff and Village Greens for a water rate increase of \$1,962 per year (approximately 5.8%). 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 Village Greens on July 6, 2015.
4. As the Company/Staff Agreement was executed by only Village Greens 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 proposed 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 will not oppose the Company/Staff Agreement or the related tariff revisions filed by Village Greens. However, Public Counsel believes the Company/Staff Agreement requires one point of clarification.

6. Page 5 of the Company/Staff Agreement contains the following agreement between Village Greens and Staff:

(13) The Company will commence on the effective date of any Commission order issued in this case, cease transfer of funds from the utility to the developer per the agreement in Certificate Case No. WA-2004-0151. Per the agreement, the utility was to repay the developer for the funding of certain utility plant. Since the time of the agreement all such funds have been repaid to the developer, therefore, no further payment is necessary.

7. Public Counsel wishes to clarify that information regarding the above noted transfer of funds from the utility to the developer per the agreement in Certificate Case No. WA-2004-0151 can be found in the Company/Staff Agreement on page 2 of Agreement Attachment I - Auditing Unit Recommendation Memorandum under the heading of Contributions in Aid of Construction (CIAC):

As a result of the Company's certificate case (No. WA-2004-0151), it was determined that Village Greens Water Company would pay a \$2,015 fee to the developer for every customer that connected to the water system. This fee was intended to reimburse the developer for the funding of certain plant items for which the utility could not fund itself at the time of construction. It was also expected that the developer would contribute the land and distribution system to the utility; therefore, these items were not included in the repayment calculation.

8. Therefore, agreement (13) of the Company/Staff Agreement means that Village Greens will no longer pay a \$2,015 fee to the developer for every customer connected to the water system because the developer has been fully reimbursed for the funding of certain plant items for which the utility could not fund itself at the time of construction.

9. 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.

10. 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.

11. Given that Public Counsel will not oppose the Company/Staff Agreement, Public Counsel believes that it would be burdensome to Village Greens 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.

12. Therefore, in compliance with 4 CSR 240.3-050(15), Public Counsel now states its position it will not oppose the Company/Staff Agreement and the related tariff revisions. 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

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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 8th day of July 2015:

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