

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

In the Matter of TUK LLC for)
Certificates of Convenience and)
Necessity Authorizing it to Install,) File No. WA-2015-0169
Own, Acquire, Construct, Operate,)
Control, Manage and Maintain Water)
and Sewer Systems in Jefferson)
County, Missouri.)

UNANIMOUS STIPULATION AND AGREEMENT

COME NOW TUK LLC (TUK), the Staff of the Missouri Public Service Commission (Staff), and the Office of the Public Counsel (Public Counsel), and respectfully state to the Missouri Public Service Commission (Commission) that, as a result of negotiations, the undersigned parties (Signatories) have reached the stipulations and agreements contained herein.

1. **Issues Settled.** This Unanimous Stipulation and Agreement is intended to settle, among the Signatories for purposes of the above-captioned case, the issues of whether TUK's request for a Certificate of Convenience and Necessity (CCN) authorizing it to own, operate, maintain, control and manage water and sewer systems in Jefferson County, Missouri is necessary or convenient for the public service and if so, under what conditions such service will be provided. The Signatories recommend that the Commission accept this Unanimous Stipulation and Agreement as a fair compromise of their respective positions on these issues.

2. **Dismissal of Water Application.** TUK's application for a water CCN shall be dismissed at TUK's request. TUK will not charge for water and will not connect new water customers, unless it later applies for, and is granted, a water CCN.

3. **Request for Sewer CCN is Necessary and Convenient for the Public Service.** The Signatories agree that the request for a CCN authorizing TUK to own, operate, maintain, control and manage a sewer system in Jefferson County, Missouri is necessary and convenient for the public service. Therefore, the Signatories request that the Commission grant TUK's request for a sewer CCN in this case, subject to the following conditions:

a. Approve the CCN for TUK to provide sewer service in the proposed Jefferson County service area, as modified by Staff and as shown in the map and boundary description, included as Attachments A and B to the Staff Recommendation that was filed on May 22, 2015;

b. Approves permanent residential sewer flat rates, revised from the rate amounts as shown on Attachment H of the Staff Recommendation, as follows:

-Residential Sewer Rates, per living unit, excluding mobile homes in parks

Flat rate, quarterly	\$126.41
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-Mobile Home Park Sewer Rate

Flat rate, quarterly	\$2,528.18
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c. Approves service charges to include a late charge of \$5.00 per month, or three percent (3%) per month times the unpaid balance, whichever is greater, with provisions regarding its applicability to be described in the tariff, and a \$15 turn-on and a \$15 turn-off charge or emergency calls that involve customer responsibility. Tap fees and other miscellaneous fees will

be addressed by the parties during the creation and approval of the sewer tariffs, and will be based on actual cost;

- d. Requires TUK to submit a new complete tariff for sewer service, as a 30-day filing, within 20 days after the effective date of an order approving the CCN;
- e. Authorizes TUK to utilize and apply sewer depreciation rates as shown in Attachment D to the Staff Recommendation;
- f. Requires TUK to either enter into a valid written contract regarding day-to-day plant operations for the sewer system or hire one or more part-time qualified employees who are able to undertake plant operational tasks;
- g. Requires TUK to maintain utility plant records and customer account records and to keep all books and records including plant and property records in accordance with the USOA version 1976 for sewer as described in the Staff Recommendation;
- h. Requires adherence by TUK to all Commission Rules regarding sewer system operation, customer service and billing, the timely submission of annual reports with the Commission, submission of any required statement of revenue, and payment of annual Commission assessments;
- i. Requires all employees of TUK to maintain detailed time records;
- j. Requires TUK to keep its financial books and records for plant-in-service and operating expenses in accordance with the NARUC USOA using rate base balances and accounting schedules prepared by Staff and shown in Attachments F to the Staff Recommendation;

- k. Requires TUK to keep operations records including those for customer complaints/inquiries, vehicle, equipment and telephone use records, maintenance activity, service calls and customer account records;
- l. Makes no finding that would preclude the Commission from considering the ratemaking treatment to be afforded any matters pertaining to the granting of the subject CCN, including expenditures related to the certificated service area, in any later proceeding; and,
- m. Requires TUK to commence a Small Utility Rate Case, pursuant to 4 CSR 240-3.050, no later than eighteen (18) months after the effective date of the tariffs described in subsection d above.

4. **Notice.** Within 30 days following the effective date of a Commission order approving this Stipulation, TUK shall provide customer notice containing the approved sewer rates, a statement that TUK may charge only for sewer services, and informing customers that if they receive charges for water provided, customers should contact the Commission or Public Counsel.

5. **Dismissal of Staff Complaint.** If this Stipulation is approved by the Commission, Commission Case No. WC-2015-0124 shall be dismissed by the Staff.

Contingent Waiver of Rights

6. This Unanimous Stipulation and Agreement is being entered into solely for the purpose of settling the issues in File No. WA-2015-0169. Unless otherwise explicitly provided herein, none of the Signatories to this Unanimous Stipulation and Agreement shall be deemed to have approved or acquiesced in any ratemaking or procedural principle, including, without limitation, any method of cost determination or cost

allocation or revenue-related methodology. Other than explicitly provided herein, none of the Signatories shall be prejudiced or bound in any manner by the terms of this Unanimous Stipulation and Agreement (whether this Unanimous Stipulation and Agreement is approved or not) in this or any other proceeding, other than a proceeding limited to enforce the terms of this Unanimous Stipulation and Agreement.

7. This Unanimous Stipulation and Agreement has resulted from negotiations among the Signatories and the terms hereof are interdependent. If the Commission does not approve this Unanimous Stipulation and Agreement unconditionally and without modification, then this Unanimous Stipulation and Agreement shall be void and no Signatory shall be bound by any of the agreements or provisions hereof, except as explicitly provided herein.

8. If the Commission does not approve this Unanimous Stipulation and Agreement without condition or modification, and notwithstanding the provision herein that it shall become void; neither this Unanimous Stipulation and Agreement nor any matters associated with its consideration by the Commission shall be considered or argued to be a waiver of the rights that any Party has for a decision in accordance with §536.080 RSMo or Article V, Section 18 of the Missouri Constitution, and the Signatories shall retain all procedural and due process rights as fully as though this Unanimous Stipulation and Agreement had not been presented for approval, and any suggestions, memoranda, testimony, or exhibits that have been offered or received in support of this Unanimous Stipulation and Agreement shall become privileged as reflecting the substantive content of settlement discussions and shall be stricken from

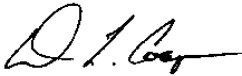
and not considered as part of the administrative or evidentiary record before the Commission for any purpose whatsoever.

9. In the event the Commission accepts the specific terms of this Unanimous Stipulation and Agreement without condition or modification, the Signatories waive their respective rights to present oral argument and written briefs pursuant to §536.080.1 RSMo; their respective rights to reading of the transcript by the Commission pursuant to §536.080.2 RSMo; their respective rights to seek rehearing, pursuant to §536.500 RSMo; and their respective rights to judicial review pursuant to §368.510 RSMo. This waiver applies only to a Commission order approving this Unanimous Stipulation and Agreement without condition or modification issued in this proceeding and only to the issues that are resolved hereby. It does not apply to any matters raised in any prior or subsequent Commission proceeding nor any matters not explicitly addressed by this Unanimous Stipulation and Agreement.

10. The Staff also shall have the right to provide, at any agenda meeting at which this Stipulation and Agreement is noticed to be considered by the Commission, whatever oral explanation the Commission requests; provided, that the Staff shall, to the extent reasonably practicable, provide the other Parties with advance notice of when the Staff shall respond to the Commission's request for such explanation once such explanation is requested from Staff. Staff's oral explanation shall be subject to public disclosure, except to the extent it refers to matters that are privileged or protected from disclosure pursuant to Commission Rule 4 CSR 240-2.135.

WHEREFORE, for the foregoing reasons, the undersigned Parties respectfully request that the Commission issue its Order approving all of the specific terms and conditions of this Unanimous Stipulation and Agreement.

Respectfully submitted,



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ATTORNEY FOR THE OFFICE OF
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CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the foregoing document has been sent by electronic mail this 7th day of October, 2015, to:

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