

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

In the Matter of the Application of Valley)
Woods Water Co., Inc Request for an)
Increase in Annual Sewer System Operating)
Revenues.

Case No. WR-2010-0139

STAFF'S MOTION FOR SUBSTITUTION TO COMPANY/STAFF DISPOSITION

AGREEMENT

COMES NOW the Staff of the Missouri Public Service Commission (Staff), by and through counsel, and for its Motion for Substitution to Company/Staff Disposition Agreement, states the following:

1. On April 2, 2010, the Staff filed a Notice of Disposition Agreement (Company/Staff Disposition Agreement), representing an agreement reached between the Staff and Valley Woods Water Company (Valley Woods or Company).

2. The Office of Public Counsel (OPC) filed its position statement on June 16, 2010 in which it did not object to the Company/Staff Disposition Agreement or the related tariff revisions filed.

3. On June 30, 2010, the Missouri Public Service Commission issued its Order Approving Disposition Agreement. The Commission order does not become effective until July 10, 2010.

4. It has come to the Staff's attention that an incorrect attachment was included in the Company/Staff Disposition Agreement. Attachment F in the Company/Staff Disposition Agreement contains the Schedule of Depreciation Rates. The Staff inadvertently and mistakenly placed a sheet containing Valley Woods' depreciation rates from its 2002 rate case as Attachment F to the Company/Staff Disposition Agreement.

5. Attached as Appendix A to this filing, the Staff submits the correct sheet containing the current depreciation rates for Valley Woods. The attached Appendix A should be substituted for Attachment F in the Company/Staff Disposition Agreement to accurately reflect the current and correct depreciation rates.

6. The rate design work papers (Attachments B and D of Company/Staff Disposition Agreement) calculated the Commission approved rates using the depreciation rates contained in Appendix A of this filing. Thus, the Commission approved rates remain correct and unchanged.

7. Substituting the correct sheet does not materially affect any other portion of the Company/Staff Disposition Agreement previously approved by the Commission.

WHEREFORE, the Staff respectfully requests the Commission grant its Motion for Substitution to Company/Staff Disposition Agreement in order for the Company/Staff Disposition Agreement to accurately reflect the current and correct depreciation rates. Further, the Staff respectfully requests that the current Attachment F of the Company/Staff Disposition Agreement be substituted with Appendix A to this Motion.

Respectfully submitted,

/s/ Samuel D. Ritchie

Sam Ritchie
Legal Counsel
Missouri Bar No. 61167

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of this Agreement Notice and the attached Appendix A has been provided, either by first-class mail, by electronic mail, by facsimile transmission or by hand-delivery, to each attorney and/or party of record for this case on this 8th day of July, 2010.

/s/ Samuel D. Ritchie

VALLEY WOODS WATER COMPANY, Inc.

SCHEDULE of DEPRECIATION RATES

(WATER Class D)

WR-2010-0139 Corrected Attachment F

USOA ACCOUNT NUMBER	ACCOUNT DESCRIPTION	DEPRECIATION RATE	AVERAGE SERVICE LIFE (YEARS)	NET SALVAGE
	Source of Supply			
314	Wells & Springs	2.0%	50	
	Pumping Plant			
321	Structures & Improvements	2.5%	40	
325.1	Submersible Pumping Equipment	10.0%	10	
325.2	High Service or Booster Pumping Equip.	6.7%	15	
	WaterTreatment Plant			
332	Water Treatment Equipment	2.9%	35	
	Transmission and Distribution			
342	Distribution Reservoirs & Standpipes	2.5%	40	
343	Transmission & Distribution Mains	2.0%	50	
345	Services	2.5%	40	
346	Meters	10.0%	10	
347	Meter Installations	2.5%	40	
348	Hydrants	2.0%	50	
	General Plant			
371	Structures & Improvements	2.5%	40	
372	Office Furniture & Equipment	5.0%	20	
372.1	Office Computer Equipment	14.3%	7	
373	Transportation Equipment	13.0%	7	9%
379	Other General Equipment (tools, shop equip., backhoes, trenchers, etc.)	6.7%	13	13%

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI
AFFIDAVIT OF ARTHUR W. RICE, PE

STATE OF MISSOURI

ss.

COUNTY OF COLE

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) Case No. WR-2010-0139
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COMES NOW Arthur W. Rice, being of lawful age, and on his oath states the following: (1) that he is a(n) Utility Regulatory Engineer in the Missouri Public Service Commission's Engineering & Management Services Department; (2) that he participated in the Staff's investigation of the small company rate increase request; (3) that he has knowledge of the foregoing *Staff's Substitution to Disposition Agreement* ("Disposition Agreement"); (4) that he was responsible for the preparation of Corrected Attachment F to the Disposition Agreement; (5) that he has knowledge of the matters set forth in Corrected Attachment F to the Disposition Agreement; and (6) that the matters set forth in Corrected Attachment F to the Disposition Agreement are true and correct to the best of his knowledge, information, and belief.



Arthur W. Rice
Utility Regulatory Engineer
Engineering & Management
Services Department

Subscribed and sworn to before me this 8th day of July, 2010.


Notary Public