BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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In the Matter of the Application of Stockton Hills Water Company for an Increase in Annual Water System Operating Revenues

File No. WR-2010-0202 Tariff No. YW-2010-0700

ORDER GRANTING REQUEST FOR A LOCAL PUBLIC HEARING AND SUSPENDING TARIFF

Issue Date: July 15, 2010

Effective Date: July 15, 2010

Background

On January 7, 2010,¹ Stockton Hills Water Company ("Stockton Hills") initiated a small water company rate increase action pursuant to Commission Rule 4 CSR 240-3.050. On June 7, Staff and Stockton Hills filed a Disposition Agreement ("Agreement") that included comprehensive accounting schedules, a review of Stockton Hills' customer service and business operation and example tariffs designed to implement the agreed-upon revenue requirements. On June 11 Stockton Hills filed revised tariff sheets reflecting certain rate and language changes to bring the tariffs into full conformity with the Agreement. The tariff sheets bear an effective date of July 26.

Public Counsel's Response

The Office of the Public Counsel ("Public Counsel") did not join in the Agreement. Instead, on July 12, Public Counsel requested a local public hearing. Public Counsel notes that the Agreement would result in ratepayers bearing more than a 23.6% increase, and

¹ All calendar dates are to 2010 unless otherwise noted.

that the ratepayers should have a chance to speak to the Commission about the proposed rate increase. This is sufficient for the grant of a public hearing.

The time-line filed by Staff, which is the procedural schedule by operation of 4 CSR 240-3.050(5), contemplates holding a local public hearing on, or around, August 10, 2010. Additionally, Commission Rule 4 CSR 240-2.110(1) requires the Commission to set the time and place for hearings and serve notice as required by law. Section 536.067(4), RSMo 2000, and Section 386.390.5, RSMo 2000, require at least ten days notice be given prior to a hearing. In complying with its statutory mandate, and taking into consideration the expedited nature of the small water company rate increase procedure, the Commission shall set the date for the local public hearing, by separate order, that is as reasonably close to August 10th as is practical.

Tariff Suspension

Because the date for the local public hearing likely will be beyond the effective date for the tariffs, the Commission shall suspend the tariffs.

THE COMMISSION ORDERS THAT:

1. That the following revised tariff sheets filed by Stockton Hills Water Company on June 11, 2010, and assigned Tariff File No. YW-2010-0700, are suspended until December 7, 2010, or until otherwise ordered by the Commission:

| P.S.C. MO No. 2 |
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| 3 rd Revised Sheet No. 6, Canceling 2 nd Revised Sheet No. 6 |

2. The Commission shall set a local public hearing by separate order.

3. This order shall become effective immediately upon issue.

BY THE COMMISSION

Steven C. Reed Secretary

(SEAL)

Ronald D. Pridgin, Senior Regulatory Law Judge, by delegation of authority pursuant to Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri, on this 15th day of July, 2010.