

**STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION**

At a session of the Public Service  
Commission held at its office in  
Jefferson City on the 10<sup>th</sup> day of  
November, 2010.

In the Matter of Middlefork Water Company's  
Request for a Rate Increase.

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**File No. WR-2010-0309**  
Tariff No. YW-2011-0186

**ORDER APPROVING SMALL COMPANY RATE INCREASE  
AND APPROVING TARIFF**

Issue Date: November 10, 2010

Effective Date: November 24, 2010

This order approves the Company/Staff Disposition Agreement between the Staff of the Commission and Middlefork Water Company. It also approves a tariff implementing the agreed-upon rate increase.

On May 4, 2010, Middlefork Water Company initiated a small company rate increase request under Commission Rule 4 CSR 240-3.050, seeking an increase of \$55,000 in its annual water service operating revenues. The company provides wholesale water service to two municipal customers, the City of Stanberry and the City of Grant City. In response to Middlefork's request, the Commission's Staff audited the company's books and records, reviewed the company's existing tariff, inspected the company's facilities, and reviewed the company's operation of those facilities.

On October 1, 2010, Staff and Middlefork filed an agreement purporting to resolve all issues in this matter. Among other terms, that agreement provides for a two-step phase-in of a revenue increase. The first phase of the revenue increase would increase company revenue by \$55,000 and would be in effect until April 30, 2011. The second phase would

provide for an over-all operating revenue increase of \$145,429 that would take effect May 1, 2011. Middlefork filed a proposed tariff on October 6, to implement the terms of the agreement. That tariff bears an effective date of November 24.

The Office of the Public Counsel did not join in the agreement, but on October 6, filed a position statement. In its position statement, Public Counsel indicates that while it does not support the agreement, it will not oppose the Commission's approval of the agreement.

On October 12, Middlefork sent a letter to its two municipal customers notifying them of the disposition agreement with Staff. Neither customer has raised an objection to the disposition agreement.

The Commission has the legal authority to accept a stipulation and agreement as offered by the parties pursuant to Section 536.060, RSMo 2000. The requirement for a hearing is met when the opportunity for hearing has been provided and no proper party has requested the opportunity to present evidence.<sup>1</sup> Since no one has requested a hearing, the Commission may grant the relief requested based on the disposition agreement.

The Commission finds that the disposition agreement is reasonable and will approve it. Middlefork and Staff are directed to comply with the terms and recommendations set out in the disposition agreement as filed on October 1. Furthermore, Middlefork's proposed tariff sheets, and the rates they establish, are just and reasonable and shall be approved.

**THE COMMISSION ORDERS THAT:**

1. The Company/Staff Disposition Agreement regarding Middlefork Water Company's request for a rate increase is approved.

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<sup>1</sup> State ex rel. Rex Deffenderfer Enterprises, Inc. v. Public Service Commission, 776 S.W.2d 494, 496 (Mo. App. 1989).

2. Middlefork Water Company and the Commission's Staff are directed to comply with the terms of the Company/Staff Disposition Agreement.

3. The following tariff sheets, filed by Middlefork Water Company on October 6, 2010, and assigned Tariff File No. YW-2011-0186, are approved for service on and after November 24, 2010:

**P.S.C. MO. No. 1**  

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**2<sup>nd</sup> Revised Sheet No. 6, Cancelling 1<sup>st</sup> Revised Sheet No. 6**  
**2<sup>nd</sup> Revised Sheet No. 7, Cancelling 1<sup>st</sup> Revised Sheet No. 7**

4. The depreciation rates attached to the Company/Staff Disposition Agreement are approved and Middlefork Water Company shall use such depreciation rates.

5. This order shall become effective on November 24, 2010.

**BY THE COMMISSION**

( S E A L )



Steven C. Reed  
Secretary

Clayton, Chm., Davis, Jarrett, Gunn,  
and Kenney, CC., concur.

Woodruff, Chief Regulatory Law Judge