

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

In the Matter of Roy-L Utilities Request for an            )  
Increase in Water System Operating Revenue.            )       **File No. WR-2013-0543**

In the Matter of Roy-L Utilities Request for an            )  
Increase in Sewer System Operating Revenue.            )       **File No. SR-2013-0544**

**THE OFFICE OF THE PUBLIC COUNSEL’S REQUEST  
FOR LOCAL PUBLIC HEARING**

COMES NOW the Office of the Public Counsel (Public Counsel) and for its Request for Local Public Hearing states as follows:

1. On June 26, 2013, Roy-L Utilities (Roy-L) initiated the above stated small company rate increase proceedings with the Missouri Public Service Commission (Commission) requesting a 47.9% increase in its annual water system operating revenues and a 150.8% increase in its annual sewer system operating revenues.
2. On April 1, 2014, the Staff of the Missouri Public Service Commission (Staff) filed in each case a *Notice of Company/Staff Agreement Regarding Disposition of Small Company Rate Increase Request* (Company/Staff Agreements) indicating agreement between Staff and Roy-L for an increase of \$2,243 (12.41%) in operating revenues for the water system and an increase of \$8,609 (120.79%) in operating revenues for the sewer system. Public Counsel did not join in the agreements.
3. Revised tariff sheets reflecting the proposed rates agreed to in the Company/Staff Agreements were filed by Roy-L on April 7, 2014, bearing an effective date of May 23, 2014.

4. Public Counsel did not join in the agreements because it has concerns with the calculated revenue requirements of Roy-L as well as Staff's imposition of a 75% debt / 25% equity hypothetical capital structure for Roy-L.

5. As the Company/Staff Agreement was executed by only Roy-L 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 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).

6. Affording customers the opportunity to speak to the Commission at a hearing is a critical part of the ratemaking process. The sewer increase proposed in the Company/Staff Agreements will more than double the current rates paid by customers. Additionally, proposed water rates now reflect the addition of metered rates applicable to some customers for the first time. Therefore, customers should have the opportunity to voice their concerns regarding these proposed increases to the Commission at a local public hearing. Also, holding a local public hearing will also provide customers the opportunity to ask questions of Roy-L regarding recently completed construction that may significantly affect their utility rates.

7. Public Counsel does not object to the Commission scheduling the hearing promptly, as long as customers are given sufficient notice.

8. Section 393.150 RSMo provides that the Commission may suspend tariff sheets for a maximum period of 120 days plus six months. Therefore, Public Counsel requests that the Commission suspend the proposed revised tariff sheets for a sufficient period to allow adequate time for a local public hearing and subsequent case disposition as appropriate.

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. To prevent the unnecessary duplicative costs of mailing a customer notice and a separate notice of local public hearing at a later date, Public Counsel is making its request for a local public hearing promptly and without delay. It is Public Counsel's hope that a combined notice will be sent to the customers of Roy-L which notifies the customers of the proposed increases and provides information regarding an upcoming local public hearing where comments on the proposed increases may be provided directly to the Commission.

10. Consequently, in order to allow for the mailing of a combined proposed tariff notice and local public hearing notice, Public Counsel requests a waiver of the requirement that the written notice of the proposed tariff revisions be mailed no later than five (5) working days after the utility makes its tariff filing as contemplated in 4 CSR 240-3.050(14).

11. Therefore, in compliance with 4 CSR 240.3-050(15), Public Counsel requests that the Commission schedule a local public hearing in this matter. Public Counsel also requests that the Commission suspend the proposed revised tariff sheets for a sufficient period to allow adequate time for a local public hearing and subsequent case disposition as appropriate. Additionally, Public Counsel requests a waiver of the requirement that the written notice of the proposed tariff revisions be mailed no later than five (5) working days after the utility makes its tariff filing as contemplated in 4 CSR 240-3.050(14).

**WHEREFORE**, Public Counsel respectfully submits its request.

Respectfully submitted,

OFFICE OF THE PUBLIC COUNSEL

**/s/ Christina L. Baker**

By:\_\_\_\_\_

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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 7<sup>th</sup> day of April 2014:

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