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                               STATE OF MISSOURI
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                          PUBLIC SERVICE COMMISSION
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                          TRANSCRIPT OF PROCEEDINGS
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                           SCHEDULING CONFERENCE
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9
                              October 20, 2004
10
                          Jefferson City, Missouri
11
                                  Volume 1
12
13
14    In the Matter of the Joint     )
        Application of the City of     )
15    Centralia, Missouri, and     )
     Public Water Supply District )
16 No. 10 of Boone County, )
    Missouri, for Approval of a ) Case No. WO-2005-0084
17 First Amendment to a Written )
     Territorial Agreement
                                     )
18 Concerning Territory within )
Boone County, Missouri, and )
    Audrain County, Missouri )
19
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21
                KENNARD L. JONES, Presiding,
22
                    REGULATORY LAW JUDGE.
23
     REPORTED BY:
24
     STEPHANIE L. KURTZ MORGAN, RPR, CCR
25 MIDWEST LITIGATION SERVICES
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0002
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                         County, Missouri.
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               FOR: Staff of the Missouri Public Service
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                         Commission.
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                         PROCEEDINGS
              JUDGE JONES: We're going to go ahead and go on the
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     record. This is Case No. WO-2005-0084, In the matter of the
     joint application of the City of Centralia, Missouri, and
     Public Water Supply District No. 10 of Boone County, Missouri,
 6
     for approval of a first amendment to a written territorial
7
     agreement concerning territory within Boone County, Missouri,
8
    and Audrain County, Missouri.
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              My name is Kennard Jones. I am the presiding judge
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    over this matter.
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              At this time I'll take entries of appearance,
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    beginning with Mr. Beck.
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              MR. BECK: Yes, sir.
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               JUDGE JONES: Go ahead and enter your appearance,
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    Mr. Beck.
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              MR. BECK: This is Merritt Beck -- Merritt Beck,
17
    III, the City of Cent-- City Attorney for the City of
18
    Centralia, Missouri.
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              JUDGE JONES: And Mr. --
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              MR. BECK: I'd like to enter my appearance in
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    this matter.
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              JUDGE JONES: Thank you, Mr. Beck.
23
              And, Mr. Ausmus?
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              MR. AUSMUS: My name is a James G. Ausmus,
25
   A-U-S-M-U-S. I'm the attorney for Public Water Supply
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0004 District No. 10 of Boone County, Missouri, entering my 1 appearance on behalf of the District. 3 JUDGE JONES: Thank you, sir. 4 And, Ms. O'Neill? 5 MR. NEAL: Yes, Your Honor. 6 My name is Ruth O'Neill. I'm representing the 7 Office of the Public Counsel in this matter. 8 JUDGE JONES: And Mr. Snodgrass? 9 MR. SNODGRASS: Yes. I'd like the apologize for 10 being late for this hearing both to the Judge and the 11 parties. 12 I'm entering my appearance today on behalf of the 13 Staff of the Missouri Public Service Commission. And my 14 formal business address is the Governor's Office Building, 15 Suite 800, 200 Madison Street, P. O. Box 360, Jefferson City, 16 Missouri 65102. 17 JUDGE JONES: Thank you all. 18 And to Mr. Beck and Ausmus, because you all are on 19 the phone, whenever either of you speak, I'm sure the court reporter would appreciate it if you would announce yourself 20 21 prior to doing so. 22 MR. AUSMUS: Very good, sir. 23 MR. BECK: Yes, sir. 24 JUDGE JONES: I will -- I will note, for the 25 record, that on October 4, 2004 the parties filed a joint

application for approval of a first amendment to the territorial agreement. Several days thereafter the Commission issued its note -- order and notice notifying certain entities of this application, and requiring that anyone wishing to intervene do so no later than October 28th.

Today is October 20th, the date of this prehearing conference, and thus far there have been no requests for intervention.

The order notice also set a timeframe for an evidentiary hearing in this matter, and that the hearing occur no later than December 20th, 2004.

Are there any contested issues in this matter?

MR. SNODGRASS: Judge, speaking for the Staff, I
think the general feeling is -- we've already talked about
this a little bit -- the parties have by phone -- and I don't
believe Staff believes there's a -- there's anything contested
in this case --

JUDGE JONES: Thank you.

MR. SNODGRASS: -- at this time.

JUDGE JONES: Thank you, Mr. Snodgrass.

Ms. O'Neill?

MS. O'NEILL: Your Honor, we are pursuing with the

Staff and with the parties a way to -- to enter into a

24 settlement in this matter -- some sort of stipulation. I'm

not sure when that process will be completed or what all the

24

25

1 details are yet. But I anticipate that being forthcoming. JUDGE JONES: Okay. Now, in light of that, it's my 3 understanding that even if there is a settlement, an evidentiary hearing still has to occur; is that correct? 5 MR. SNODGRASS: Well, Judge, perhaps not. We do 6 have a Defenderfer (phonetic sp.) precedent, which indicates 7 that if no one requests a hearing, one may not be necessary. 8 Our plans were initially to file a memorandum and 9 agreement, and see if the Commission cites Defenderfer and see 10 if the Commission feels that -- or you feels that a hearing is 11 necessary. 12 If so, we'll be glad to conduct one, Judge. 13 JUDGE JONES: In the event a hearing is necessary, 14 how many witnesses do you all anticipate having to call? 15 MR. SNODGRASS: I imagine one. That'd probably be 16 Dale Johansen from the Staff, Your Honor. 17 JUDGE JONES: Okay. 18 Mr. Beck and Mr. Ausmus, are you able to hear 19 persons from the -- from the bar okay? MR. BECK: I was -- this is Merritt Beck speaking. 20 21 I was able to hear Mr. Snodgrass better than Ms. O'Neill. But 22 I -- in hearing what he had to say, the City is in agreement 23 with that -- that we would hope by agreement and/or -- and/or

stipulation that because there are no matters that are

contested, as far as we're concerned, this is a -- a minor

 amendment to the territorial agreement that -- that there would be not a need for a hearing if -- if the Commission would so order.

In the event that there is a need for a hearing, we're prepared to offer some possible dates or conflict dates. But the hope would be that, if permitted, that there would not be a need for a hearing.

JUDGE JONES: Well, without -- I don't want to sound as though I'm prejudging that issue, but I -- I -- I would hope that you all would go ahead and prepare for a hearing, in this event that one is necessary. So we don't find ourselves up against the wall trying to scramble for hearing dates if it -- if it becomes necessary that we have one.

 $\,$ MR. SNODGRASS: Well, Judge, speaking for the Staff, I -- I think that -- that we would certainly be ready to go forward with a hearing on this matter.

I and Dale have handled these territorial agreement cases several times before. And we believe we could produce a hearing, and would be ready for any hearing at any time that the Court would order.

JUDGE JONES: Okay.

MR. SNODGRASS: And I'd also add that I believe the parties appearing by phone, if there is a hearing, would like to request to appear by telephone at that time also.

0008 MR. BECK: This is Merritt Beck. That would be our 1 wish that if we -- if a hearing is necessary, that we would like to request a phone -- a telephone hearing -- appearing by telephone versus an in-person hearing. In answer to your question about witnesses, I'm in 6 agreement with Mr. Snodgrass that it would seem that only 7 one witness would be necessary, and that's Mr. Johansen. 8 JUDGE JONES: Okay. Thank you, Mr. Beck. 9 Without going into the substance of this matter, I 10 realize that it primarily affects only one house or couple, 11 Mr. and Mrs. Angel; is that correct? 12 MR. BECK: That's correct. This is Merritt Beck. 13 It's pronounced Angel. 14 JUDGE JONES: Angel. 15 Okay. Do they know about these proceedings? 16 MR. BECK: They're -- they're aware that this is 17 going on, yes. JUDGE JONES: Okay. All right. I don't have 18 19 anything else. 20 Is there anything else from any party? 21 MS. O'NEILL: Not from Public Counsel, Your Honor. 22 JUDGE JONES: Mr. Snodgrass? MR. SNODGRASS: I don't believe so at this time. I 23 24 guess I have a -- a query in my own mind. Where does the

Court wish us to proceed at this time to -- in terms of a

procedural schedule? Do you wish us to file a memorandum, or what type of procedure under what we've discussed do you envision going forward with at this time if I may ask, Judge?

JUDGE JONES: I don't suspect there will need to be any pre-filed testimony. So the only scheduling that would be would be would be an evidentiary hearing.

MR. SNODGRASS: All right.

JUDGE JONES: I suppose what you all can do between the four of you is — is select a date. And Mr. — Mr. Beck and Mr. Ausmus, although it may be possible for you all to attend the evidentiary hearing by phone, if it's not, I would suggest you plan a date that will allow you to be here.

So between the four of you pick a date that'll work for you. And at the same time, I suppose, submit memorandums that have to do with the necessity of even having a hearing.

 $$\operatorname{MR.}$ SNODGRASS: We understand, Judge. And I guess we would ask you, are there any dates --

JUDGE JONES: A motion, I guess, would probably be the best.

MR. SNODGRASS: A motion.

Are there any dates in November, Your Honor, that would be bad for you, while we're coming to those dates, that come to mind?

JUDGE JONES: No, there aren't.

MR. SNODGRASS: Would November be a --

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              JUDGE JONES: Well, the first -- the first week in
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    November may be -- the last half of that week. I believe the
     4th and 5th are the -- yeah, maybe the 4th, 5th and 8th of
    November may be bad.
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              MR. SNODGRASS: All right.
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              JUDGE JONES: But other than that --
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              MR. SNODGRASS: Other than that, November a
8
    reasonably clear month for you?
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              JUDGE JONES: Exactly.
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              MR. SNODGRASS: All right.
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              JUDGE JONES: Well, the 25th and 26th.
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              MR. SNODGRASS: Right. We understand that.
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              JUDGE JONES: So any other day will be fine with
14
    me.
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              MR. SNODGRASS: All right. Thank you, sir.
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              JUDGE JONES: I don't -- do you all -- will you all
17 need to keep this room in order to discuss dates or is
18 there -- is there an easier way for you to do that?
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              MS. O'NEILL: I --
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              MR. SNODGRASS: I think -- I think we'd like to
    keep it for a few -- just a few minutes if we might.
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              JUDGE JONES: Okay. When you're -- When you're
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    finished, then, just hang this phone up. And -- and when you
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    get upstairs, just let me know you've done so, and I'll come
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    back down and stick it down there or wherever it goes.
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              MR. SNODGRASS: We'll do, Your --
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              JUDGE JONES: Okay.
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              MR. SNODGRASS: We'll do, Judge.
              JUDGE JONES: Thank you, sir.
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              Is there anything else, Mr. Beck or Mr. Ausmus?
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              MR. BECK: This is -- this is Merritt Beck.
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    Nothing further, as far as I'm concerned.
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              MR. AUSMUS: This is Jim Ausmus. Nothing further
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    from the District, Your Honor.
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              JUDGE JONES: All right. Hearing nothing else,
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   then, we would conclude the prehearing conference.
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              Thank you for attending.
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              MR. SNODGRASS: Thank you, Judge.
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              WHEREUPON, the on-the-record portion of the
15
    scheduling conference was concluded.
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