

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

In the Matter of the Application)	
Of a Rate Increase)	Case No. WR-2017-0259
For Indian Hills Utility)	
Operating Company, Inc.)	

**MOTION FOR LOCAL PUBLIC HEARING
AND SUGGESTIONS IN SUPPORT**

COMES NOW the Missouri Office of the Public Counsel (“OPC”), by and through undersigned counsel, and moves this Public Service Commission (“Commission”) for: an order setting a local public hearing on the soonest agreeable date; an order for the Company to mail notice of local public hearing to customers 15 calendar days in advance of any local public hearing; and any other relief the Commission deems just and reasonable. In support of its Motion for Local Public Hearing, OPC states:

1. On April 4, 2017, Indian Hills Utility Operating Company, Inc. (“Company”) filed a Request for Increase.
2. The Company is asking for an increase of \$750,280 in its annual water system operating revenues. If the Company’s request were to be approved, these costs would be spread across approximately 725 water customers. The Indian Hills community is located in Cuba, Missouri, and one resident has described the area as primarily a retirement community and a weekend retreat with 730 homes consisting of “350 full timers and 380 week-enders.”¹
3. On April 21, 2017, the Company mailed their customers an initial customer notice explaining that residents’ bills could be increasing from \$12.70 per month to \$98.93 per month if the Commission approves the Company’s request.

¹ P201705624

4. Members of the public have now voiced 208 comments in this case. The public comments describe the rate increase as “ridiculous and unfair,” “exorbitant,” “totally unrealistic,” “extremely excessive,” “outrageous,” “astronomical, inconsiderate, and unreasonable,” “way too much,” “not good,” “price gouging,” “robbery,” “a blatant money grab,” “border on criminal,” and generally as unaffordable.²

5. This case has also attracted the attention of Missouri Senator Dan W. Brown and Missouri Senator Wayne Wallingford.³ They have jointly expressed their opinion that “these huge rate increases are disturbing” and they offered their opinion that residents in the Indian Hills community “have a fixed income and can’t afford this unnecessary increase.”⁴

6. In addition to concerns with affordability of the proposed rate increase, customers also have concerns with the quality of the service being provided.⁵ For example, customers commented that, when the Company repairs leaks under the roads, the roads are being left “worse off” than their original condition.⁶ Another customer offered their opinion that the water tastes like “pure chemicals” and “isn’t fit to drink.”⁷

7. These comments support OPC’s request for a local public hearing because the comments show a genuine concern about this case and show that the public would like to be

² P201705507, P201705504, P201705503, P201705510, P2017055, P201705524, P201705525, P201705567, P201705586, P201705654, P201705608

³ P201705587, P201705589

⁴ *Id.*

⁵ P201705468

⁶ P201705811

⁷ P201705467

heard by the Commission. One comment was more direct in their support for a local public hearing by specifically requesting one.⁸

8. Furthermore, OPC has communicated with counsel for Staff of the Missouri Public Service Commission (“Staff”) and for the Company, and counsel for those parties do not object to a local public hearing being ordered.

9. In small utility rate cases, the regulations specifically authorize the parties to request a local public hearing.⁹

10. Although the rules contemplate holding a local public hearing at a later date in the procedural schedule of a typical small utility rate case, OPC moves this Commission to hold a local public hearing at the soonest agreeable date because the public has already made 200 comments and has demonstrated a real urgency for their voices to be heard. Furthermore, since OPC and Staff have already completed their initial audits, a public hearing would be productive even at this early stage in the procedure.

11. In order to assist the Commission in finding a suitable venue, the Commission may find it helpful to know that OPC has received several phone calls from the Indian Lake Property Owners Association. The association offered their opinion that the Cuba, Missouri school district or the Knights of Columbus have large rooms, and those locations could be good venues for a local public hearing.

12. In terms of a date for the hearing, OPC proposes a Thursday evening. The association’s stated preference is for the hearing to be held on a weekend, or a Thursday or Friday evening because many customers are part-time residents who are only available on the

⁸ P201705569 (A public comment from the Indian Lake Property Owners Association “respectfully demand[ed] that a mandatory local [public] hearing be held.”)

⁹ See generally 4 CSR 240-3.050(15), (17), (18), and (19)

weekends. OPC recognizes this concern; however, OPC foresees problems with the availability of the Commission, the Staff, and OPC.

13. In recognition that certain part-time customers may be difficult to reach, or may be unable to attend a Thursday evening hearing, OPC requests the Commission to order the Company to send notice at least 15 calendar days in advance of the local public hearing in an attempt to reach as many customers as possible.¹⁰

14. In addition, the notice should contain information about how a customer may file comments on the Commission's website, how they may contact the Commission's customer service department, and how customers may contact the OPC.

WHEREFORE, OPC moves this Commission to issue its order: setting a local public hearing on the soonest agreeable date, requiring the Company to mail notice of the local public hearing to customers 15 calendar days in advance of any local public hearing, and ordering any other relief the Commission deems just and reasonable.

Respectfully submitted,

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¹⁰ The Small Utility Rate Case Timeline filed in this matter is similar to a typical small utility rate case timeline, and the timeline requires the Company to give customers notification of a local public hearing within ten calendar days from the date of a local public hearing.

CERTIFICATE OF SERVICE

On this 19th day of July, 2017, I hereby certify that a true and correct copy of the foregoing motion was submitted to all relevant parties by depositing this motion into the Commission's Electronic Filing Information System ("EFIS").

/s/ Ryan D. Smith