

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service Commission held at its office in Jefferson City on the 1st day of April, 2015.

In the Matter of a Rate Increase Request for Water) **File No. WR-2015-0104**
Service by Spokane Highlands Water Company) **Tariff No. YW-2015-0273**

**ORDER APPROVING DISPOSITION AGREEMENT
AND APPROVING TARIFF**

Issue Date: April 1, 2015

Effective Date: May 1, 2015

On October 24, 2014, Spokane Highlands Water Company filed a letter initiating its request for a rate increase of \$5,000. The company serves approximately 49 customers in a subdivision in Christian County.

On March 12, 2015, the Staff of the Commission and the company filed a Disposition Agreement providing for an increase of \$3,065. The company's current revenues are \$16,833. The proposed agreement will result in revenues of \$19,898. Since 1996, customers have been paying a service rate of \$12.38/month + \$3.56 per 1,000 gallons used. Under its initial tariff, a customer using 6,000 gallons of water would pay about \$33.74. Under the proposed agreement, customers will pay a service rate of \$14.67/month + \$4.22 per 1,000 gallons used. A customer using 6,000 gallons of water under the proposed agreement would pay \$39.99. On March 16, 2015, the company filed a revised tariff reflecting the agreement. The revised tariff bears an effective date of May 1, 2015.

Commission rule 4 CSR 240-3.050(14) requires that the Office of the Public Counsel file a pleading stating its position or requesting local public hearings or an evidentiary

hearing. On March 16, Public Counsel filed a pleading stating that it will not oppose the agreement. Public Counsel points out that although it agrees with most of Staff's audit positions, it has concerns regarding the overall revenue requirement. However, Public Counsel notes the amounts are so small that opposition to the agreement would not be in the best interest of the rate payers.

Public Counsel also requests that the Commission waive Commission rule 4 CSR 240-3.050(14), which requires written customer notice of the proposed tariff within 5 working days after the tariff is filed. Public Counsel opines that it would be burdensome to both Spokane Highlands and its customers if the company is required to send this notice. Hence, Public Counsel requests that the Commission waive this notice requirement.

Discussion

Upon review of the Agreement, the Commission finds that the terms and obligations set out in the Agreement are reasonable. The Commission will therefore approve the Agreement and direct the parties to abide by the terms set out therein. The Commission will also grant Public Counsel's requests to waive customer notice as required by Commission rule 4 CSR 240-3.050(14). As pointed out by Public Counsel, final notice of this rate increase is still required by 4 CSR 240-3.050(22). Finally, the Commission will approve the tariff to become effective on May 1, 2015.

THE COMMISSION ORDERS THAT:

1. The Agreement Regarding Disposition of Small Company Rate Increase Request is approved.
2. The signatories to the Agreement shall comply with the terms set out therein.

3. The Office of the Public Counsel's request for a waiver of Commission rule 4 CSR 240-3.050(14) is granted.

4. The revised tariff, filed by Spokane Highland Water Company on March 16, 2015 and assigned Tariff No. YW-2015-0273, is approved to become effective on May 1, 2015.

5. This order shall become effective on May 1, 2015.

BY THE COMMISSION



A handwritten signature in black ink that reads "Morris L. Woodruff". The signature is written in a cursive, flowing style.

Morris L. Woodruff
Secretary

R. Kenney, Chm., Stoll, W. Kenney,
Hall, and Rupp, CC., concur.

Jones, Senior Regulatory Law Judge