STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 5th day of December, 2012.

In the Matter of the Rate Increase for) Lakeland Heights Water Company, Inc.) File No. WR-2012-0266 Tariff No. YW-2013-0113

ORDER APPROVING UNANIMOUS DISPOSITION AGREEMENT AND AUTHORIZING TARIFF FILING

Issue Date: December 5, 2012 Effective Date: December 5, 2012

On January 31, 2012, Lakeland Heights Water Company ("Lakeland Heights")¹ initiated a small company revenue increase request pursuant to Commission Rule 4 CSR 240-3.050. On August 28,² the Commission's Staff filed a Disposition Agreement executed by it and Lakeland Heights, and on September 4, Lakeland Heights filed revised tariff sheets in conformity with the agreement bearing an effective date of October 22.

The Office of the Public Counsel ("OPC") did not join in the agreement. At OPC's request, the Commission suspended the tariff sheets. Also at OPC's request, the Commission convened local public hearings on October 29 and 30.

On November 27, Staff filed a Unanimous Disposition Agreement ("Agreement") executed by it, Public Counsel and Lakeland Heights.³ The Commission finds the

¹ Lakeland Heights serves approximately 105 residential customers in its certificated service area.

 $^{^{2}}$ All dates refer to the year 2012 unless otherwise noted.

³ The Unanimous Agreement states that Lakeland Heights' annualized water system operating revenue should be increased by \$5,842.00, representing an increase of approximately 26.15%. Under this increase, a residential customer using 3,200 gallons of water a month would experience an increase in their water bill of \$4.61 per month (\$17.64 currently to \$22.26 following the increase).

Agreement reasonable and shall approve it.⁴ The Commission shall reject Lakeland Heights' tariff filings, and shall authorize Lakeland Heights to file tariffs in compliance with the Agreement.

THE COMMISSION ORDERS THAT:

1. The procedural schedule is canceled.

2. The Unanimous Disposition Agreement regarding Lakeland Heights Water Company, Inc.'s request for an increase in sewer revenue, File No. WR-2012-0266, entered into by Lakeland Heights Water Company, Inc., the Staff of the Missouri Public Service Commission and the Office of the Public Counsel, and filed on November 27, 2012, is approved.

3. The signatories shall comply with the terms of the Unanimous Disposition Agreement. A copy of the Agreement is attached to this order as Appendix A.

4. The following tariff sheets filed by Lakeland Heights Water Company, Inc., and assigned Tariff File No. YW-2013-0113, with the effective date suspended until December 31, 2012, are rejected. The tariff sheets rejected are:

> P.S.C. MO No. 3 Canceling P.S.C. MO No. 2

5. Lakeland Heights Water Company, Inc., is authorized to file tariffs in compliance with the Unanimous Disposition Agreement.⁵

⁴ The Commission has the legal authority to accept stipulations and agreements 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. *State ex rel. Rex Deffenderfer Enterprises, Inc. v. Public Service Commission*, 776 S.W.2d 494, 496 (Mo. App. 1989).

⁵ The Commission notes that Lakeland Heights filed a Substitute Tariff on November 27. However, that tariff bears an issue date of September 4 and an effective date of October 22, both of which are in the past. Should Lakeland Heights file a tariff with the proper issue and effective dates, the Commission may be able to take up the parties' request that the tariff become effective on December 14.

6. This order shall become effective immediately upon issue.

BY THE COMMISSION

Steven C. Reed Secretary

(SEAL)

Gunn, Chm., Jarrett, Kenney, and Stoll, CC., concur.

Pridgin, Senior Regulatory Law Judge