

**STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION**

At a session of the Public Service  
Commission held at its office  
in Jefferson City on the 12<sup>th</sup>  
day of July, 2017.

In the Matter of Stockton Hills Water  
Company Rate Increase

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**File No. WR-2017-0139**  
Tracking No. YW-2017-0269

**ORDER APPROVING AMENDED DISPOSITION AGREEMENT AND  
APPROVING TARIFF**

Issue Date: July 12, 2017

Effective Date: July 24, 2017

On November 14, 2016, Stockton Hills Water Company (“Stockton Hills” or the “Company”) submitted a letter initiating a request for a small company rate increase under Commission Rule 4 CSR 240-3.050. The Company, which serves approximately 142 water customers in Cedar County, Missouri, requested a \$45,236 increase in its annual water system operating revenues. The Company stated an increase was necessary to cover additional expenses related to the drilling of a new well and increases in operation and maintenance expenses.

On May 3, 2017, the Staff of the Commission and Stockton Hills filed a Disposition Agreement. The Office of the Public Counsel (“OPC”) filed a timely request for a local public hearing, which the Commission granted. A local public hearing was conducted in Stockton, Missouri, on June 13, 2017. Although no customers testified at the hearing, Staff, the Company, and OPC answered customers’ questions during an informal question and answer session prior to the hearing.

Stockton Hills submitted tariff sheets (Tracking No. YW-2017-0268) on June 22, 2017. On June 22, 2017, Staff filed a report on the local public hearing. Although Staff determined that Staff's position would not change as a result of information gained from the local public hearing, Staff indicated in its report that it was working with Stockton Hills and OPC on a proposed amended agreement. A day later, Staff filed a Notice of Amended Disposition Agreement. That same day, Stockton Hills withdrew its tariff sheets that were assigned Tracking No. YW-2017-0268 and submitted new tariff sheets (Tracking No. YW-2017-0269) to comply with the terms of the *Amended Company/Staff Agreement Regarding Disposition of Small Water Company Revenue Increase Request* ("Amended Disposition Agreement"). Those tariff sheets bear a July 24, 2017 effective date.

The Amended Disposition Agreement provides for an annual increase of \$10,117 (35.6%) for the Company's water system. When added to the previous level of water revenues of \$28,882, the Company's overall annual water revenue is \$38,999.

On June 27, 2017, OPC filed a Position Statement stating that at the informational session conducted before the local public hearing, multiple customers raised questions concerning aspects of the water utility's operations. To ensure customers are informed of the rights and responsibilities between the customers and Stockton Hills, OPC suggested some modifications to the original Disposition Agreement filed by Staff and the Company. Those suggestions, which are included in Staff and Company's Amended Disposition Agreement, include a requirement for the Company to provide additional written information to customers on rights and responsibilities, a policy regarding billing cycles, and clarity on when customers may

transfer between monthly and quarterly billing cycles.<sup>1</sup> OPC stated that it does not object to the terms of the Amended Disposition Agreement and requested the Commission approve the Amended Disposition Agreement.

Pursuant to Commission Rule 4 CSR 240-2.115(2)(C), if no party timely objects to a stipulation and agreement, the Commission may consider the agreement to be a unanimous resolution. The Commission will therefore review the Amended Disposition Agreement as a unanimous resolution of all issues.

Upon review of the Amended Disposition Agreement, the Commission finds that the terms and obligations set out are reasonable. The Commission will therefore approve the Amended Disposition Agreement and direct the parties to abide by the terms set out therein. Since the parties are in agreement on the Amended Disposition Agreement and Stockton Hill's tariff sheets were submitted thirty days before the proposed effective date of July 24, 2017, the Commission finds good cause exists to allow this order to go into effect in less than thirty days. The Commission will approve the tariff to become effective on July 24, 2017.

**THE COMMISSION ORDERS THAT:**

1. The Amended Disposition Agreement is approved.
2. The signatories to the Amended Disposition Agreement shall comply with the terms set out therein.
3. The tariff filed by Stockton Hills Water Company on June 23, 2017, and assigned Tracking No. YW-2017-0269, is approved to become effective on July 24, 2017.

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<sup>1</sup> See Sections (9)(a),(b),(c),(d) of Amended Company/Staff Agreement Regarding Disposition of Small Water Company Revenue Increase Request.

4. This order shall become effective on July 24, 2017.
5. This file shall close on July 25, 2017.



**BY THE COMMISSION**

*Morris L. Woodruff*

Morris L. Woodruff  
Secretary

Hall, Chm., Stoll, Kenney, Rupp, and  
Coleman, CC., concur.

Burton, Senior Regulatory Law Judge.

**STATE OF MISSOURI**

**OFFICE OF THE PUBLIC SERVICE COMMISSION**

**I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.**

**WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this 12<sup>th</sup> day of July 2017.**



  
**Morris L. Woodruff**  
**Secretary**

**MISSOURI PUBLIC SERVICE COMMISSION**

**July 12, 2017**

**File/Case No. WR-2017-0139**

**Missouri Public Service  
Commission**

Staff Counsel Department  
200 Madison Street, Suite 800  
P.O. Box 360  
Jefferson City, MO 65102  
staffcounsel@psc.mo.gov

**Office of the Public Counsel**

Hampton Williams  
200 Madison Street, Suite 650  
P.O. Box 2230  
Jefferson City, MO 65102  
opc@ded.mo.gov

**Missouri Public Service  
Commission**

Jacob Westen  
200 Madison Street, Suite 800  
P.O. Box 360  
Jefferson City, MO 65102  
jacob.westen@psc.mo.gov

**Stockton Hills Water Company**

Legal Department  
808 South Street  
P.O. Box 276  
Stockton, MO 65785

**Enclosed find a certified copy of an Order or Notice issued in the above-referenced matter(s).**

**Sincerely,**



**Morris L. Woodruff  
Secretary**

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Recipients listed above with a valid e-mail address will receive electronic service. Recipients without a valid e-mail address will receive paper service.