

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 20th day of
August, 2014.

In the Matter of a Request for a Rate Increase)
by Terre du Lac Utilities Corporation)

File No. WR-2014-0104
Tracking No. YW-2014-0368

**ORDER APPROVING TARIFF
AND INCORPORATING DISPOSITION AGREEMENT**

Issue Date: August 20, 2014

Effective Date: September 1, 2014

The Commission is approving the substitute tariff and incorporating the updated disposition agreement into this order.

A. Filings

The applicant is Terre Du Lac Utilities Corporation (“the utility”). The utility supplies water service to approximately 1,286 customers, most of which are residential, in the Missouri counties of Washington and St. Francois. The utility initiated this action by applying for a rate increase.¹ Staff filed a disposition agreement,² (“original agreement”) and the utility filed schedules for rates and terms of service (“tariff”)³ with a proposed effective date of May 15, 2014. The original agreement provided for a full resolution of the utility’s request between Staff and the utility but did not include the Office of the Public Counsel (“OPC”).

¹ Electronic Filing and Information System, (“EFIS”) No. 1, letter, filed on October 21, 2013.

² EFIS No. 8, *Notice of Company/Staff Agreement Regarding Disposition of Small Company Rate Increase Request*, filed on March 21, 2014.

³ EFIS No. 10, filed on March 25, 2014.

OPC filed a motion to suspend the tariff and a request for a local public hearing.⁴ The Commission reserved ruling on the suspension of the tariff⁵ and convened a local public hearing.⁶ After the local public hearing, Staff filed a statement that the local public hearing revealed no information changing Staff's endorsement of the agreement, but OPC filed a motion for an evidentiary hearing.⁷ The Commission granted the motion for an evidentiary hearing, and suspended the tariffs, instituting a contested case.⁸

The utility and Staff filed an updated disposition agreement ("updated agreement").⁹ The updated agreement, like the original agreement, provided for a full resolution of the utility's request between Staff and the utility but did not include OPC. OPC filed a statement of no opposition to the updated agreement.¹⁰ The utility filed a substitute tariff.¹¹ No party filed an objection to the substitute tariff within the time set by the Commission's order.¹²

B. Substitute Tariff and Updated Agreement

The substitute tariff proposes to continue billing a monthly base charge, and a usage change, but to change the usage charge from quarterly billing to monthly billing. The proposed charges compare to the current charges as follows¹³ for the average customer.¹⁴

⁴ EFIS No. 11, *The Office of Public Counsel's Request for Local Public Hearing*, filed on March 28, 2014.

⁵ EFIS No. 12, *Order Granting Motions to Convene Local Public Hearing, Combine Notices, and Waive Time Limit*, issued on March 28, 2014.

⁶ EFIS No. 15, *Transcript Volume 1*, filed on April 24, 2014.

⁷ EFIS No. 16, *The Office of the Public Counsel's Request for Evidentiary Hearing*, filed on April 29, 2014.

⁸ EFIS No. 17, *Order Regarding Tariff and Disposition Agreement*, filed on July 30, 2014.

⁹ EFIS No. 28, *Notice of Updated Staff/Company Agreement Regarding Disposition of Small Company Rate Increase Request*, filed on July 24, 2014.

¹⁰ EFIS No. 30, *The Office of the Public Counsel's Position Statement*, filed on July 25, 2014.

¹¹ EFIS No. 31, filed on July 31, 2014.

¹² EFIS No. 32, *Order Setting Time for Objection to Tariffs*, issued on July 31, 2014.

¹³ EFIS No. 28, *Notice of Updated Company/Staff Agreement Regarding Disposition of Small Company Rate Increase Request*, filed on July 24, 2014, Agreement Attachment F.

		<i>Base</i>	<i>Usage</i>	<i>Total</i>
Current		\$8.12	\$6.65	\$14.77
Proposed increase or (decrease)	percentage	40.55%	(6.85%)	19.21%
	amount	\$3.29	(\$0.46)	\$2.84
Proposed new bill		\$11.41	\$6.20	\$17.61

The updated agreement also addresses collection, maintenance, recordkeeping, and reporting matters.

C. Rulings

When a settlement agreement resolves a contested case, the decision need not include separately stated findings of fact,¹⁵ so the Commission will determine all issues without separately stating its findings of fact. The Commission independently finds and concludes that the updated agreement and substitute tariff support safe and adequate service, at just and reasonable rates, and are in the public interest. Therefore, the Commission will approve the substitute tariff. The Commission will also incorporate the updated agreement into this order and direct the signatories to comply with the updated agreement. The absence of any opposition to the substitute tariff and updated agreement constitutes good cause to make this order effective less than 30 days from issuance.¹⁶

THE COMMISSION ORDERS THAT:

1. The updated agreement described in the body of this order is incorporated into this order, as if fully set forth, and all signatories shall comply with the updated agreement.
2. The substitute tariff described in the body of this order is approved to become effective on September 1, 2014.

¹⁴ At 4,500 gallons per month.

¹⁵ Section 536.090, RSMo 2000.

¹⁶ Section 386.490.3, RSMo 2000; *Harter v. Missouri Pub. Serv. Comm'n*, 361 S.W.3d 52, 57-59 (Mo. App., W.D. 2011).

3. The specific tariff approved is:

P.S.C. MO No. 2 Canceling P.S.C. MO No. 1

4. This order shall become effective on September 1, 2014.

BY THE COMMISSION



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

Morris L. Woodruff
Secretary

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

Jordan, Senior Regulatory Law Judge