

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 22nd day
of July, 2015.

In the Matter of Village Greens Water)
Company's Request for an Increase in)
Water System Operating Revenue)

File No. WR-2015-0138
Tariff No. YW-2016-0007

**ORDER APPROVING
DISPOSITION AGREEMENT AND TARIFF**

Issue Date: July 22, 2015

Effective Date: August 20, 2015

On December 1, 2014, Village Greens Water Company filed a letter initiating its request for a rate increase of \$2,400. The company serves approximately 71 customers near St. Clair, Missouri.

On June 29, 2015, the Staff of the Commission and the company filed a Disposition Agreement providing for an increase of \$1,962. The company's current revenues are \$33,576. The proposed agreement will result in revenues of \$35,538. Since 2004, customers have been paying a service rate of \$29.59 (for 3,000 gallons) + \$2.74 per 1,000 gallons above 3,000. Under the proposed agreement, customers will continue to pay the service rate of \$29.59. However, the usage per 1,000 gallons will increase to \$3.43. For a household consuming 6,000 gallons per month, the proposed change will result in a \$2.07/month increase. On July 6, the company filed a revised tariff reflecting the Agreement. The tariff bears an effective date of August 20, 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 July 8, Public Counsel filed a pleading stating that it will not oppose the agreement, but makes one point of clarification. Public Counsel refers to paragraph 13 of the agreement, which states:

The company will commence on the effective date of any Commission order issued in this case, cease transfer of funds from the utility to the developer per the agreement in Certificate Case No. WA-2004-0151. Per the agreement, the utility was to repay the developer for the funding of certain utility plant. Since the time of the agreement all such funds have been repaid to the developer, therefore, no further payment is necessary.

Public Counsel clarifies this paragraph to mean that the company will no longer pay a \$2,015 fee to the developer for every customer connected to the water system because the developer has been fully reimbursed for the funding of certain plant items.

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 the company 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 its terms. The Commission will also grant Public Counsel's request to waive customer notice as required by Commission rule 4 CSR 240-3.050(14). As pointed out by Public Counsel, final notice in this rate case is still

required by Section (22) of the same rule. Finally, the Commission will approve the tariff to become effective on August 20, 2015.

THE COMMISSION ORDERS THAT:

1. The Disposition Agreement filed by Village Greens Water Company and the Staff of the Commission 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 Village Greens Water Company on July 6, 2015 and assigned Tariff No. YW-2016-0007, is approved to become effective on August 20, 2015.
5. This order shall become effective on August 20, 2015.
6. This file shall be closed on August 21, 2015.

BY THE COMMISSION



A handwritten signature in cursive script that reads "Morris L. Woodruff".

Morris L. Woodruff
Secretary

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

Jones, Senior Regulatory Law Judge