

Counsel filed a unanimous disposition agreement purporting to resolve all the issues in this matter and agreeing to annual water and sewer revenue increases.

The major terms of the disposition agreement provide for an annual water rate revenue increase of \$7,368¹ (16.33%) and annual sewer rate revenue increase of \$9,666 (27.36%). The total agreed upon water utility revenue requirement is \$52,282 with an agreed upon net rate base of \$53,277. The total agreed upon sewer utility revenue requirement is \$44,992 with an agreed upon net rate base of \$88,069. The parties also agreed to a 100% debt and 0% equity capital structure and a 6.75% rate of return. Schedules of depreciation rates for both water and sewer plant are also attached to the disposition agreement. Additionally, Branson Cedars agreed to implement several recommendations made by the Commission's Customer Experience Department, Auditing Department, and Water and Sewer Department. The utility also agreed to provide notice to its customers and all the parties agree to abide by the terms of the agreement. The parties state in the disposition agreement that the agreed to rates are just and reasonable.

The parties agreed that Branson Cedars would file a new tariff to comply with the disposition agreement. That tariff was filed on November 1, 2018, and substituted on November 8, 2018, and bears a December 3, 2018 effective date. Staff filed its recommendation regarding the tariff on November 9, 2018. Staff stated that the

¹ The parties filed a *Joint Clarification of Unanimous Disposition Agreement* on November 14, 2018, stating that an error had been made in the body of the agreement when stating that the previous water utility service revenues were \$45,114, instead of \$44,914, the correct amount. However, the parties noted that Attachment A to their agreement contained the correct figures and shows the \$200 discrepancy in the numbers is due to "miscellaneous revenues." In addition to that correction, the body of the agreement also contains an additional scrivener's error when stating that the water revenue requirement increase is \$7,366. According to Attachment A to the agreement, the correct revenue requirement increase is \$7,368.

substitute tariff filed on November 8, 2018, complies with the disposition agreement and should be approved.

The requirement for a hearing is met when the opportunity for a hearing has been provided.² The parties agree that their disposition agreement resolves all issues and no party requests a hearing.

The Commission has reviewed the unanimous disposition agreement including its attachments and Staff's recommendation. The Commission independently finds and concludes that the unanimous disposition agreement and the proposed tariff sheets, Tariff Nos. YW-2019-0073 and YS-2019-0086, as substituted, are reasonable and should be approved. Furthermore, the proposed rates set out in the tariff sheets are just and reasonable. Because this tariff has been filed in accordance with the unanimous disposition agreement of the parties and has been filed with the Commission for at least 30 days, the Commission finds good cause for this order to become effective in less than 30 days.

THE COMMISSION ORDERS THAT:

1. The unanimous disposition agreement filed on October 29, 2018, and attached to this order is approved and its terms and conditions are incorporated herein.
2. Branson Cedars Resort Utility Company, the Commission's Staff, and the Office of the Public Counsel shall comply with the terms of the unanimous disposition agreement.
3. The tariff sheets filed in Tariff Tracking Nos. YW-2019-0073 and YS-2019-0086, as substituted, are approved to become effective on December 3, 2018.

² *State ex rel. Rex Deffenderfer Enterprises, Inc. v. Public Service Commission*, 776 S.W.2d 494, 496 (Mo. App. 1989).

4. This order shall become effective on December 3, 2018.



BY THE COMMISSION

A handwritten signature in black ink that reads "Morris L. Woodruff".

Morris L. Woodruff
Secretary

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

Dippell, Senior Regulatory Law Judge