

1 STATE OF MISSOURI  
2 PUBLIC SERVICE COMMISSION  
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6 TRANSCRIPT OF PROCEEDINGS

7 Hearing

8 April 19, 2006  
9 Jefferson City, Missouri  
Volume 4

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12 In the Matter of Hickory Hills )  
Water & Sewer Company's Request ) Case No. WR-2006-0250  
13 for a Small Company Rate Increase )

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15 STEVEN C. REED, Presiding,  
REGULATORY LAW JUDGE.  
16 ROBERT M. CLAYTON,  
17 LINWARD "LIN" APPLING,  
COMMISSIONERS.

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21 REPORTED BY:

22 KELLENE K. FEDDERSEN, CSR, RPR, CCR  
23 MIDWEST LITIGATION SERVICES  
24  
25

1 regard to your direct testimony?

2 A. No, I don't.

3 Q. Have you incurred any attorney fees and  
4 expenses in this rate case?

5 A. Yes. We have an estimate of fees to be  
6 over --

7 MR. MILLS: I'm going to object to this  
8 question as going beyond the list of issues that the  
9 parties agreed to in this case. There is no issue with  
10 regard to rate case expense.

11 JUDGE REED: Mr. McCutcheon?

12 MR. McCUTCHEON: Yes. It's my  
13 understanding as far as on rate case that would be  
14 includable allowance in Mr. Clifford's -- in his Hickory  
15 Hills Water & Sewer Company in asking the Commission for  
16 that. So it should be an includable expense in this  
17 matter, which you don't know what it is until you arrive  
18 here today.

19 MR. MILLS: No parties addressed rate case  
20 expense in their testimony. The parties did not list rate  
21 case expense as an issue for the Commission to decide in  
22 this case.

23 JUDGE REED: Mr. McCutcheon, I'm going to  
24 have to sustain the objection that Mr. Mills has made. In  
25 terms of the issues that will be presented at this hearing

1 the company's previous rate cases, I believe QS-2004-009  
2 and QW-2004-008?

3 A. Yes. I don't recall the specific case  
4 numbers, but from the previous rate case, I did review  
5 those work papers.

6 Q. Was there any wage rate for Randy Clifford  
7 in those previous rate cases?

8 A. Yes, there was.

9 Q. What was that wage rate?

10 A. It was approximately 22.50 per hour, is  
11 what Staff's recommendation was.

12 Q. Is it true the company's operating costs  
13 have not decreased since the last rate case?

14 A. I believe that to be correct.

15 Q. In your audit, did you make any allowance  
16 for rate case expense, such as attorney fees and expenses  
17 for Hickory Hills?

18 MR. MILLS: I object. This goes beyond the  
19 scope of the list of issues in this case. We have no  
20 issue that has to do with rate case expense.

21 JUDGE REED: Sustained.

22 BY MR. McCUTCHEON:

23 Q. Are the attorney fees and expenses of  
24 Hickory Hills in this case rate case expenses that should  
25 be allowed to Hickory Hills?

1 MR. MILLS: Same objection.

2 JUDGE REED: Sustained.

3 MR. McCUTCHEON: That's all the questions I  
4 have, your Honor.

5 JUDGE REED: Thank you, Mr. McCutcheon.  
6 Office of Public Counsel next.

7 MR. MILLS: Yes. Your Honor, I may have  
8 some -- I'm not sure how long my questioning will take.  
9 Are we going to be taking a recess?

10 JUDGE REED: Do you want to take five  
11 minutes? If you need a recess, we'll take a recess.

12 MR. MILLS: I'd like five minutes, if we  
13 could.

14 JUDGE REED: All right. Five minutes.

15 (A BREAK WAS TAKEN.)

16 JUDGE REED: Mr. Mills?

17 MR. MILLS: Yes.

18 CROSS-EXAMINATION BY MR. MILLS:

19 Q. Good morning, Mr. Clark.

20 A. Good morning.

21 Q. In the direct testimony you filed in this  
22 case, you determined that Hickory Hills needs \$4,417  
23 increase for water and \$5,912 increase for sewer; is that  
24 correct?

25 A. That's correct.