### STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 31<sup>st</sup> day of July, 2024.

In the Matter of United Services, Inc.'s Rate Increase Request

File No. SR-2024-0206
Tracking No. JS-2025-0005

## **ORDER DENYING MOTION FOR SECOND CUSTOMER NOTICE**

Issue Date: July 31, 2024

Effective Date: July 31, 2024

On January 2, 2024,<sup>1</sup> United Services, Inc. (United or "the Company") filed a request for a general rate increase under the provisions of Commission Rule 20 CSR 4240-10.075, Small Utility Rate Case Procedure. On January 19, the Commission ordered a local public hearing be held. On February 9, the Staff of the Commission (Staff) filed the initial customer notice, which was sent to customers of United informing them of the upcoming local public hearing and that the Company has requested a rate increase. The customer notice did not include a specific requested rate increase nor a recommended increase amount.<sup>2</sup> No party objected to the initial customer notice. One written comment from a customer was received on January 25, but no customers testified at the local public hearing, which was held on February 20.

On July 1, United and Staff filed a Non-Unanimous Agreement Regarding Disposition of Small Utility Company Revenue Increase Request (Disposition Agreement).<sup>3</sup> The Disposition Agreement sets forth an increase in annual revenue

<sup>&</sup>lt;sup>1</sup> All dates refer to 2024 unless otherwise indicated.

<sup>&</sup>lt;sup>2</sup> United's rate increase request letter indicated a requested increase of \$1.00.

<sup>&</sup>lt;sup>3</sup> The Disposition Agreement was substituted on July 16. The substitution addresses corrections not

requirement of 25.32% (\$37,814). On July 11, 2024, the Office of the Public Counsel (OPC) filed a motion requesting a second customer notice to be sent via mail, e-mail, and/or text message.

OPC stated that the first notice sent to customers did not provide the amount of the proposed increase as set forth in the pending disposition agreement. OPC argues that the 347 sewer customers of United are unaware of the proposal to increase their rates and have not had any opportunity to submit comments regarding that proposed increase. OPC also requested a 30-day period following the second notice to allow customers to submit comments.

Staff responded that the specific procedures regarding local public hearings set forth in the Small Utility Rate Case Procedure 20 CSR 4240-10.075 were followed. Staff states that the Small Utility Rate Case Procedure does not require a second notice. Staff argued that the first notice specifically informed customers that the Company was seeking a rate increase. Staff argues that a second notice would essentially double United's rate case expense, which would necessitate Staff to update the proposed Disposition Agreement to include the updated rate case expense to be recovered in rates. Staff also notes that a second notice would delay the implementation of new rates.

United responded and reiterated Staff's arguments. United specifically noted that the first customer notice informed customers that: the amount of the rate increase had not yet been determined; that Staff would be auditing the Company; and that subsequent to the audit Staff would determine its support for a rate increase, and if so, by what amount.

relevant here. The Disposition Agreement will be addressed in a later order.

The Commission finds that the Small Utility Rate Case Procedure was followed – customers were provided notice of a request to increase rates. OPC's argument is that customers were not given notice of the post-audit recommended rate increase amount – an amount that could not be included in the notice, as it had not been determined yet.

The Commission also finds that issuing a second notice would increase the Company's rate case expense. The additional rate case expense would need to be added to the proposed rate increase, further increasing customer rates.

For the above reasons, the Commission will deny the request for a second customer notice and additional 30-day comment period.

### THE COMMISSION ORDERS THAT:

1. OPC's motion for a second customer notice and additional 30-day comment period is denied.

2. This order shall be effective when issued.



BY THE COMMISSION

Nancy Dippell

Nancy Dippell Secretary

Hahn, Ch., Coleman, Holsman Kolkmeyer, and Mitchell CC., concur.

Hatcher, 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 31<sup>st</sup> day of July 2024.



Wy Dippell

Nancy Dippell Secretary

# MISSOURI PUBLIC SERVICE COMMISSION July 31, 2024

### File/Case No. SR-2024-0206

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#### United Services, Inc.

Legal Department 401 N US Hwy 71 P.O. Box 301 Savannah, MO 64485

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

Sincerely,

Manay Dippell

Nancy Dippell Secretary

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