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BEFORE THE PUBLIC SERVICE COMMISSION

STATE OF MISSOURI

TRANSCRIPT OF PROCEEDINGS
IN THE MATTER OF THE REQUEST FOR INCREASE IN ANNUAL
WATER SYSTEM OPERATING REVENUES MO PSC SMALL UTILITY RATE CASE
FILE NO. WR-2024-0343

IN THE MATTER OF THE REQUEST FOR INCREASE IN ANNUAL
SEWER SYSTEM OPERATING REVENUES MO PSC SMALL UTILITY RATE CASE
FILE NO. SR-2024-0344

VOLUME 1

July 23, 2024
6:42 p.m. - 6:58 p.m.
WebEx

CHARLES HATCHER, Presiding
SENIOR REGULATORY LAW JUDGE

KAYLA HAHN, Chair
MAIDA J. COLEMAN, Commissioner
JASON R. HOLSMAN, Commissioner
GLEN KOLKMEYER, Commissioner
JOHN MITCHELL, Commissioner

Stenographically Reported By: Colin Wallis

1 (The formal portion of the hearing began at 6:42
2 p.m.)

3 JUDGE HATCHER: Let's go on the record.
4 First I would ask everyone to please mute
5 themselves unless they are speaking. That will
6 cut down on the noise level and prevent audio
7 feedback. For the record, today is July 23rd,
8 2024. The Missouri Public Service Commission
9 has set this time for a local public hearing to
10 give members of the public a chance to comment
11 about Holtgrewe Farms water and sewers
12 companies' general rate increase application,
13 and that's file number WR-2024-0343.

14 The Commission regulates the rates charged
15 by public utility companies in Missouri to
16 ensure that those rates are just and
17 reasonable. The Commission also regulates the
18 quality of service and safety of operations of
19 public utilities. As I have been mentioning,
20 there are five commissioners that are appointed
21 by the Governor and confirmed by the Senate.
22 The commissioners employ a staff of engineers,
23 accountants, attorneys, financial analysts and
24 other specialists in the field of utility
25 regulation.

1 Again, my name is Charles Hatcher. I'm
2 the regulatory law judge that will preside over
3 this hearing, and, for the record, with
4 me today are Chair Kayla Hahn and Commissioner
5 Maida Coleman, Commissioner Jason Holsman,
6 Commissioner Glen Kolkmeyer and Commissioner
7 John Mitchell. The commissioners have not made
8 any decision in this case, and, therefore, they
9 cannot answer any questions today because they
10 have to remain impartial until after all of the
11 evidence is presented.

12 Let's go ahead and do our entries of
13 appearance. Counsel for Holtgrewe Farms,
14 please introduce yourself.

15 MR. BEQUETTE: Tony Bequette.

16 JUDGE HATCHER: Thank you. And for Staff?

17 MS. ASLIN: Casi Aslin for Commission
18 Staff.

19 JUDGE HATCHER: Thank you. And Office of
20 the Public Counsel?

21 MS. MARTIN: Anna Martin, representing the
22 Office of the Public Counsel.

23 JUDGE HATCHER: Thank you all. The
24 process that we're going to use tonight will be
25 to call the names that have preregistered to

1 testify, and when I call your name, go ahead
2 and unmute. I will then place you under oath,
3 ask you to state and spell your name, and then
4 ask for your comments to the commissioners.

5 If anyone did not preregister to testify
6 and would like to testify after the names that
7 I have already registered, I will call for
8 anyone else. So you have not missed your
9 chance. The first name I do have on my list is
10 Nicole Farrow. If Nicole Farrow would please
11 unmute, and if they are on a phone, that is
12 going to be star six. If you called in by
13 phone like I did, that's star six.

14 **THE WITNESS: I am on.**

15 JUDGE HATCHER: Excellent. Ms. Farrow,
16 would you please state and spell your name for
17 the record?

18 **THE WITNESS: Yes, Nichole Farrow,**
19 **N-i-c-h-o-l-e. And then Farrow, F-a-r-r-o-w.**

20 JUDGE HATCHER: Thank you, Ms. Farrow.
21 And I'm going to swear you in now.

22 (Ms. Nichole Farrow sworn.)

23 JUDGE HATCHER: Thank you. Would you
24 please go ahead and give your comments to the
25 commissioners?

1 MS. FARROW: I have had multiple billing
2 issues over the almost four years that I've
3 lived here. The first thing, we get our bills
4 through e-mail notification, and we get a
5 letter in the mail; as soon I get it, it states
6 my bill is past due, even though it was just
7 sent to me electronically.

8 I have instances where I was overcharged
9 on my bill. One of the instances was in
10 January of 2023, and it took me about three
11 weeks to get it resolved. I was overcharged
12 23,000 gallons, and whenever I called the
13 Holtgrewe office, they were told that I
14 probably had a water main break. That was the
15 issue, and they were under the impression we
16 knew about it and got it fixed, and I told them
17 I do not have a water main break. And then I
18 was told after they reached out and told me
19 it's probably a toilet that was running
20 nonstop. That wasn't the case either.

21 They end up sending somebody else out from
22 his company to check our meter. Calls me
23 again, told me that, no, it still shows that
24 that amount went through your meter. So I
25 e-mailed back and forth with Tony. He told me

1 to go downstairs, check the meter, see what it
2 says. If it's on there, we have to pay it and
3 so forth. I went down, and that's when we were
4 overcharged 23,000 gallons. I sent him a
5 picture.

6 Now, he did resolve that, but we have just
7 had multiple issues with the billing
8 department. Any time you call, no one can help
9 you. I've also overpaid once before, and it
10 did not go towards my account, so I learned
11 very quickly not to put anything extra on my
12 account. Any time we get our yearly
13 statements, they're always messed up.
14 Everybody in the subdivision is, like, hey, did
15 you get yours? Mine shows that I get late
16 fees, so forth, but it's just been a headache.

17 JUDGE HATCHER: Thank you. I'm sorry to
18 hear about some of those problems. Was there
19 anything else that you wanted to comment on to
20 the commissioners?

21 MS. FARROW: No, sir.

22 JUDGE HATCHER: Okay. Are there any
23 questions from the commissioners for
24 Ms. Farrow? Okay, I'm not hearing any. Thank
25 you, Ms. Farrow. You are excused from our

1 virtual witness stand. Please remain on the
2 line until the conclusion of the hearing if
3 you'd like.

4 Our next witness I have registered is
5 Michael McDonald. Is Michael McDonald there?
6 And if you called in on the phone, that is star
7 six to unmute yourself. Okay, we'll circle
8 back to Mr. McDonald in just a moment. Were
9 there any other persons who would like to
10 testify on the general rate increase request of
11 Holtgrewe Farms? Are there any other witnesses
12 that would like to testify? I heard someone,
13 if you could give me your name.

14 MR. GILLIG: Yes, Logan Gillig, L-o-g-a-n,
15 G-i-l-l-i-g.

16 JUDGE HATCHER: G-i-l-l-i-e?

17 MR. GILLIG: G -- Gilligan without the
18 a-n.

19 JUDGE HATCHER: Thank you. I'm sorry.
20 Mr. Gillig, please -- I'll swear you in.

21 (Logan Gillig sworn.)

22 JUDGE HATCHER: Thank you, sir. Please go
23 ahead and give your comments to the
24 commissioners.

25 MR. GILLIG: Yeah, so I would just like to

1 comment that, you know, in the prehearing, I
2 asked pretty simple questions of Tony, the
3 owner of the sewer and water company. We have
4 multiple; I don't know. So, for example, I
5 asked what his year-over-year expenditure
6 increase percentage is. He can't answer that.
7 I asked him what his capital outlays year over
8 year are. He can't answer that.

9 So, I guess, in summary, he's asking for a
10 50 percent rate increase, and he's also said
11 that the reason he's asking for a 50 percent
12 increase now versus smaller yearly increases
13 because it was a hassle in the past. My view
14 on it is, you know, there are some people that
15 may not be able to afford a 50 percent increase
16 in their utility bills, and the fact that he's
17 asking for a 50 percent increase now, as
18 opposed to incremental increases in the past
19 because of inconvenience on his end, that's not
20 really the 40 houses in the subdivision's
21 problem.

22 Moreover, he's coming to things
23 unprepared, and every year there seems like
24 there's an issue, as the previous witness said.
25 There's billing issues. We've had boil orders

1 before. So, it mystifies me as to why he's
2 asking for a 50 percent increase. We've had
3 complete shut-offs, et cetera.

4 Along with that, I work in corporate
5 America. I have to come with budgets and
6 capital outlays and, you know, PNL information,
7 profit and loss. I would never come to a
8 meeting and ask for a 50 percent increase in
9 revenue or a 50 percent increase in budget and
10 not come with how much my expenses have gone
11 up. Tony could not answer that. He couldn't
12 answer how much his expenses had gone up. He
13 couldn't answer -- he couldn't justify why. So
14 that's what I got.

15 JUDGE HATCHER: Okay, thank you, sir.
16 Anything else? Okay --

17 MR. GRISSOM: Yes, I would like to comment
18 briefly, please.

19 JUDGE HATCHER: -- are there any
20 commissioner -- just a second. Are there any
21 commissioner questions for Mr. Gillig? Okay,
22 hearing none, I think I heard a third witness
23 who wanted to testify. Go ahead.

24 MR. GRISSOM: Yes, my name is Mike --

25 JUDGE HATCHER: If you could tell us your

1 name.

2 MR. GRISSOM: My name is Mike Grissom.

3 M-i-k-e, G-r-i-s-s-o-m. I represent our --

4 JUDGE HATCHER: Mr. --

5 MR. GRISSOM: Sorry, Judge. Go ahead.

6 JUDGE HATCHER: No, you're good. Let me
7 go ahead and swear you in first.

8 (Mike Grissom sworn.)

9 JUDGE HATCHER: Thank you, sir. Please go
10 ahead with your comments.

11 MR. GRISSOM: Yes, Commission. I
12 represent our subdivision's homeowners'
13 association. When we received this letter,
14 obviously, I talked with a lot of neighbors
15 about the, I guess, requested rate increases.
16 And, obviously, everybody feels a little bit
17 differently about it. But the one kind of
18 common theme that I think -- or the sentiment
19 that everybody shares is just the surprise
20 about the number, the 50 percent increase. I
21 think most people felt like that was probably a
22 little bit high.

23 I think most reasonable people understand
24 that you should expect any service you pay for
25 over time to get more expensive. That's just

1 the way the world works. So I would just ask
2 the Commission, on behalf of the residents and
3 Holtgrewe Farms, to just take a really hard
4 look at all of the documents that Mr. Bequette
5 has submitted just to make sure it's equitable
6 for Mr. Bequette and the residents.

7 JUDGE HATCHER: Thank you, Mr. Grissom.
8 Are there any commissioner questions for
9 Mr. Grissom? Thank you, sir. I appreciate you
10 testifying. I'm going to circle back to
11 Michael McDonald to see if he is available. Is
12 Michael McDonald available? Okay, are there
13 any other witnesses who would like to testify?
14 I should say, any other persons who would like
15 to be a witness and testify? Okay, I think
16 that will wrap it up. I'll ask one last time
17 before we officially close out, do the
18 commissioners have any closing comments that
19 they would like to make?

20 CHAIR HAHN: Yes, Judge, if possible.

21 JUDGE HATCHER: Yeah, go ahead, Chair
22 Hahn.

23 CHAIR HAHN: I just want to let our
24 participants know how much we appreciate their
25 input tonight. We know that they could do --

1 be doing any number of things with their
2 evening time, spending time with their family;
3 but, instead, they chose a time to give us a
4 little bit more information about this case,
5 and that is really helpful, and we greatly
6 appreciate it. We'll take that feedback into
7 consideration. Thank you so much.

8 JUDGE HATCHER: Thank you, Madam Chair.
9 Any other commissioners like to comment?

10 COMMISSIONER KOLKMEYER: Yes, Judge, this
11 is Commissioner Kolkmeyer. I just want to echo
12 the Chair's comments and thank everyone for
13 their participation this evening. So, thanks
14 again.

15 JUDGE HATCHER: Thank you. And I would
16 also like to chime in and thank our
17 participants for their testimony. If you do
18 have additional comments or someone who cannot
19 be present who would like to comment, you may
20 still do that by making a written comment. And
21 you can do that by going to the PSC's webpage,
22 and that's psc.mo.gov. And on the right
23 hand -- upper right-hand side of that webpage,
24 is Submit Comments; just make sure you put the
25 file number in your comments; and that file is

1 WR-2024-3043; and I'm sure you heard a
2 presentation by the Office of the Public
3 Counsel this evening.

4 If you would like to contact them further,
5 their e-mail address is mopco@opc.mo.gov. That
6 got a little tongue twisty there; I'll repeat
7 that. That's mopco@opc.mo.gov. I want to
8 thank you all for attending tonight. Thank you
9 to the counsel and the staff members and also
10 to all the commissioners. This hearing is now
11 adjourned, and we are off the record.

12 (Ending time of the hearing: 06:58 p.m.)

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1 I, Colin Wallis, in and for the State of
2 Missouri do hereby certify that the witness
3 whose testimony appears in the foregoing
4 Examination Under Oath was duly sworn by me;
5 that the testimony of the said witness was
6 taken by me to the best of my ability and
7 thereafter reduced to typewriting under my
8 direction; that I am neither counsel for,
9 related to, nor employed by any of the parties
10 to the action in which this examination was
11 taken, and further that I am not relative or
12 employee of any attorney or counsel employed by
13 the parties thereto, nor financially or
14 otherwise interested in the outcome of the
15 action.

Colin Wallis

17 within and for the State of Missouri
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