Denny Hoskins

Secretary of State / Administrative Rules

RULE TRANSMITTAL

001138

Received

OCT 30 2026

SECRETARY OF STATE
ADMINISTRATIVE RULES

Administrative Rules Stamp

JCAR Stamp

RECEIVED
By JCAR at 4:23 pm, Oct 30, 2026

Rule number **20 CSR 4240-10.075**

Use a SEPARATE rule transmittal sheet for EACH individual rulemaking.

Name of person(s) Administrative Rules can contact with questions about this rule:
Content Nancy Dippell Phone 573-751-8518 Fax 573-526-6010
Email address Nancy.Dippell@psc.mo.gov

Data Entry Kayla Kliethermes Phone 573-751-4256 Fax 573-526-6010
Email address Kayla.Kliethermes@psc.mo.gov

Interagency mailing address Public Service Commission, 9th Floor Gov. Office Bldg, JC, MO

TYPE OF RULEMAKING ACTION TO BE TAKEN

☐ Emergency rulemaking > ☐ Rule ☐ Amendment ☐ Rescission ☐ Termination
Effective date for the emergency _____

☒ Proposed rulemaking > ☐ Rule ☒ Amendment ☐ Rescission

☐ Rule Action Notice
☐ In Addition
☐ Rule Under Consideration
☐ Request for Non-Substantive Change
☐ Statement of Actual Cost

☐ Order of Rulemaking > ☐ Withdrawal ☐ Adoption ☐ Amendment ☐ Rescission
Effective date for the order _____
☐ Statutory 30 days OR ☐ Specific date _____

Does the Order of Rulemaking contain changes to the rule text? ☐ NO
☐ YES—LIST THE SECTIONS/SUBSECTIONS WITH CHANGES:

_____

_____

Missouri Public Service Commission

MAIDA J. COLEMAN
Commissioner

GLEN KOLKMEYER
Commissioner

KAYLA HAHN
Chair

POST OFFICE BOX 360
JEFFERSON CITY, MISSOURI 65102
573-751-3234
573-751-1847 (Fax Number)
http://psc.mo.gov

JOHN P. MITCHELL
Commissioner

VACANT
Commissioner

October 30, 2026

Sarah Schappe
Director
Joint Committee on Administration Rules
State Capitol, Room B8A
Jefferson City, Missouri 65101

Re: 20 CSR 4240-10.075 Staff Assisted Rate Case Procedure

Dear Director Schappe,

CERTIFICATION OF ADMINISTRATIVE RULE

I do hereby certify that the attached is an accurate and complete copy of the proposed amendment lawfully submitted by the Missouri Public Service Commission.

The Public Service Commission further certifies it has conducted an analysis of whether or not there has been a taking of real property pursuant to section 536.017, RSMo, that the proposed amendment does not constitute a taking of real property under relevant state and federal law.

The Public Service Commission has determined and hereby also certifies that if the proposed amendment does affect small business pursuant to sections 536.300 to 536.310, RSMo, a small business impact statement has been filed as required by those sections. If no small business impact statement has been filed the proposed amendment either does not affect small business or the small business requirements do not apply pursuant to section 536.300.4, RSMo.

Statutory Authority: *sections 386.040, 386.250, 393.140, 393.290, and 393.291, RSMo.*

If there are any questions regarding the content of this proposed amendment, please contact:

Nancy Dippell
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
200 Madison Street
P.O. Box 360
Jefferson City, MO 65102
(573) 751-8518
Nancy.Dippell@psc.mo.gov

Nancy Dippell

Nancy Dippell
Secretary

Enclosures

Missouri Public Service Commission

MAIDA J. COLEMAN
Commissioner

GLEN KOLKMEYER
Commissioner

KAYLA HAHN
Chair

POST OFFICE BOX 360
JEFFERSON CITY, MISSOURI 65102
573-751-3234
573-751-1847 (Fax Number)
http://psc.mo.gov

JOHN P. MITCHELL
Commissioner

VACANT
Commissioner

October 30, 2026

Denny Hoskins
Secretary of State
Administrative Rules Division
600 West Main Street
Jefferson City, Missouri 65101

Re: 20 CSR 4240-10.075 Staff Assisted Rate Case Procedure

Dear Secretary Hoskins,

CERTIFICATION OF ADMINISTRATIVE RULE

I do hereby certify that the attached is an accurate and complete copy of the proposed amendment lawfully submitted by the Missouri Public Service Commission.

The Public Service Commission further certifies it has conducted an analysis of whether or not there has been a taking of real property pursuant to section 536.017, RSMo, that the proposed amendment does not constitute a taking of real property under relevant state and federal law.

The Public Service Commission has determined and hereby also certifies that if the proposed amendment does affect small business pursuant to sections 536.300 to 536.310, RSMo, a small business impact statement has been filed as required by those sections. If no small business impact statement has been filed the proposed amendment either does not affect small business or the small business requirements do not apply pursuant to section 536.300.4, RSMo.

Statutory Authority: *sections 386.040, 386.250, 393.140, 393.290, and 393.291, RSMo.*

If there are any questions regarding the content of this proposed amendment, please contact:

Nancy Dippell
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
200 Madison Street
P.O. Box 360
Jefferson City, MO 65102
(573) 751-8518
Nancy.Dippell@psc.mo.gov

Nancy Dippell

Nancy Dippell
Secretary

Enclosures

STATE CAPITOL
201 W. CAPITOL AVENUE, ROOM 216
JEFFERSON CITY, MISSOURI 65101

(573) 751-3222
WWW.GOVERNOR.MO.GOV

Mike Kehoe
GOVERNOR
STATE OF MISSOURI

October 20, 2026

Kayla Hahn, Chair
Missouri Public Service Commission
P O Box 360
Jefferson City MO 65102

Dear Ms. Hahn:

Our office has received the Proposed Amendment rulemakings for the following regulations:

- **20 CSR 4240-10.075** Staff Assisted Rate Case Procedure

Executive Order 25-13 requires this office's approval before state agencies release proposed regulations for notice and comment, amend existing regulations, or adopt new regulations. After our review, we approve submission of the rule and the regulatory impact report (if required) to JCAR and the Secretary of State.

Sincerely,

Lowell Pearson

Lowell Pearson
General Counsel

AFFIDAVIT

PUBLIC COST

STATE OF MISSOURI)
)
COUNTY OF COLE)

I, Rodney Massman, General Counsel of the Public Service Commission, first being duly sworn, on my oath, state that it is my opinion that the cost of proposed amendment, 20 CSR 4240-10.075, is less than five hundred dollars in the aggregate to this agency, any other agency of state government or any political subdivision thereof.

Rodney P. Massman

Rodney Massman
General Counsel
Public Service Commission

Subscribed and sworn to before me this 21st day of October, 2024; I am commissioned as a notary public within the County of Cole, State of Missouri, and my commission expires on June 29, 2029.

KAYLA DANAE KLIETHERMES
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: June 29, 2029
Commission Number: 25748700

Notary Public

Received
OCT 30 2026
SECRETARY OF STATE
ADMINISTRATIVE RULES

001138

Title 20—DEPARTMENT OF COMMERCE AND INSURANCE
Division 4240—Public Service Commission
Chapter 10—Utilities

20 CSR 4240-10.075 Staff Assisted Rate Case Procedure. The Public Service Commission is amending sections (1), (2), (3), (6), (7), (8), (9), (10), and (11) and adding section (16).

PURPOSE: This proposed amendment updates citation references from the originally filed rule of 4 CSR 240-2.115 and 4 CSR 240-2.116 to the current location of 20 CSR 4240-2.115 and 20 CSR 4240-2.116. This proposed amendment also updates the definition of a small utility, local public hearing schedules and notice, the title of the Office of the Public Counsel, and settlement proposals and disposition agreements. The proposed amendment also adds a reference to future test year issues related to section 393.150, RSMo.

(1) Definitions. As used in this rule, the following terms mean:

[(A) A small utility means a gas utility serving ten thousand (10,000) or fewer customers, a water or sewer utility serving eight thousand (8,000) or fewer customers, or a steam utility serving one hundred (100) or fewer customers: and

(B) A disposition] **(A) Disposition** agreement is a document that sets forth the signatories' proposed resolution of some or all *[of]* the issues pertaining to a small utility rate case*[,]* and has the same weight as a stipulation and agreement as defined in *[4 CSR 240-2.115]* **20 CSR 4240-2.115**.

(B) Small utility means a—

1. Gas corporation, as defined in section 386.020, RSMo, serving ten thousand (10,000) or fewer customers;

2. Heating company, as defined in section 386.020, RSMo, serving one hundred (100) or fewer customers; or

3. Sewer corporation, as defined in section 386.020, RSMo, serving eight thousand (8,000) or fewer customers;

4. Water corporation, as defined in section 386.020, RSMo, serving eight thousand (8,000) or fewer customers; or

RECEIVED
By JCAR at 4:23 pm, Oct 30, 2026

5. Water corporation and sewer corporation, as those terms are defined in section 386.020, RSMo, that provides both sewer and water service with eight thousand (8,000) or fewer customers where that number is determined by adding the number of customers receiving only sewer services, the number of customers receiving only water services, and the number of customers receiving both sewer and water services.

[(2) This rule describes the process for small utility rate cases.

(A) In addition to the commission's provisions regarding dismissal of a case in 4 CSR 240-2.116, the commission may dismiss a small utility rate case at any time if—

1. The utility is not current on the payment of all of its commission assessments;

2. The utility fails to submit its annual report or annual statement of operating revenue; or

3. The utility is not in good standing with the Missouri Secretary of State, if applicable.]

[(3)] **(2)** Commencement. A small utility rate case may be commenced by—

(A) A letter received by the secretary of the commission from a small utility stating the amount of the requested increase in its overall annual operating revenues*[.]*--

1. Any such letter need not be accompanied by any proposed tariff revisions*[.]*; **and**

2. Upon receipt of the letter, the secretary of the commission will *[cause a rate case to be opened and will file a copy of the letter in that case.]* open a rate case by filing **the letter in the commission's electronic filing and information system (EFIS);**

[3. At any time before day one hundred fifty (150) of the timeline described in section (5) of this rule, the utility may submit to the secretary of the commission a letter withdrawing its previous request for an increase in its annual operating revenues;]

(B) A complaint filed by staff or by any eligible entity or entities pursuant to section 386.390.1, RSMo, or section 393.260.1, RSMo; *[and]***or**

(C) A proposed tariff stating a new rate or charge filed by a small utility pursuant to section 393.150.1, RSMo, if accompanied by a written statement requesting the use of the procedures established by this rule.

(3) Dismissal or withdrawal.

(A) In addition to the commission's provisions regarding dismissal of a case in 20 CSR 4240-2.116, the commission may dismiss a small utility rate case at any time if—

1. The utility is not current on the payment of all its commission assessments;

2. The utility fails to submit its annual report or annual statement of operating revenue; or

3. The utility is not in good standing with the Missouri Secretary of State, if applicable.

(B) At any time before day one hundred fifty (150) of the timeline described in section (5) of this rule, the utility may submit to the secretary of the commission a letter withdrawing its request for an increase in its annual operating revenues at which time the case will be closed.

(6) Local public hearing. A local public hearing shall be scheduled to occur no later than *[sixty (60)]* **ninety (90)** days after the opening of the case unless staff files a notice in the case stating that *[all parties agree a local public hearing is not necessary.]*—

(A) All parties agree to a different schedule;

(B) All parties agree to only a virtual public hearing; or

(C) All parties agree a local public hearing is not necessary.

(7) Notice.

(A) At least *[ten (10)]* **fifteen (15)** days prior to a local public hearing, or upon the filing of a notice that a local public hearing is not necessary, the utility shall mail a written notice, as approved by staff and the Office of the Public Counsel (OPC), to its customers stating—

1. The time, date, and location of the local public hearing, consistent with the order setting the hearing, if applicable;

2. A summary of the proposed rates and charges, the effect of the proposed rate increase on an average residential customer's bill, and any other company requests that may affect customers, if known;

3. An invitation to submit comments about the utility's rates and quality of service within thirty (30) days after the date shown on the notice and instructions as to how comments can be submitted electronically, by telephone, and in writing; and

4. Instructions for viewing the publicly available filings made in the case via the commission's electronic filing system.

(B) Staff will file a copy of the notice in the case file.

(C) Where reasonably possible, the utility shall also post a copy of the same notice to any webpage and social media platform operated by or on behalf of the utility and shall send an electronic copy of that same notice to all customers of the utility.

(8) Investigation and audit. After a small utility rate case is opened, the staff shall, and the *[public counsel]* **OPC** may, conduct an investigation of the utility's request.

(B) Staff's investigation may include a review of the records generated since the utility's previous rate case, the case in which the utility was granted its Certificate of Convenience and Necessity, or the utility's transfer of assets case *[whichever is the most recent]*.

(C) If an investigation of the utility's request includes the submission of data requests to the utility, copies of the data requests shall be provided to all parties to the case when they are submitted to the utility*[. The]*, **as well as the** utility's responses to such data requests *[shall also be shared]*.

(E) In determining the utility's cost of service, the value of normal expense items and plant-in-service and other rate base items, for which documentation is not available, may be based upon such evidence as is available or may be estimated in order to include reasonable levels of those costs. Unusual expense or rate base items, or expense or rate base items for which the utility claims unusual levels of cost may require additional **evidentiary** support by the utility. Nothing in this section diminishes the utility's obligation to adhere to the commission's rules regarding appropriate record-keeping.

(G) If the *[public counsel]* **OPC** is conducting its own investigation it shall, not later than ninety (90) days after a small utility rate case is opened, provide to all parties a report regarding whatever investigation it has conducted.

(9) Settlement proposals.

(A) Staff's confidential settlement proposal. Not later than one hundred twenty (120) days after a small utility rate case is opened staff shall, and the *[public counsel]* **OPC** if proposing its own settlement, may provide to all parties to the case, a confidential settlement proposal.

1. Staff's settlement proposal will address the following subjects:
   A. The utility's annual operating revenues;
   B. The utility's customer rates;
   C. The utility's service charges and fees;
   D. The utility's plant depreciation rates;
   E. The utility's tariff provisions;
   F. The operation of the utility's systems; and
   G. The management of the utility's operations.
2. Staff's settlement proposal will include the following documents:
   A. Draft revised tariff sheets reflecting the settlement proposal;
   B. A draft disposition agreement reflecting the settlement proposal;
   C. Staff's updated workpapers; and
   D. Any other documents supporting the staff's settlement proposal.
3. If OPC makes a settlement proposal, it shall include the following documents:
   A. OPC's updated workpapers; and
   B. Any other documents supporting OPC's settlement proposal.

(B) **In accordance with 20 CSR 4240-2.090(7),** *[A]***a**ny settlement proposal, including any draft disposition agreement, and all supporting documents attached thereto are strictly intended for settlement negotiations only. If staff and the utility are unable to reach a full or partial settlement via disposition agreement, neither party is bound to any position stated or implied by the settlement proposal, draft disposition agreement, or supporting documents provided.

(C) Not later than ten (10) days after staff provides its settlement proposal, the *[public counsel]* **OPC**, the utility, and any other parties to the case shall notify staff whether they agree with the proposal or, if not, provide any suggested changes and the reasoning for those changes to the parties. Any party suggesting changes shall provide to all other parties any audit workpapers, rate design workpapers, or other documents in its possession that support its suggestions.

(10) At any time prior to the filing of a disposition agreement, any party may request the *[assigned regulatory law judge meet with the participants and mediate discussions to assist them]* **commission appoint a presiding officer or other neutral third party other than the presiding officer assigned to the case to serve as a settlement officer to assist the parties** in reaching at least a partial agreement **in accordance with 20 CSR 4240-2.125**.

(11) Disposition agreement.

(A) Not later than one hundred fifty (150) days after a small utility rate case is opened, staff shall file one (1) of the following*[:]***—**

1. A disposition agreement *[involving]***signed by**, at a minimum, staff and the utility, and providing for a full resolution of the small utility rate case;

2. A disposition agreement *[involving]***signed by**, at a minimum, staff and the utility, and providing for a partial resolution of the small utility rate case and a motion requesting that the case proceed to an evidentiary hearing; or

3. A motion stating that agreements cannot be reached on any of the issues related to the small utility rate case and asking that the case proceed to an evidentiary hearing.

(B) If the disposition agreement provides for a full resolution of the small utility rate case and is executed by all parties, the utility *[will]***shall** submit to the commission, within five (5) business days of staff's filing, new and/or revised tariff sheets bearing an effective date of not fewer than thirty (30) days later, to implement the agreement.

(C) If the disposition agreement filed by staff provides for a full resolution of the small utility rate case but is not executed by all parties, the utility *[will]***shall** submit to the commission *[concurrent with]***, within five (5) business days of** staff's filing**,** new and/or revised tariff sheets bearing an effective date that is not fewer than forty-five (45) days after they are filed to implement the agreement.

(E) If any party requests an evidentiary hearing where the disposition agreement filed by staff provides for a full resolution of the small utility rate case and is executed by at least the utility and staff, either the utility or staff, **or both,** may present evidence in support of the disposition agreement.

1. If the utility requests to be excused from participating as a party in such an evidentiary hearing through a utility representative's affidavit submitted by staff or a motion submitted by the utility, the regulatory law judge may grant that request and issue a notice in the case file that the request has been made and granted. However, representatives of the utility may still be called as witnesses by other parties.

(16) Small utilities electing to utilize a future test year pursuant to section 393.150, RSMo, shall not be eligible to proceed under the staff assisted rate case procedures set forth in this rule and shall instead be subject to the filing requirements of 20 CSR 4240-3.030.

AUTHORITY: sections 386.040, 386.250, 393.140, 393.290, and 393.291, RSMo 2016. This rule originally filed as 4 CSR 240-10.075. Original rule filed Oct. 5, 2017, effective May 30, 2018. Moved to 20 CSR 4240-10.075, effective Aug. 28, 2019.* ***Amended: Filed***

**Original authority: 386.040, RSMo 1939; 386.250, RSMo 1939, amended 1963, 1967, 1977, 1980, 1987, 1988, 1991, 1993, 1995, 1996; 393.140, RSMo 1939, amended 1949, 1967; 393.290, RSMo 1939, amended 1967; and 393.291, RSMo 2003.*

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars ($500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars ($500) in the aggregate.

NOTICE TO SUBMIT COMMENTS AND NOTICE OF PUBLIC HEARING: Anyone may file comments in support of or in opposition to this proposed amendment with the Missouri Public Service Commission, Nancy Dippell, Secretary of the Commission, P.O. Box 360, Jefferson City, MO 65102. To be considered, comments must be received at the

commission's offices on or before January 6, 2027, and should include a reference to Commission Case No. OX-2027-0119. Comments may also be submitted via a filing using the commission's electronic filing and information system at https://psc.mo.gov/General/Submit_Comments. A public hearing regarding this proposed rule is scheduled for January 13, at 1 p.m., in Room 310 of the Governor Office Building, 200 Madison St., Jefferson City, MO. Interested persons may appear at this hearing to submit additional comments and/or testimony in support of or in opposition to this proposed amendment, and may be asked to respond to commission questions. Any persons with special needs as addressed by the Americans with Disabilities Act should contact the Missouri Public Service Commission at least ten (10) days prior to the hearing at one (1) of the following numbers: Consumer Services Hotline 1-800-392-4211 or TDD Hotline 1-800-829-7541.

Small Business Impact Statement

Date: September 25, 2026

Rule Number: 20 CSR 4240-10.075 Staff Assisted Rate Case Procedure.

Name of Agency Preparing Statement: Missouri Public Service Commission

Name of Person Preparing Statement: Scott Stacey and Michael Abbott

Phone Number: 573-522-6279 **Email: scott.stacey@psc.mo.gov**
573-526-9821 **michael.abbott@psc.mo.gov**

Name of Person Approving Statement: Claire Eubanks and Mark Johnson

Please describe the methods your agency considered or used to reduce the impact on small businesses *(examples: consolidation, simplification, differing compliance, differing reporting requirements, less stringent deadlines, performance rather than design standards, exemption, or any other mitigating technique).*

This proposed amendment will establish requirements for small utilities seeking a rate modification with assistance from Staff. The rules provide regulatory clarity on actions and items to be taken and provided in a staff assisted rate case.

Please explain how your agency has involved small businesses in the development of the proposed rule.

This proposed rule is necessary to correct inaccurately cited rules, clarify applicability, and revise time schedules for processing small utilities and Staff of the Public Service Commission including when to provide information to customers of the small utility regarding rate case and public hearings.

Please list the probable monetary costs and benefits to your agency and any other agencies affected. Please include the estimated total amount your agency expects to collect from additionally imposed fees and how the moneys will be used.

It is anticipated the proposed rule will not result in monetary costs to the Commission and other affected agencies because it updates the Commission's existing rule 20 CSR 4240-10.075. No additional fees will be imposed.

Please describe small businesses that will be required to comply with the proposed rule and how they may be adversely affected.

No adverse impact is expected to small businesses as this rule is being amended to add definitions for applicability and allow additional time for notice to be sent customers of the small utility seeking a rate modification.

Please list direct and indirect costs (in dollars amounts) associated with compliance.

None identified.

Please list types of business that will be directly affected by, bear the cost of, or directly benefit from the proposed rule.

Small gas utilities serving less than 10,000 customers or fewer, small steam utilities serving 100 or fewer customers, small sewer or water utilities serving less than 8,000 customers.

Does the proposed rule include provisions that are more stringent than those mandated by comparable or related federal, state, or county standards?
Yes___No_X__

If yes, please explain the reason for imposing a more stringent standard.

For further guidance in the completion of this statement, please see §536.300, RSMo.