

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of the Assessment Against the)
Public Utilities in the State of Missouri for the)
Expenses of the Commission for the Fiscal Year)
Commencing July 1, 2007)

Case No. AO-2007-0486

MOTION TO ESTABLISH CASE AND ENTER ASSESSMENT ORDER

COMES NOW the Staff of the Missouri Public Service Commission and states the following:

1. In order to assist the Commission in meeting the requirements of Section 386.370 RSMo 2005, for providing sufficient revenues to fund Commission operations, Staff has made an estimate of the expenses to be incurred by the Commission during the fiscal year commencing July 1, 2007, reasonably attributable to the regulation of public utilities as provided in Chapters 386.392 and 393 RSMo.

2. Staff has determined that based upon the legislative appropriation for state FY 2008, the Commission's revenue need is \$17,909,436.

3. Staff has separately estimated the amount of expenses directly attributable to such regulation of each of the following groups of public utilities: electrical utilities, gas utilities, heating utilities, water utilities, sewer utilities and telephone utilities, as well as the amount of such expenses not directly attributable to any such group.

4. As provided by law, Staff subtracted from the need amount the Public Service Commission Fund's FY 2007 unexpended balance of \$1,382,562, as allocated to each group of public utilities, noted above, in proportion to the respective gross intrastate operating revenue of the respective groups during the calendar year of 2006. Staff also subtracted from the need amount the estimated reimbursement from the Federal Gas Safety program.

5. Staff has determined the amounts allocated to each such group of public utilities, net of said estimated unexpended fund balance and federal reimbursement as follows:

Electric	\$6,532,037
Gas	\$4,956,743
Heating	\$ 27,337
Water	\$1,257,256
Sewer	\$ 303,158
Telephone	\$3,172,843

TOTAL	\$16,249,374
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6. Attached to this filing are three worksheets Staff prepared which detail the computations used to arrive at its estimates and the assessment calculations by public utility group.

7. Staff requests the Commission to direct its Budget and Fiscal Services Department to calculate the amount of assessment against each public utility for the next fiscal year. It further requests that the Commission direct its Director of Administration to render a statement of such assessment to each public utility on or before July 1, 2007, pursuant to 386.370 RSMo 2005, with said assessment due and payable on or before July 15, 2007, or at the option of each public utility, payable in equal quarterly installments on or before July 15, 2007, October 15, 2007, January 15, 2008 and April 15, 2008, as provided by law.

WHEREFORE, the Staff asks that the Commission open this case for the purpose of entering an Order with respect to the FY 2008 public utility assessments that adopts the cost estimates and assessment allocations contained in the worksheets prepared by Staff, directs the

Commission's Budget and Fiscal Services Department to calculate the amount of assessment against each public utility, and further, directs its Director of Administration to render a statement of each public utilities assessment to each utility on or before July 1, 2007.

Respectfully submitted,

/s/ Robert V. Franson

Robert V. Franson
Senior Counsel
Missouri Bar No. 34643

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or e-mailed to all counsel of record this 20th day of June 2007.

/s/ Robert V. Franson

MISSOURI PUBLIC SERVICE COMMISSION
FY 2008 ASSESSMENT
SUMMARY OF COST ALLOCATED TO TYPE OF UTILITY

DIVISION/COST GROUP	TOTAL	ELECTRIC	GAS	HEATING	WATER	SEWER	TELEPHONE	COMMON
PUBLIC SERVICE COMMISSION	\$16,605,405	\$3,550,577	\$3,750,055	\$10,473	\$1,057,355	\$279,651	\$1,573,361	\$6,383,933
ECONOMIC DEVELOPMENT-COST ALLOCATION	\$226,656	\$50,493	\$50,051	\$164	\$16,200	\$4,312	\$23,443	\$81,993
OFFICE OF ADMINISTRATION-LEASES	\$853,876	\$190,221	\$188,555	\$619	\$61,031	\$16,246	\$88,315	\$308,889
OFFICE OF ADMINISTRATION-COST ALLOCATION	\$223,499							\$223,499
TOTAL	\$17,909,436	\$3,791,291	\$3,988,661	\$11,256	\$1,134,586	\$300,209	\$1,685,119	\$6,998,314
INTRASTATE REVENUE	\$8,316,425,053	\$4,058,798,768	\$1,844,595,399	\$23,814,558	\$181,664,103	\$4,366,820	\$2,203,185,405	
PERCENT TO TOTAL	100.0000%	48.8046%	22.1801%	0.2864%	2.1844%	0.0525%	26.4920%	
ALLOCATION OF COMMON		\$3,415,500	\$1,552,236	\$20,040	\$152,871	\$3,675	\$1,853,992	(\$6,998,314)
TOTAL COSTS ALLOCATED	\$17,909,436	\$7,206,791	\$5,540,897	\$31,296	\$1,287,457	\$303,884	\$3,539,111	
LESS: PSC FUND CASH BALANCE	\$1,382,562	\$674,754	\$306,654	\$3,959	\$30,201	\$726	\$366,268	
LESS: EST. GAS SAFETY REIMB.	\$277,500		\$277,500					
FISCAL YEAR 2008 ASSESSMENT	\$16,249,374	\$6,532,037	\$4,956,743	\$27,337	\$1,257,256	\$303,158	\$3,172,843	
ASSESSMENT % TO REVENUE	0.1954%	0.1609%	0.2687%	0.1148%	0.6921%	6.9423%	0.1440%	
MAXIMUM ASSESSMENT TO REVENUE	\$20,791,063							

MO PUBLIC SERVICE COMMISSION
FY-2008 ASSESSMENT
CALCULATION OF PSC ASSESSMENT

FISCAL YEAR 2008 APPROPRIATIONS/TRANSFERS/STATE CONTRIBUTIONS:

PUBLIC SERVICE COMMISSION APPROPRIATION	\$12,670,991
ECONOMIC DEVELOPMENT-COST ALLOCATION	\$226,656
OFFICE OF ADMINISTRATION-COST ALLOCATION	\$223,499
OFFICE OF ADMINISTRATION - LEASES	\$853,876
OASDI	\$771,804
STATE RETIREMENT, LTD INS & BASIC LIFE INS	\$1,393,786
STATE MEDICAL INSURANCE	\$1,707,624
DEFERRED COMPENSATION	\$46,200
WORKER'S COMPENSATION	\$5,000
UNEMPLOYMENT COMPENSATION	\$10,000

TOTAL APPROPRIATIONS/TRANSFERS/STATE CONTRIBUTIONS	<u>\$17,909,436</u>
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LESS: ESTIMATED CASH BALANCE - PSC FUND	(\$1,382,562)
ESTIMATED D.O.T. GAS SAFETY RECEIPTS	<u>(\$277,500)</u>

FISCAL YEAR 2008 PSC ASSESSMENT	<u><u>\$16,249,374</u></u>
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MO PUBLIC SERVICE COMMISSION
FY-2008 ASSESSMENT
PUBLIC SERVICE COMMISSION FUND
ESTIMATED CASH BALANCE JUNE 30, 2007

CASH BALANCE AT JULY 1, 2006	\$2,038,945	
FY-2007 REVENUES	\$15,658,051	
 TOTAL CASH AVAILABLE		 \$17,696,996
 ACTUAL AND ESTIMATED EXPENDITURES/TRANSFERS/STATE CONTRIBUTIONS JULY 1, 2006 - JUNE 30, 2007		
PUBLIC SERVICE COMMISSION EXPENDITURES	\$11,273,614	
ECONOMIC DEVELOPMENT-COST ALLOCATION	\$375,541	
OFFICE OF ADMINISTRATION-COST ALLOCATION	\$219,016	
OFFICE OF ADMINISTRATION-LEASES	\$888,249	
OASDI	\$675,617	
STATE RETIREMENT, LTD INS & BASIC LIFE INS	\$1,236,799	
STATE MEDICAL INSURANCE	\$1,594,779	
DEFERRED COMPENSATION	\$46,017	
WORKER'S COMPENSATION	\$454	
UNEMPLOYMENT COMPENSATION	\$4,348	
 TOTAL ESTIMATED EXPENDITURES/TRANSFERS/STATE CONTRIBUTIONS		 <u>\$16,314,434</u>
 ESTIMATED CASH BALANCE 06/30/2007		 <u><u>\$1,382,562</u></u>

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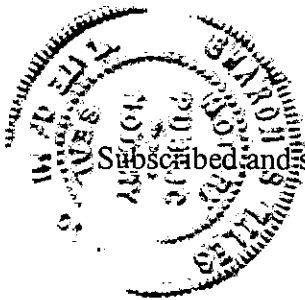
Case No. AO-2007-0486

AFFIDAVIT OF HELEN DAVIS

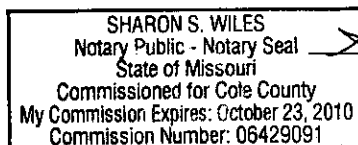
STATE OF MISSOURI)
) ss
COUNTY OF COLE)

Helen Davis, of lawful age, on oath states that she has participated in the preparation of the foregoing Staff's Motion to Establish Case and Enter Assessment Order, and that such matters are true and correct to the best of her knowledge and belief.

Helen Davis
Helen Davis



Subscribed and sworn to before me this 20th day of June, 2007.



Sharon S. Wiles
Notary Public

My commission expires _____