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Case No. EC-98-573

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BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

FILED

JUN 19 1998

Missouri Public
Service Commission

The Staff of the Missouri Public Service)
Commission,)

Complainant,)

v.)

St. Joseph Light & Power Company,)

Respondent.)

Case No. EC-98- 573

COMPLAINT

COMES NOW the Staff of the Missouri Public Service Commission (Staff) pursuant to Section 386.390 RSMo 1994 and 4 C.S.R. 240-2.070 and for its Complaint to the Missouri Public Service Commission (Commission) respecting the rates and charges of St. Joseph Light & Power Company (Respondent) states as follows:

1. Respondent is a Missouri corporation with its principal office and place of business located at 520 Francis Street, P. O. Box 998, St. Joseph, Missouri 64502-0998.
2. Respondent is engaged in the provision of electric service in all or part of Andrew, Atchison, Buchanan, Clinton, DeKalb, Gentry, Holt, Nodaway, Platte and Worth Counties, Missouri, in areas certificated to it by the Commission.
3. Respondent is an "electrical corporation" and "public utility" as those terms are defined by Section 386.020 RSMo Supp. 1997.
4. Respondent is subject to the jurisdiction and supervision of the Commission pursuant to Chapters 386 and 393, RSMo.

5. Section 393.130 RSMo 1994 directs that all charges made or demanded by any electrical corporation for electricity or for any service rendered or to be rendered shall be "just and reasonable."

6. The Staff has conducted a preliminary audit of the Respondent's 1997 books and records. This preliminary audit did not include all of the annualizations and normalizations, nor the detailed review, that are part of a complete audit. Based upon its preliminary audit, the Staff has concluded that Respondent's rates are not just and reasonable and that the Respondent's annual revenues should be reduced.

7. The Staff has discussed the results of its preliminary audit with the Respondent and has requested the Respondent to reduce its rates and charges. Those discussions did not reach a satisfactory conclusion from the Staff's perspective.

8. The Staff proposes to conduct a complete audit of the books, records and operations of the Respondent.

9. The Staff proposes a test year of the twelve months ending December 31, 1997, with an update period through May 31, 1998, for known and measurable items.

10. The Staff estimates that a complete audit will show that the Respondent's annual revenues should be reduced up to \$8 million.

11. The Staff proposes to present the results of its audit in direct testimony to be filed on October 1, 1998. The Staff believes that the Respondent should be able to file its rebuttal testimony by January 4, 1999. The Staff suggests that an early prehearing conference be scheduled for the parties to develop a proposal for the remainder of the procedural schedule.

WHEREFORE, the Staff requests the Commission (1) to direct the Respondent to answer this Complaint, (2) to establish a test year of the twelve months ending December 31, 1997 with an update period through May 31, 1998, for this case, (3) to establish filing dates of October 1, 1998, for the Staff's direct testimony and January 4, 1999, for the Respondent's rebuttal testimony, (4) to schedule an early prehearing conference for the parties to develop a proposal for the remainder of the procedural schedule, (5) to find that the Respondent's rates and charges are not just and reasonable, and (6) to order the Respondent to modify its rates and charges so as to reduce its annual revenues by up to \$8 million.

Respectfully submitted,



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