

In the Matter of Central Rivers Wastewater)
Utility, Inc.'s Small Company Rate Increase) Case No. SR-2014-0247
Request.)

1. On November 21, 2014, the Staff of the Commission (Staff) filed its response to Central Rivers' Motion to Suspend Procedural Schedule and Motion to Enforce Partial Disposition Agreement. Staff does not dispute the order of events described by Central Rivers. Instead, Staff attempts to diminish the significance of its actions, suggest that its actions are permitted by rule, and then to explain away its actions.

2. Staff describes its change in position as follows, as if it is a minor point:

Staff actually has made only one change to its direct testimony, originally drafted to support the position taken in the *Partial Disposition Agreement* – that change was to remove the recommendation for a rate increase.

3. This change is HUGE. The consideration received by a utility in a disposition agreement in exchange for the promises made by the utility is: 1) Staff's support of a rate increase; and 2) Staff's support of that increase with testimony (which greatly reduces the burden on the company in terms of witnesses, consultants and attorneys, and the related costs). Staff's statement is the rough equivalent of an automobile dealership saying after you have contracted to

buy a car they are “just going to make one change – they are not going to provide you with the car” – however, they are willing to still take your money.

STAFF’S ACTIONS NOT PERMITTED BY RULE

4. Staff suggests that it was relieved of its obligations by the Office of the Public Counsel’s objection to the Partial Disposition Agreement. In doing so, it cites for support Commission Rule 4 CSR 240-2.115 (Stipulations and Agreements). That rule, however, is not applicable to the situation at hand. As pointed out in Central Rivers’ Motion, no provision in either the Partial Disposition Agreement or in the Commission Small Company Rate Case Rule (4 CSR 240-3.050) allows Staff to take a different position in this circumstance. Staff cites no provision indicating that a “partial disposition agreement,” as described in the Small Company Rate Case Rule is a “stipulation and agreement” within the meaning of Commission Rule 4 CSR 240-2.115. Commission Rule 4 CSR 240-2.115 provides no defense for Staff’s actions.

STAFF’S STATED REASON FOR ITS CHANGE IS NOT SUPPORTED BY THE SEQUENCE OF EVENTS

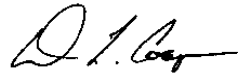
5. Staff alleges that it changed its position because Central Rivers obstructed its audit. The sequence of events does not support this allegation.

6. It is certainly true that Staff and the Company had differences in regard to data requests Staff had for another company - Construction Services & Management, LLC. However, those difference took place BEFORE the Partial Disposition Agreement was created by Staff, presented to Central Rivers by Staff, and executed by Staff. In fact, the discovery dispute is specifically referenced in the Partial Disposition Agreement on page 2 of 8. This discovery dispute is nothing new. It does not represent a change in facts that would justify Staff’s change in position.

7. Moreover, while Staff suggests that the inability to obtain information from this third party obstructed its audit, Staff took none of the actions within its power to force the issue. Staff did not seek or serve a subpoena on the third party. Staff did not pursue a motion to compel against Central Rivers. Staff did nothing to bring this dispute before the regulatory law judge or the Commission in a timely manner. After this inaction, Staff should not be allowed to now use this dispute as justification for its actions.

WHEREFORE, Central Rivers respectfully requests that the Commission issue its order suspending the procedural schedule in this matter, enforcing the Partial Disposition Agreement entered into by its Staff, and making such further orders as it shall believe to be reasonable and just under the circumstances.

Respectfully submitted,



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**ATTORNEYS FOR CENTRAL RIVERS
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CERTIFICATE OF SERVICE

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