

STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION

At a Session of the Public Service  
Commission held at its office  
in Jefferson City on the 28th  
day of June, 1996.

In the Matter of L. W. Sewer Corporation Tariff       )  
Revision Designed to Increase Rates Pursuant to       ) CASE NO. SR-96-378  
the Small Company Informal Rate Procedure.           )

ORDER APPROVING AGREEMENT AND TARIFFS

L.W. Sewer Corporation (L.W. Sewer or the company) is a sewer corporation and a public utility subject to the jurisdiction of the Missouri Public Service Commission (Commission). § 386.250(4), RSMo (1994). L.W. Sewer serves approximately 183 customers in Missouri. By letter dated November 20, 1995, the company requested that the Commission approve a rate increase for its sewer operations under the small company rate proceeding set out in 4 CSR 240-2.200, indicating that the company's rates have not changed since 1978, and that an increase was needed due to increased costs and an increase of \$10,200 annually in maintenance costs. The company requested an increase of \$17,304 per year in revenues. L.W. Sewer filed a letter extending the 150-day time period for completion of the small company rate proceeding.

L.W. Sewer sent written notice of the requested increase to its customers on December 5, 1995. The Staff of the Public Service Commission (Staff) received no customer complaints as a result of this notice. Staff proposed an increase of \$8,621 in annual revenues, or 42 percent. The company filed a revised tariff sheet on May 10, 1996, reflecting Staff's recommended increase. Written notice of Staff's recommended increase was sent to customers on May 15, 1996. Staff received one telephone call and one letter after the second notice, both complaining that sewer rates were

too high. Staff's recommended increase would affect customers as shown below:

	CURRENT	PROPOSED
Monthly charge	\$ 9.25	\$13.18
Surcharge	\$ 5.42	\$ 5.42
TOTAL	\$14.67	\$18.60

Staff conducted an investigation into the books, records, and operations of L.W. Sewer and filed its recommendation on June 21, 1996. Staff concluded that there is justification for a revenue increase for sewer service of approximately \$8,621 or 42 percent. Staff recommended approval of the revised tariff sheet filed May 10, 1996, to become effective on July 1, 1996.

The Office of the Public Counsel (OPC) executed a revised Statement of Position on May 16, 1996. OPC stated that the Public Counsel agrees with the Staff's accounting data and rate design and agrees that the rates recommended by Staff are reasonable.

Upon review of Staff's memorandum and its attachments, the OPC's position statement, and the company's tariff sheet filed May 10, 1996, the Commission finds that increased revenue is justified in this case based on the Staff audit which indicates that current levels of expenses are not adequately covered by current rates for services. Therefore, the Commission finds that the tariffs agreed to by the company, Staff, and the OPC and filed with the Commission are just and reasonable, and should be approved.

IT IS THEREFORE ORDERED:

1. That the tariff sheet filed by L.W. Sewer Corporation on May 10, 1996, is approved to become effective on July 1, 1996. The tariff sheet approved is:

P.S.C. Mo. No. 1

4th Revised Sheet No. 4, cancelling 3rd Revised Sheet No. 4

2. That this Order shall become effective on July 1, 1996.

BY THE COMMISSION



David L. Rauch  
Executive Secretary

(S E A L)

Zobrist, Chm., McClure, Kincheloe,  
Crumpton, and Drainer, CC., Concur.

ALJ: Freeman