

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a Session of the Public Service
Commission held at its office
in Jefferson City on the 23rd
day of November, 1993.

In the matter of Noel Water Company, Inc.'s)
tariff sheets designed to increase rates for) CASE NO. WR-94-134
water service pursuant to the Commission's)
informal rate procedure.)

ORDER APPROVING TARIFFS AND AGREEMENT

Noel Water company, Inc. (Company) is a water corporation and a public utility subject to the jurisdiction of the Missouri Public Service Commission (Commission). Section 386.250(3), RSMo (Cum. Supp. 1992). Company serves approximately 533 residential customers and 36 commercial and industrial customers in McDonald County, Missouri. By letter dated February 15, 1993, the Company requested that the Commission approve a rate increase for its water operations under the small company rate proceeding set out in 4 CSR 240-2.060(8). The Company requested an increase of four percent in revenues in order to compensate for increases in employee salaries, real estate taxes, and electrical energy costs.

On February 15, 1993, the Company sent written notice of these requested increases to its customers. Staff received no telephone calls or letters from customers in response to this notice. Small company rate proceedings are required by Commission rule to be completed in 150 days. 4 CSR 240-2.060(8)(H). The time period can be extended by consent of the parties. Company requested an extension of this time period by letter dated July 22, 1993. Neither Staff nor the Office of the Public Counsel (OPC) objected to the extension of time. Any objections to the extension, or to the timeliness of the request for extension, will be deemed waived.

The Company filed its tariff sheets on October 21, 1993, with a proposed effective date of December 1, 1993. Because Company, Staff and OPC were in agreement on the tariff rates, no second notice to customers was required. 4 CSR 240-2.060(8)(C).

Staff conducted an investigation into the books, records, and operations of Company and filed its recommendation on November 18, 1993. Based upon its audit, the accounting staff concluded that the increased costs cited by the Company, and borne out in its audit, justify an increase in revenue of approximately \$3,975 or two percent. Staff recommended approval of the revised tariff sheets filed October 21, 1993, for service provided on and after December 1, 1993. The proposed rate increase would affect a residential customer using 5,000 gallons of water per month as follows:

<u>MONTHLY</u>	<u>CURRENT</u>	<u>PROPOSED</u>	<u>% INCREASE</u>
Residential	\$7.60	\$7.69	1.2

(Based on usage of 5,000 gal. per month)

After its own investigation, and after negotiations with Company and Staff, OPC agreed with the recommended rate increase and filed its Statement of Public Counsel Position on November 5, 1993.

Upon review of Staff's memorandum and its attachments, the Company's tariff sheets filed October 21, 1993, and OPC's statement, the Commission finds that the tariffs agreed to by the Company, Staff, and the OPC and filed with the Commission, are justified in order to compensate for increased expenses. The Commission finds that the tariffs are just and reasonable and in the public interest and concludes that the tariffs should be approved.

IT IS THEREFORE ORDERED:

1. That the following tariff sheets filed by Noel Water company, Inc., on October 21, 1993, are hereby approved for service on and after December 1, 1993:

P.S.C. MO. No. 2

9th Revised Sheet No. 1, Cancelling 8th Revised Sheet No. 1;
9th Revised Sheet No. 2, Cancelling 8th Revised Sheet No. 2.

2. That this Order shall become effective on December 1, 1993.

BY THE COMMISSION



David L. Rauch
Executive Secretary

(S E A L)

McClure, Perkins, Kincheloe,
and Crumpton, CC., Concur.
Mueller, Chm., Absent.