

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

CASE NO. GR-88-171

In the matter of the application of UtiliCorp United Inc., d/b/a Missouri Public Service, for authority to implement revised depreciation rates for its gas and common properties.

CASE NO. GR-88-194

In the matter of Missouri Public Service of Kansas City, Missouri for authority to file tariffs increasing rates for gas service provided to customers in the Missouri service area of the company.

APPEARANCES: James C. Swearingen, Attorney at Law, and Gary W. Duffy, Attorney at Law, Hawkins, Brydon, Swearingen & England P. C. P. O. Box 456, Jefferson City, Missouri 65102, for Missouri Public Service.

Stuart W. Conrad, Attorney at Law, Lathrop, Koontz & Norquist, 2600 Mutual Benefit Life Building, 2345 Grand Avenue, Kansas City, Missouri 64108, for Sedalia Industrial Gas Users Association and Pittsburgh Corning Corporation.

Jeremiah D. Finnegan, Attorney at Law, 4049 Pennsylvania, Suite 300, Kansas City, Missouri 64111, for the City of Richmond, City of Henrietta, and City of Nevada, Missouri.

Douglas M. Brooks, Public Counsel, Office of Public Counsel, P. O. Box 7800, Jefferson City, Missouri 65102, for the Office of Public Counsel and the Public.

Douglas C. Walther, Assistant General Counsel, and William Haas, Assistant General Counsel, Missouri Public Service Commission, P. O. Box 350, Jefferson City, Missouri 65102, for Staff of the Missouri Public Service Commission.

HEARING

EXAMINER: Beth O'Donnell

REPORT AND ORDER

On December 21, 1987, UtiliCorp United Inc., d/b/s Missouri Public Service (Company) filed with the Commission an application for authority to implement revised depreciation rates for its gas and common properties. This application was docketed as Case No. CR-88-171. On January 15, 1988, Company submitted to the Commission tariffs designed to increase the Company's jurisdictional annual gas revenues by approximately \$6,104,000 exclusive of applicable license, occupation, franchise, gross receipts or other similar charges or taxes. These revised rate tariffs bore an effective date of February 16, 1988.

By orders of the Commission the rate tariffs were suspended, docketed as Case No. CR-88-194, consolidated with the proposed revised depreciation rates and set for hearing. As a result of the prehearing conference commencing August 8, 1988, the parties to this case reached a Stipulation and Agreement as to the matters at issue.

Findings of Fact

The Missouri Public Service Commission, having considered all of the competent and substantial evidence upon the whole record, makes the following findings of fact.

A Stipulation and Agreement was filed with the Commission on September 1, 1988. The Stipulation delineates the matters of agreement between the parties to this case as to the disposition of matters at issue herein and adequately sets forth the procedural history of this case. Attached to this Stipulation are Appendix A consisting of the revised tariffs designed to implement the revenue increase agreed to by the parties and Appendix B which consists of the revised depreciation rate schedules agreed to by the parties for the Company's gas and common properties. The Stipulation including its appendices is attached to this Report and Order as Appendix I and incorporated herein by reference.

The tariffs attached to this Stipulation provides for an increase in Company's Missouri jurisdictional gross annual gas revenues of \$4,100,000 in addition

to recovery by the Company of those gas costs associated with the rebasing and updating of the Company's purchased gas adjustment clause, both exclusive of any applicable license, occupation, franchise, gross receipts or other similar charges or taxes. These revised rate tariffs, as well as the revised depreciation rate schedules for the Company's gas and common properties, provide that they become effective for service rendered on and after September 15, 1988.

Conclusions of Law

The Missouri Public Service Commission has arrived at the following conclusions of law.

EntiCorp United Inc., d/b/a Missouri Public Service is a public utility subject to the jurisdiction of this Commission pursuant to Chapters 386 and 393, RSMo 1986, as amended. The Company's revised rate tariffs, which are part of the subject matter of this proceeding, were suspended pursuant to the authority vested in this Commission by Section 393.150, RSMo 1986. The Company's revised depreciation rates, which constitute the remaining part of the subject matter of this proceeding, may be fixed by this Commission pursuant to the authority vested in it by Section 393.240, RSMo 1986.

The Commission may accept a stipulated settlement on any contested matter submitted by the parties pursuant to Section 536.060, RSMo 1986. The Commission determines that the terms of agreement among the parties as to the matters at issue in this case are reasonable and proper and should be accepted.

The Commission determines further that the testimony, schedules and minimum filing requirements proffered in this case should be received into evidence as provided for in paragraph 6 of the Stipulation to which the parties agreed.

It is, therefore,

ORDERED: 1. That the Stipulation and Agreement entered into among the parties to this consolidated case, as set forth herein, is accepted and adopted hereby in disposition of the matters at issue in this case.

ORDERED: 2. That the tariff sheets submitted as Appendix A to the Stipulation and Agreement filed in this case which are designed to increase rates for gas service provided to customers in the Missouri service area of UtiliCorp United Inc., d/b/a Missouri Public Service, are approved hereby to become effective for service rendered on and after September 15, 1988.

ORDERED: 3. That the revised depreciation rate schedules applicable to the gas and common properties of UtiliCorp United Inc., d/b/a Missouri Public Service, as set forth in Appendix B attached to the Stipulation and Agreement filed in this case are approved hereby to become effective as of September 15, 1988.

ORDERED: 4. That the testimony, schedules and minimum filing requirements proffered in this case are received into evidence hereby as provided for in paragraph 6 of the Stipulation and Agreement filed in this case.

ORDERED: 5. That this Report and Order shall become effective on the 15th day of September, 1988.

BY THE COMMISSION


Harvey G. Hubbs
Secretary

(S E A L)

Steinmeier, Chm., Musgrave,
Mueller and Fischer, CC., Concur.
Hendren, C., Absent.

Dated at Jefferson City, Missouri,
on this 9th day of September, 1988.