

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of Aqua Missouri, Inc.’s)	
Request for an Increase in Rate for)	Case No. WR-2008-0266
Water Service Pursuant to the)	
Commission’s Small Company Rate)	Case No. WR-2008-0269
Increase Procedure)	
)	
In the Matter of Aqua Missouri, Inc.’s)	
Request for an Increase in Rate for)	Case No. SR-2008-0267
Sewer Service Pursuant to the)	
Commission’s Small Company Rate)	Case No. SR-2008-0268
Increase Procedure)	

STAFF’S RESPONSE ON COMPLIANCE WITH THE UNANIMOUS AGREEMENTS

COMES NOW the Staff of the Missouri Public Service Commission (Staff), by and through Counsel, and files this Response with the Missouri Public Service Commission (Commission) as directed by the Commission’s December 31, 2008 Order. For its Response, Staff respectfully states the following:

1. On December 7, 2007, Aqua Missouri, Inc. (Aqua or Company) submitted a small company revenue increase request for its water and sewer operations. On February 19, 2008, the Commission established the instant cases for the administrative purposes of setting local public hearings and receiving public comments related to the small company revenue increase requests.
2. Pursuant to the Commission’s Water and Sewer Utility Small Company Rate Increase Procedures¹, 4 CSR 240-3.635 and 240-3.330, the Staff initiated an audit of Aqua’s books and records, reviewed customer service, general business practices, the operation

¹ On May 30, 2008, the Commission’s new small company rate case procedure, 4 CSR 240-3.050, became effective. While the rate cases were filed on December, 7, 2007, prior to the new procedure’s effective date, the Commission’s July 21, 2008 Order set a procedural schedule to align the case with the new rule.

of facilities, the existing tariff, and inspected Aqua's facilities, all activities collectively known as Staff's investigation.

3. After accepting testimony at public hearings, completion of Staff's investigation, and negotiations between the Staff, the Office of Public Counsel (OPC), and the Company, unanimous disposition agreements were submitted to the Commission for approval. Each agreement contained provisions directing Company compliance.
4. On August 27, 2008, a Stipulation Hearing was held to discuss the Unanimous Agreement Regarding Disposition Of Small Water Company Revenue Increase Request filings, as well as the Unanimous Agreement Regarding Disposition Of Small Sewer Company Revenue Increase Request filings.
5. On August 28, 2008, the Commission approved the unanimous disposition agreements, and on December 31, 2008, the Commission ordered Staff to file a report advising whether the company has complied with all of the provisions within the agreements.
6. Staff members Jim Busch, Regulatory Manager; Randy Cole, Management Analyst; Lisa Hanneken, Regulatory Auditor; Jerry Scheible, Regulatory Engineer; David Spratt, Operations Technical Specialist; and Jim Russo, Rate and Tariff Examination Supervisor; have reviewed the compliance provisions within the unanimous disposition agreements and advise Counsel that Aqua has complied to date.

WHEREFORE, Staff, through Counsel, submits this Response and recommends the Commission close the above stated cases.

Respectfully submitted,

/s/ Jennifer Hernandez

Jennifer Hernandez

Legal Counsel

Missouri Bar No. 59814

Attorney for the Staff of the
Missouri Public Service Commission
PO Box 360

Jefferson City, MO 65102

(573) 751-8706 (Telephone)

(573) 751-9285 (Fax)

jennifer.hernandez@psc.mo.gov (email)

CERTIFICATE OF SERVICE

The undersigned certifies that a true and accurate copy of the foregoing was served upon counsel for all parties by US Mail, electronic mail, or facsimile, on this 20th day of January, 2009.

/s/ Jennifer Hernandez