

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

In the Matter of the Small Company)
Rate Increase of Timber Creek Sewer) Case No. SR-2010-0320
Company)

**TIMBER CREEK SEWER COMPANY'S LATE FILED EXHIBIT RE ADDITIONAL
RATE CASE EXPENSE**

COMES NOW Timber Creek Sewer Company ("Timber Creek"), by its attorney, Jeremiah D. Finnegan, and for its *Late-Filed Exhibit* related to Rate Case Expense, states as follows:

1. At the time that Staff filed its Direct Testimony on rate case expense in this matter on November 23, 2010, Timber Creek had not incurred any rate case expense and Staff witness, V. William Harris, used Timber Creek's rate case expenses from its previous rate case, Case No. SR-2008-0080 and normalized the data. Mr. Harris also indicated that additional rate case expense may be incurred due to the evidentiary hearing and stated that Staff may include any reasonable incurred rate case expense later in the case. (Exhibit 13, Harris Direct, pp.3-6).

2. On December 28, 2010, Mr. Harris stated in his Surrebuttal Testimony that "Staff will work with Timber Creek and Public Counsel to establish an on-going normalized level of rate case expense based on the actual costs the Company incurs in this case." (Exhibit 15, Harris Surrebuttal, p.2).

3. During the evidentiary hearing on January 5, 2011, Mr. Harris further indicated that he was going to establish a normalized level of rate case expense based on actual cost Timber Creek incurred in this current matter. (Transcript, Vol.3, p. 184).

4. Since the evidentiary hearing, on February 3, 2011, Timber Creek provided Staff with rate case expense invoices through January 31, 2011.

5. Also, on February 3, 2011, Staff filed a Late-Filed Exhibit, Staff stated that it found such invoices to be reasonable and prudent and included such additional expenses as Attachment A, in which Mr. Harris updated his workpapers and his Income Statement adjustment E-196.

6. In the February 3, 2011 cover e-mail to Staff Counsel, Jaime Ott, in which the additional January 2011 Statement to Timber Creek for services incurred in January by Finnegan, Conrad & Peterson, LC for work done on the rate case was attached, Counsel for Timber Creek advised Staff Counsel that additional expenses were being incurred at that time in preparing the Brief and that additional expenses would continue to be incurred until the Report and Order was issued and any motions for rehearing were filed and reviewed. Counsel for Timber Creek also stated that Timber Creek would like the record kept open for these filings at a later time so that all of Timber Creek's current rate case expenses are recovered in rates amortized over three years. A copy of such e-mail is attached hereto as Exhibit A.

7. In Staff Counsel's e-mail response, Staff Counsel stated that "if the Company wants to file an additional late filed exhibit (assuming the cost are reasonable and prudent) indicating additional rate case expense prior to the Commission issuing a report and order,

Staff will not object to the Company's late-filed exhibit. A copy of such e-mail response is attached hereto as Exhibit B.

8. Attached hereto as Exhibit C is a copy of the Statement of Finnegan, Conrad & Peterson, LC for the actual services provided Timber Creek in the matter of the rate case for the period of February 1, 2011 through February 25, 2011, in the amount of \$5,540.00, which Company believes are reasonable and prudent rate case expenses and should be included in the rate case expense in this case.

9. Company is also requesting that a known and measurable rate case expense for cost of the mailing of notice of the changed rates to the customers which is required under 4 CSR 240-3.050(22) in the amount of \$1,094.62 is a reasonable and prudent expense and be included in the rate case expense in this case. Attached hereto as Exhibit D is the computation of the expense along with a bid from Goin' Postal for copying, folding and stuffing the envelopes included in the total cost.

WHEREFORE, Company requests that the Commission accept this Late-Filed Exhibit and also requests that the record be kept open for additional late-filed exhibit filings of additional rate case expense incurred in this case up to five days before the time the Commission is prepared to issue its Report and Order.

Respectfully submitted,

FINNEGAN, CONRAD & PETERSON, L.C.,

By: 

Jeremiah D. Finnegan Mo 18416
David L. Woodsmall Mo 40747
1209 Penntower Office Center

3100 Broadway
Kansas City, MO 64111
(816) 753-1122
(816) 756-0373 FAX
jfinnegan@fcplaw.com
dwoodsmall@fcplaw.com

ATTORNEYS FOR TIMBER CREEK
SEWER COMPANY

February 25, 2011

Certificate of Service

I hereby certify that on this date I electronically filed the foregoing document with the Commission and further caused a copy of the same to be sent to Staff Counsel Jaime N. Ott at jaime.ott@psc.mo.gov and Christina L. Baker of the Office of Public Counsel at christina.baker@ded.mo.gov by electronic transmission.

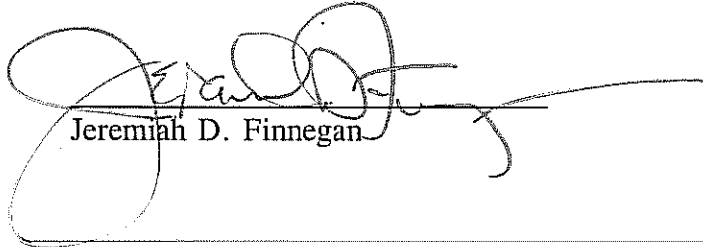

Jeremiah D. Finnegan

EXHIBIT A

Jeremiah Finnegan

From: Jeremiah Finnegan [jfinnegan@fcplaw.com]
Sent: Thursday, February 03, 2011 3:00 PM
To: Ott, Jaime
Cc: Harris, William*; Featherstone, Cary; Derek Sherry
Subject: RE: SR-2010-0320 - Timber Creek January 2011 Statement
Jaime,

I now have and am including a copy of my January 2011 Statement to Timber Creek for services and advances. The total is \$7,899.73, which is \$303.60 more than the informal information I gave Derek Sherry yesterday to pass on to Bill Harris. The reason for the difference was that my secretary was out because of the snow yesterday and I did not include the \$303.60 charge for the transcripts which we had paid. She has included such amount on the billing.

I am still in the process of preparing the Brief, which is due February 4th and I am frantically trying to get done on time after all the days out for snow, so I will have more time in it this week and then additional time when I review the briefs of the other parties as well as any other activity that is involved in this case until the Report and Order and any motions for rehearing are completed. It will also be necessary for me to work with the Company in getting the conditions of the Order complied with and prepare and file tariffs. We would like the record kept open for these filings at a later time so that all of Timber Creek's rate case expenses are recovered in rates amortized over the next three years.

Jeremiah

Jeremiah D. Finnegan
Finnegan, Conrad & Peterson, LC
3100 Broadway, Suite 1209
Kansas City, MO 64111
816-753-1122 Ext 209 (Phone)
816-756-0373 (Fax)
816-365-3369 (Cell)
jfinnegan@fcplaw.com

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-----Original Message-----

From: Ott, Jaime [mailto:Jaime.Ott@psc.mo.gov]
Sent: Friday, January 28, 2011 2:41 PM
To: 'Jeremiah Finnegan'
Cc: Harris, William*; Featherstone, Cary

2/24/2011

Subject: SR-2010-0320

Jeremiah –

Staff is requesting all invoices related to rate case expense through Jan. 31, 2011. At the hearing we discussed filing a late filed exhibit addressing rate case expense since there is not a true-up in this matter. With the briefs due next week, we need to get this filed prior to Friday.

If you have any questions please let me know.

Thanks

Jaime N. Ott

Assistant General Counsel
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102
573-751-8700
573-751-9285(fax)
jaime.ott@psc.mo.gov

Jeremiah Finnegan

EXHIBIT B

From: Ott, Jaime [Jaime.Ott@psc.mo.gov]
Sent: Friday, February 04, 2011 2:40 PM
To: 'Jeremiah Finnegan'
Cc: Harris, William*; Featherstone, Cary; Derek Sherry
Subject: RE: SR-2010-0320 - Timber Creek January 2011 Statement

Jeremiah –

Thanks for the updated information. Staff filed a late filed exhibit including rate case expense through Jan. 31, 2010. I realize that the invoices did not include costs related to briefing the case. However, if the Company wants to file an additional late filed exhibit (assuming the cost are reasonable and prudent) indicating additional rate case expense prior to the Commission issuing a report and order, Staff will not object to the Company's late-filed exhibit.

Thanks

Jaime N. Ott
573-751-8700
573-751-9285(fax)
jaime.ott@psc.mo.gov

From: Jeremiah Finnegan [mailto:jfinnegan@fcplaw.com]
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Finnegan, Conrad & Peterson, LC
3100 Broadway, Suite 1209
Kansas City, MO 64111
816-753-1122 Ext 209 (Phone)

2/24/2011

816-756-0373 (Fax)
816-365-3369 (Cell)
jffinnegan@fcplaw.com

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If you have any questions please let me know.

Thanks

Jaime N. Ott
Assistant General Counsel
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102
573-751-8700
573-751-9285(fax)
jaime.ott@psc.mo.gov

FINNEGAN, CONRAD & PETERSON, L.C.
ATTORNEYS AND COUNSELORS AT LAW

1209 PENNTOWER OFFICE CENTER
3100 BROADWAY
KANSAS CITY, MO 64111

(816) 753-1122
TELECOPIER (816) 756-0373

STATEMENT FOR SERVICES

TAX ID NO. 43-1741719

February 25, 2011

Attn: Derek Sherry
Timber Creek Sewer Company
P.O. Box 511
Platte City, MO 64079

Statement No. 230824
Client-Matter: 858.004

Page: 1

RE: Informal Rate Case

DRAFT

For Professional Services Rendered

| | Hours |
|--|-------|
| 02/01/2011 JDF Review of testimony, exhibits and transcript in preparation for Brief. | 2.30 |
| 02/02/2011 JDF Research and preparation of Brief; telephone conference with Derek Sherry regarding fees and expenses; provide the data. | 3.30 |
| 02/03/2011 JDF Research and preparation of Brief; e-mail to Jaime Ott with statement for January. | 4.50 |
| 02/04/2011 JDF Research and preparation of Brief; revision of Brief; e-mail from Jaime Ott with late filed exhibit; put Brief in final format; file Brief and serve electronically. | 6.20 |
| 02/07/2011 JDF Receive and review of Office of Public Counsel's Brief; receive and review of Staff's Brief and Findings of Fact/Conclusions. | 0.80 |
| 02/08/2011 JDF Preparation and revision of Proposed Statement of Facts and Conclusions of Law. | 2.60 |
| 02/09/2011 JDF Preparation of and revision of Proposed Statement of Facts and Conclusions of Law; telephone conference with Derek Sherry; preparation of Motion for Leave to Late File Proposed Statement and Conclusions; put in final format and file on EFIS. | 4.20 |

Timber Creek Sewer Company

Page: 2
February 25, 2011
Client-Matter: 858-004M
Statement No: 230824

Informal Rate Case

Hours

| | | | |
|---------------------------------|---|-------|----------|
| 02/23/2011 JDF | Receive and review of e-mail from David Woodsmall regarding action at Commission Agenda Meeting on Timber Creek case; e-mail to Derek Sherry; e-mail to David Woodsmall; e-mail from Derek; receive and review of Notice of Orders; research on EFIS for Order. | 0.50 | |
| 02/24/2011 JDF | Research; preparation of Late Filed Exhibit; e-mail to Jaime Ott regarding late filing of exhibits on rate case expense. | 1.50 | |
| 02/25/2011 JDF | Receive and review of e-mail from Jaime Ott; telephone conference with Derek Sherry; revision of late filed exhibit; telephone conference with Derek Sherry; e-mail to Jaime Ott; filing on EFIS and copy to parties. | 1.80 | |
| Total for Professional Services | | 27.70 | 5,540.00 |

Recapitulation

| <u>Timekeeper</u> | <u>Hours</u> | <u>Rate</u> | <u>Total</u> |
|----------------------|--------------|-------------|--------------|
| Jeremiah D. Finnegan | 27.70 | \$200.00 | \$5,540.00 |

| | |
|------------------|------------|
| Previous Balance | \$7,899.73 |
|------------------|------------|

| | |
|--------------------|----------|
| Total Current Work | 5,540.00 |
|--------------------|----------|

Payments

| | | |
|------------|---------------------------|-----------|
| 02/17/2011 | Regular payment received. | -7,899.73 |
|------------|---------------------------|-----------|

| | |
|-------------|-------------------|
| Balance Due | <u>\$5,540.00</u> |
|-------------|-------------------|

We appreciate the opportunity to be of service and thank you for your business. Please call if you have any questions about any items on this statement.

EXHIBIT D

Known and Measurable Rate Case Expense for Notice of the Change in Rates as Required by 4 CSR' 240-3.050(22)

Current Customer Counts (some owners own multiple properties): 1493

In town mailing: 1335 customers x \$0.414 = \$552.69

Out of town mailing: 158 customers x \$0.44 = \$69.52

Processing (copies, folding, stuffing, etc) = (2986 @ .08 = \$238.88) +
\$150 = \$388.88 (See attached copy of Goin' Postal bid)

Printer Toner: \$83.53

Total: \$ 1,094.62



2/25/11

Goin' Postal
1302D Platte Falls Rd
Platte City, MO 64079

Timbercreek Sewer Co
Job Quote

| | |
|---|----------|
| 2986 b/w pages @ .08/copy | \$238.88 |
| Service charge for folding/stuffing envelopes @ 10.00 per hundred w/50% discount | \$150.00 |
| Total | \$388.88 |