

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

In the Matter of M.P.B., Inc.'s Request)	
for Increase in Annual Sewer System)	<u>File No. SR-2014-0067</u>
Operating Revenues.)	

**THE OFFICE OF THE PUBLIC COUNSEL'S REQUEST
FOR LOCAL PUBLIC HEARING**

COMES NOW the Office of the Public Counsel (Public Counsel) and for its Request for Local Public Hearing states as follows:

1. On September 9, 2013, M.P.B., Inc. (MPB), through its interim receiver Johansen Consulting Services, LLC (JCS), initiated a small company rate increase proceeding with the Missouri Public Service Commission (Commission) requesting an increase of 100% in its regular monthly customer rates.
2. On April 8, 2014, the Staff of the Missouri Public Service Commission (Staff) filed a *Notice of Company/Staff Agreement Regarding Disposition of Small Company Rate Increase Request* (Company/Staff Agreement) indicating agreement between Staff and MPB for an increase in annual operating revenues of \$9,770 (269.81%) for the Lake Virginia service area and an increase of \$40,024 (146.21%) for the Villa Ridge service area. Public Counsel did not join in the agreement.
3. Revised tariff sheets reflecting the proposed rates agreed to in the Company/Staff Agreement were filed by MPB on April 15, 2014, bearing an effective date of June 1, 2014.
4. Public Counsel did not join in the agreement because it has concerns with the calculated revenue requirement of MPB and has yet to receive sufficient documentation from MPB.

5. As the Company/Staff Agreement was executed by only MPB and Staff, 4 CSR 240-3.050(15) requires Public Counsel to file a pleading stating its position regarding the Company/Staff Agreement and the related tariff revisions, or requesting a local public hearing or an evidentiary hearing no later than five (5) working days after the end of the comment period for the written customer notice contemplated in 4 CSR 240-3.050(14).

6. Affording customers the opportunity to speak to the Commission at a hearing is a critical part of the ratemaking process. The sewer increases proposed in the Company/Staff Agreement of 269.81% for the Lake Virginia service area and 146.21% for the Villa Ridge service area are significantly more than originally requested and will result in an extremely large increase from the rates customers currently pay, potentially resulting in rate shock for the customers. Therefore, customers should have the opportunity to voice their concerns regarding these proposed increases to the Commission at a local public hearing. Also, holding a local public hearing will also provide customers the opportunity to ask questions of the current receiver regarding the status of the utility.

7. Public Counsel does not object to the Commission scheduling the hearing promptly, as long as customers are given sufficient notice.

8. Section 393.150 RSMo provides that the Commission may suspend tariff sheets for a maximum period of 120 days plus six months. Therefore, Public Counsel requests that the Commission suspend the proposed revised tariff sheets for a sufficient period to allow adequate time for a local public hearing and subsequent case disposition as appropriate.

9. As stated above, 4 CSR 240-3.050(14) requires a written notice of the proposed tariff revisions no later than five (5) working days after the utility makes its tariff filing. To prevent the unnecessary duplicative costs of mailing a customer notice and a separate notice of local

public hearing at a later date, Public Counsel is making its request for a local public hearing promptly and without delay. It is Public Counsel's hope that a combined notice will be sent to the customers of MPB which notifies the customers of the proposed increases and provides information regarding an upcoming local public hearing where comments on the proposed increases may be provided directly to the Commission.

10. Consequently, in order to allow for the mailing of a combined proposed tariff notice and local public hearing notice, Public Counsel requests a waiver of the requirement that the written notice of the proposed tariff revisions be mailed no later than five (5) working days after the utility makes its tariff filing as contemplated in 4 CSR 240-3.050(14).

11. Therefore, in compliance with 4 CSR 240.3-050(15), Public Counsel requests that the Commission schedule a local public hearing in this matter. Public Counsel also requests that the Commission suspend the proposed revised tariff sheets for a sufficient period to allow adequate time for a local public hearing and subsequent case disposition as appropriate. Additionally, Public Counsel requests a waiver of the requirement that the written notice of the proposed tariff revisions be mailed no later than five (5) working days after the utility makes its tariff filing as contemplated in 4 CSR 240-3.050(14).

WHEREFORE, Public Counsel respectfully submits its request.

Respectfully submitted,

OFFICE OF THE PUBLIC COUNSEL

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, emailed or hand-delivered to the following this 16th day of April 2014:

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