

1 STATE OF MISSOURI
2 PUBLIC SERVICE COMMISSION

3 TRANSCRIPT OF PROCEEDINGS
4 PROCEDURAL CONFERENCE

5 July 28, 2008
6 Jefferson City, Missouri
7 Volume 7

8 In the Matter of Aqua Missouri,)
9 Inc.'s Request for an Increase)
in Rates for Water Service) Case No. WR-2008-0266
Pursuant to the Commission's)
Small Company Rate Increase)
Procedure.)

10 In the Matter of Aqua Missouri,)
11 Inc.'s Request for an Increase)
in Rates for Sewer Service) Case No. SR-2008-0267
Pursuant to the Commission's)
Small Company Rate Increase)
Procedure.)

12 In the Matter of Aqua Missouri,)
13 Inc.'s Request for an Increase)
in Rates for Sewer Service) Case No. SR-2008-0268
Pursuant to the Commission's)
Small Company Rate Increase)
Procedure.)

14 In the Matter of Aqua Missouri,)
15 Inc.'s Request for an Increase)
in Rates for Water Service) Case No. WR-2008-0269
Pursuant to the Commission's)
Small Company Rate Increase)
Procedure.)

16 NANCY M. DIPPELL, Presiding,
17 DEPUTY CHIEF REGULATORY LAW JUDGE.

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19 REPORTED BY:
20 Pamela Fick, RMR, RPR, MO CCR #447
21 Midwest Litigation Services

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A P P E R A N C E S

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FOR: Staff of the Missouri Public
Service Commission.

1 P R O C E E D I N G S

2 JUDGE DIPPELL: This is Case No.
3 WR-2008-0266, SR-2008-0267, SR-2008-0268 and
4 WR-2008-0269. I'm not gonna read all the captions
5 but basically In the Matter of Aqua Missouri's
6 request for a rate increase.

7 And my name is Nancy Dippell. I'm the
8 regulatory law judge assigned to these cases, and we
9 come here today for a procedural conference to try to
10 figure out how to go forward with this case.

11 And I'm gonna start with entries of
12 appearances by the attorneys. Go ahead and start
13 with you, Mr. Ellinger.

14 MR. ELLINGER: Marc Ellinger with the
15 law firm of Blitz, Bardgett & Deutsch, 308 East
16 High, Suite 301, Jefferson City, Missouri 65101, on
17 behalf of the company Aqua Missouri in all four
18 cases.

19 JUDGE DIPPELL: And Staff.

20 MS. HERNANDEZ: Jennifer Hernandez and
21 Shelley Brueggemann for the Staff of the Missouri
22 Public Service Commission, P.O. Box 360, Jefferson
23 City, Missouri 65102.

24 JUDGE DIPPELL: And Public Counsel.

25 MS. BAKER: Christina Baker, Senior

1 Public Counsel, P.O. Box 2230, Jefferson City,
2 Missouri 65102, appearing on behalf of the Office of
3 the Public Counsel and the ratepayers.

4 JUDGE DIPPELL: Great. Okay. I don't
5 think this case can get any messier, so I'm hoping
6 that your little conference before the thing maybe
7 will help straighten things out. So I'm just gonna
8 start out by kind of assessing where we are today.

9 The Commission set a -- an additional
10 public hearing for August 18th. Does that --

11 MR. ELLINGER: That's right, and we're
12 all okay with that.

13 MS. BAKER: That's right, yes.

14 JUDGE DIPPELL: You're all okay with
15 that. Okay. Great. What about -- I mean,
16 technically, that hearing is really only necessary in
17 the Jefferson City sewer area case. What about the
18 other three cases? Are they still --

19 MR. ELLINGER: We have -- we've agreed
20 that we will -- and I don't know what document needs
21 to be filed to do this --

22 JUDGE DIPPELL: Okay.

23 MR. ELLINGER: -- but if we need to file
24 a document --

25 JUDGE DIPPELL: Okay.

1 MR. ELLINGER: -- we can do it on the
2 record, but we agree that we will, what, suspend the
3 proposed tariffs pending the 18th. We want all the
4 cases to go together at this point.

5 JUDGE DIPPELL: Okay. You do want them
6 all to go together. And that was gonna be my basic
7 question. So you-all will agree to voluntarily
8 suspend those?

9 MR. ELLINGER: Whatever -- whatever you
10 need us to technically do, we'll do that.

11 JUDGE DIPPELL: I think that it will be
12 cleaner if the company voluntarily suspends it and
13 then --

14 MR. ELLINGER: Okay.

15 JUDGE DIPPELL: -- rather than the
16 Commission suspending it.

17 MR. ELLINGER: Okay.

18 JUDGE DIPPELL: I think we'd be running
19 into an issue of is an evidentiary hearing required
20 if we suspend it, and we don't want to have to get
21 into that issue.

22 MR. ELLINGER: Well, would you like
23 us to file or suspend the tariffs in all four
24 cases --

25 JUDGE DIPPELL: Yes.

1 MR. ELLINGER: -- or just in the three
2 and the other ones, is it already suspended by
3 Commission order?

4 JUDGE DIPPELL: No, it's not -- it's not
5 suspended.

6 MR. ELLINGER: Okay. We'll do it in all
7 four cases.

8 JUDGE DIPPELL: Yes.

9 MR. ELLINGER: Okay.

10 JUDGE DIPPELL: And the timing of that,
11 then, is the next issue. If the local public
12 hearing is held on the 18th and if we're going
13 under the new rule which -- I know that's also at
14 issue, but since the tariff was filed and the new
15 rule was in effect when the tariff was filed, I was
16 trying to stick to the new rule time lines as much
17 as I could.

18 But because this case technically
19 started before the new rule became effective, it --
20 it definitely doesn't, you know, fit all the time
21 lines. But the general spirit of the rule is that
22 small company cases won't take as long as large
23 company cases, and at the very most, they -- the
24 tariffs won't be suspended any longer than -- or
25 they won't take -- the whole case won't take any

1 longer than a large company case.

2 So just -- I'm trying to just keep
3 this case within that spirit of -- of that.

4 MR. ELLINGER: How much time do you need
5 after the hearing?

6 MS. BAKER: For -- for the possibility
7 of the placement tariffs, that may be more on -- on
8 your ability to produce those.

9 MR. ELLINGER: Well, we can do it pretty
10 quick. I just -- I mean, assuming we end up
11 reaching the agreement post the hearing, I just
12 want to know at what point you'd be ready to say we
13 have an agreement and -- and put the tariffs in
14 very quickly.

15 MS. BAKER: I would say within a few
16 days of the hearing. The hearing is what, an --

17 MR. ELLINGER: 18th, a Monday.

18 MS. BAKER: -- 18th on a Monday? I
19 would say certainly by the end of that week.

20 MR. ELLINGER: Okay. Well, we --
21 obviously the company would like to be able to file
22 its tariffs and get them effective as soon as is
23 possible.

24 MS. BAKER: Right, uh-huh, uh-huh.

25 MR. ELLINGER: We do want to make sure

1 that, you know, OPC and Staff have an opportunity
2 after the hearing to make sure everything -- they're
3 okay with everything.

4 MS. BAKER: Right, right.

5 MR. ELLINGER: I think we all kind of
6 reached an agreement in principle in what we want
7 to do, and obviously, the company wants to get
8 things filed as quickly as possible. If you can
9 get us an answer by the Friday, we can file -- or
10 if you can get us an answer by Thursday, close of
11 business Thursday, we could probably file by
12 Friday unless you raise an issue that we'd need to
13 address.

14 MS. BAKER: I mean, one thing -- one
15 thing that will probably have to happen is we will
16 need an amended stipulation -- or disposition
17 agreement in all four cases instead of -- Staff
18 is usually the one who -- who prepares those.

19 And we will need runs to go with it
20 or -- or at least basic. Okay. So then -- then
21 it will just be the document itself, and so Staff
22 usually prepares those.

23 MR. ELLINGER: So we need to have
24 your-all's -- you're okay with everything and the
25 Staff would need to prepare a disposition agreement,

1 and then we at the same time or concurrent with, we
2 can prepare our tariffs and do it all in one shot.

3 MS. BAKER: Uh-huh, uh-huh.

4 MR. ELLINGER: We just want to get it
5 done as quick as possible.

6 JUDGE DIPPELL: Well, that's sounding
7 like --

8 MS. BAKER: The DRs are -- are the
9 only issue that we have kind of suspended out there
10 is -- is the data request issue that will come
11 about -- we'll know more of it after the local public
12 hearing.

13 JUDGE DIPPELL: Okay.

14 MR. ELLINGER: And I -- and please stop
15 me if I -- basically if the public hearing goes
16 forward and no new issues are really raised in the
17 public hearing with respect to revenue-type issues,
18 then the DRs are gonna -- we're not gonna have to
19 respond any further to DRs we've already responded
20 to, and that issue dies.

21 MS. BAKER: Okay. Uh-huh.

22 MR. ELLINGER: If an issue does arise,
23 then we've worked out a time frame that we would have
24 to amend our DRs. Then we'd --

25 MS. BAKER: Uh-huh. Okay.

1 MR. ELLINGER: Then we'd probably have
2 to come back and figure out what we're doing. And
3 that's that -- that's --

4 MS. MEISENHEIMER: That's the 22nd.

5 MS. BAKER: That's the same week.
6 That's the Friday.

7 MS. MEISENHEIMER: That's a Friday.

8 MR. ELLINGER: Yeah, the 22nd.

9 MS. BAKER: So we would know -- we would
10 know --

11 MR. ELLINGER: You'd have to know --

12 MS. BAKER: -- the day before --

13 MR. ELLINGER: Yeah.

14 MS. BAKER: -- whether you would have
15 the answer on the 22nd.

16 MR. ELLINGER: One day wouldn't give us
17 a lot of time to answer.

18 MS. MEISENHEIMER: I think we're gonna
19 know like the day after the public hearing whether
20 we're gonna need the DRs or not. We may not have all
21 of the things until later.

22 MS. BAKER: But I -- I think all that
23 goes into the fact that we will know certainly by
24 Thursday where we are.

25 MR. ELLINGER: And you-all will let us

1 know on the DRs the next day, then? Okay. We're
2 good with that.

3 JUDGE DIPPELL: Okay. Well, I'm
4 expecting, then, that there's no way tariffs and
5 disposition agreements and all that will probably be
6 filed by that Friday.

7 MR. ELLINGER: Probably not.

8 JUDGE DIPPELL: So you're -- you're
9 looking at at least the 25th --

10 MR. ELLINGER: Right.

11 JUDGE DIPPELL: -- which is the next
12 Monday, and then you'll need time for an order and an
13 agenda approving that order.

14 MR. ELLINGER: Right. Well, I don't
15 know when the next Commission's agenda would be and
16 that would be too late -- if we filed the Monday,
17 it's probably too late to put them on the agenda
18 anyway.

19 JUDGE DIPPELL: So that would be looking
20 at, say, the Thursday agenda, the 28th. And assuming
21 we want a ten-day effective date, unless you-all
22 agree to waive a ten-day effective date --

23 MR. ELLINGER: We would certainly like
24 to have that waived. We've got --

25 MS. BAKER: That's a possibility.

1 JUDGE DIPPELL: So...

2 MR. ELLINGER: And -- and we can work
3 that out on that Thursday. If everybody's okay with
4 it, then we'll file them effective the 28th. And if
5 not, we'll file them effective ten days after the
6 28th, whatever. I'd have to check my calendar out --

7 JUDGE DIPPELL: Okay. Well, I'm just
8 looking at how long you need to suspend them for --

9 MR. ELLINGER: Right.

10 JUDGE DIPPELL: -- now. So if it's ten
11 days after the 28th, that's the -- the 8th or 7th of
12 September which is a Sunday, but that doesn't matter.
13 So I guess I'm looking at we need to suspend them at
14 least until the 7th of September.

15 MR. ELLINGER: Okay.

16 JUDGE DIPPELL: And if you-all agree to
17 make -- that they need to be made effective sooner,
18 the Commission can -- can do that. But without that
19 agreement --

20 MS. BAKER: I mean, really, the ones
21 that are -- that are in place right now, if our -- if
22 our agreements go, they will not be the ones that go
23 into effect. So how long those are suspended really
24 makes no difference.

25 MR. ELLINGER: That's right. Why don't

1 we just suspend them until -- till September 7th. If
2 we have to suspend them longer, we'll suspend them
3 longer.

4 MS. BAKER: That's fine, uh-huh.

5 MR. ELLINGER: When we file the new
6 ones, obviously, we'll withdraw the old ones.

7 JUDGE DIPPELL: Oh, okay. Whatever --
8 you-all just make sure that we have enough time, that
9 the Commission has enough time to make an order with
10 a reasonable effective date.

11 MR. ELLINGER: We will voluntarily
12 suspend the tariffs in all four -- four cases until
13 September 7th. And if we reach an agreement and
14 we're gonna file new tariffs, we'll do that and
15 withdraw those and be done and hope we can get it
16 on -- hopefully we can get it on the Commission's
17 agenda for the 28th, and maybe we can all consent to
18 have them go into effect immediately or whatever they
19 make these things out.

20 JUDGE DIPPELL: Or you know, a nice
21 round number. Okay. Well, sounds like you guys have
22 been talking, which is great. That's what I like to
23 hear. It sounds like maybe this isn't as big a mess
24 as I thought it was.

25 Anything else about the local public

1 hearing or notice or any other issues? Is that...

2 MR. ELLINGER: I think everything's
3 moving forward.

4 JUDGE DIPPELL: Okay. You guys are
5 gonna send out notice -- that notice about the public
6 hearing --

7 MR. ELLINGER: Right.

8 JUDGE DIPPELL: -- and -- okay.

9 MR. ELLINGER: And we're gonna do it in
10 that room?

11 JUDGE DIPPELL: Yes.

12 There is another item scheduled in the
13 local public hearing -- I mean in the big hearing
14 room. There's some AmerenUE presentation at 2:00,
15 but I'm assuming it will be done by 5:00 and
16 otherwise, I'll be kicking them out because I think
17 we'll need the bigger hearing room.

18 MR. ELLINGER: Sounds good.

19 MS. HERNANDEZ: Can I clarify one point
20 before we go off the record? On -- in the
21 Commission's second order setting additional public
22 comment hearing, there was a fiscal audit for mainly
23 the Van Loo service --

24 JUDGE DIPPELL: Yes.

25 MS. HERNANDEZ: -- Jefferson City

1 service area. We just wanted to clarify that that
2 fiscal audit is just for that Jefferson City service
3 area and no other.

4 JUDGE DIPPELL: The fiscal audit is just
5 for the Jefferson City area. However, I would like,
6 and I think it would be helpful for the Commission if
7 when the Staff files its report, if it could just set
8 out an easy reference chart as to how many customers
9 each of the service areas have and so forth, because
10 I know it's all in the reports that are attached to
11 each of the cases, but I think it would be worthwhile
12 to have it for an easy reference --

13 MS. HERNANDEZ: Okay.

14 JUDGE DIPPELL: -- as to the number of
15 customers and whether or not any of the previous
16 local public hearings have brought forth a change in
17 those numbers. But that's -- I was also unclear of
18 that.

19 MS. HERNANDEZ: Okay. That's all I
20 have. Thank you.

21 JUDGE DIPPELL: All right. Any other
22 questions?

23 MR. ELLINGER: Just want to say thanks
24 to everybody for working this thing out.

25 JUDGE DIPPELL: Okay. I appreciate

1 that. I think that concludes the on-the-record
2 portion and we can go off the record.

3 (WHEREUPON, the recorded portion of the
4 Procedural Conference was concluded.)

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