

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION
TRANSCRIPT OF PROCEEDINGS

Public Comment Hearing

August 18, 2008
Jefferson City, Missouri
Volume 8

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

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

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

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

NANCY DIPPELL, Presiding,
DEPUTY CHIEF REGULATORY LAW JUDGE
CONNIE MURRAY,
ROBERT M. CLAYTON, III
COMMISSIONERS

REPORTED BY:

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

2 JUDGE DIPPELL: The Missouri Public Service
3 Commission has set this time for a local comment hearing
4 in Case Nos. WR-2008-0266, SR-2008-0267, SR-2008-0268 and
5 WR-2008-0269, in which Aqua Missouri seeks a general rate
6 increase.

7 The Missouri Public Service Commission
8 regulates the rates charged by investor-owned utility
9 companies in Missouri to ensure that those rates are just
10 and reasonable. The Commission also regulates the quality
11 of service and safety of the operations of investor-owned
12 utilities.

13 The Commission is made up of five
14 commissioners, two of whom are here with me in
15 Jefferson City today.

16 The Commissioners are appointed by the
17 Governor to fix terms and confirmed by the Senate. The
18 Commission employs a staff of engineers, accountants,
19 attorneys, financial analysts and other specialists in the
20 field of utility regulation.

21 My name is Nancy Dippell. I'm a regulatory
22 law judge for the Commission. I'm going to preside over
23 this evening's hearing.

24 As I mentioned earlier, with me tonight are
25 Commissioners Murray and Commissioner Clayton. And just

1 so that you all are aware, we're broadcasting these
2 hearings over the Internet, and, in addition, the sound
3 and video is being recorded here in Jefferson City.

4 Also present in the courtroom this evening
5 are Staff counsel, Jennifer Hernandez; Company counsel,
6 Marc Ellinger; and Office of Public Counsel counsel,
7 Christina Baker.

8 In addition we have some of our staff, and I
9 believe maybe in the information session you had an
10 opportunity to meet some of the Company representatives.
11 Those people will all be sticking around, so if you have
12 questions or additional information that you'd like to
13 get, you can hopefully get ahold of one of those people
14 afterwards if you don't get your questions answered
15 otherwise.

16 This is an official hearing of the Missouri
17 Public Service Commission, and the statements and
18 testimony of witnesses will be recorded by the court
19 reporter and will be taken under oath through affirmation.

20 The purpose of this hearing is to receive
21 comments from each of you regarding the proposed rate
22 increase. Specifically we've set this particular hearing,
23 in addition to other public hearings we've had in this
24 matter, to hear from certain residents who may not have
25 received notification of the original public hearings.

1 If you wish to testify, please put your name
2 on the sign-up sheet if you haven't done so already, or if
3 you don't get an opportunity to do that, after I've called
4 all of the names on the list, I'll ask if anyone also
5 would like to testify and you can indicate to me at that
6 time.

7 And the Company will not present witnesses
8 tonight and will not answer questions while we're on the
9 record, or at least not on the record. If you can get a
10 Company representative to speak to you before you leave,
11 that would be great.

12 In addition, the Commissioners are also not
13 here to answer questions but only to listen to your
14 remarks. This is your opportunity to comment, and your
15 remarks will be become part of the official record.

16 Along those lines, there is a pending
17 complaint case at the Commission which involves Aqua
18 Missouri and was brought by the residents of VanLoo
19 Estates. It's Commission Case No. SC-2009-0024.

20 The Commission will not be hearing testimony
21 tonight that is intended to decide that complaint case.
22 The comments of the public this evening are as they relate
23 to the rate case.

24 It may be that those are so intertwined that
25 you can't really talk about one without the other, but I

1 just wanted to let you know that no decision in the
2 complaint case will be made based on the testimony
3 tonight. This is to deal with the rate case, unless, of
4 course, somehow that testimony becomes part of the record
5 in the other case.

6 Along those lines, after a witness has
7 testified, I'll ask Public Counsel if they have any
8 questions for the witness, and then I'll generally ask the
9 other attorneys if there are any clarifying questions, and
10 at that time the attorneys can indicate to me if there is
11 a need to clarify the record.

12 I don't want the public testifying tonight
13 to also be used as discovery or on-the-record depositions
14 this evening in regards to the complaint case. We're
15 going to keep the testimony tonight dealing only with the
16 rate case matters.

17 So when your name is called, I'll ask you to
18 come forward to this podium, speak into the microphone.
19 I'll ask you to please spell your name for the court
20 reporter, so we can get it in the record correctly.

21 And then there may be some questions from
22 myself and commissioners immediately after, and, like I
23 say, there may be some questions from the attorneys. So
24 I'll ask you to please stay at the podium until you're
25 excused.

1 To get as many of you on the record as
2 possible, I'll ask that you be as brief as you can. If a
3 speaker has already made points that you wanted to make,
4 simply state, you know, your name and that you agree with
5 what they said. That's perfectly fine.

6 I'll also ask you not to make comments or
7 cheers or applause while someone else is testifying. We
8 want everyone to feel free to speak. An outburst from the
9 audience sometimes intimidates someone with a different
10 opinion.

11 I'll now ask the attorneys to make their
12 entries of appearance. We'll start with Staff.

13 MS. HERNANDEZ: Jennifer Hernandez for Staff
14 of the Missouri Public Service Commission, P. O. Box 360,
15 Jefferson City, Missouri 65102.

16 JUDGE DIPPELL: And Public Counsel.

17 MS. BAKER: Thank you.

18 Christina Baker, P. O. Box 2230,
19 Jefferson City, Missouri 65102, appearing on behalf of the
20 Office of the Public Counsel and the ratepayers.

21 JUDGE DIPPELL: And Aqua Missouri.

22 MR. ELLINGER: Thank you.

23 Marc Ellinger with the law firm of Blitz,
24 Bardgett & Deutsch, 308 East High, Suite 301,
25 Jefferson City, Missouri 65101 on behalf of Aqua Missouri.

1 JUDGE DIPPELL: Thank you.

2 We'll go ahead then with the first person on
3 the list is Melanie Fitzpatrick.

4 Would you please raise your right hand.

5 (Witness sworn/affirmed.)

6 JUDGE DIPPELL: Go ahead with your comments.

7 If you could spell your name for the court
8 reporter.

9 MS. FITZPATRICK: M-e-l-a-n-i-e; last name
10 Fitzpatrick, F-i-t-z-p-a-t-r-i-c-k.

11 Okay. The first thing is, is whenever
12 people do a rate increase, or basically even get a raise,
13 my opinion is -- is -- and this is going to be very hard
14 to separate my -- that you have to earn it.

15 JUDGE DIPPELL: Would you pull the
16 microphone down just a little bit.

17 Thank you.

18 MS. FITZPATRICK: You have to earn it.

19 So far our subdivision has not had any
20 positive reactions towards Aqua. First, we've had
21 problems getting -- you tell me if I step over the line
22 into going into something else.

23 JUDGE DIPPELL: It's fine for you to speak
24 of the complaint matters. I just wanted it to be clear
25 that the Commission won't be making a decision on the

1 complaint.

2 MS. FITZPATRICK: I just can't ask you guys
3 any questions. Okay.

4 They're not getting -- they're still not
5 getting the bills corrected to the people that are
6 supposedly their customers.

7 I'm still receiving a bill that is extremely
8 outrageous, which I did receive a letter from you guys
9 about the back billing.

10 But my biggest concern is if we're already
11 having problems with it and we still months later still
12 have not gotten these issues corrected, who is to say six
13 months down the road we don't come to the same problem
14 because either a computer system is failing them or the
15 people that is working with them are not being trained
16 correctly to simply send out correct bills to half the
17 people in Jeff City.

18 That just seems like a lot of negligence to
19 me, and to give them extra money in their pocket for them
20 to do things after -- I'm assuming -- I know our
21 subdivision was donated to them. I don't know how many
22 other ones were. I know we're not the only subdivision
23 that has had this problem.

24 And then the other part about the
25 1.2 million per capital improvements in your community,

1 I'm now aware that that's for the entire Jeff City. I
2 know for ours they've not made that many improvements,
3 and, like I said, ours was donated.

4 But the 700 per customer, to me I would
5 rather pay them \$700 and not have our rates increased,
6 because if you look at it in the long run, they're going
7 to be making a lot of money off of it. I would rather
8 just hand them \$700 and be done with it instead of 60 some
9 dollars or however much is being requested.

10 Am I making sense on that part?

11 JUDGE DIPPELL: Yes.

12 MS. FITZPATRICK: Okay.

13 But the biggest thing is just getting them
14 to at least fix all their errors as far as billing and,
15 you know, if they're going to raise our rates, give us a
16 better reason as to why than the letter that we received,
17 because it was not adequate information for us.

18 I don't know what the rest that everybody
19 wants to discuss, but if I think of something else, can I
20 come back?

21 JUDGE DIPPELL: Yes.

22 Let me ask you just a couple of things.

23 MS. FITZPATRICK: Yes.

24 JUDGE DIPPELL: Which subdivision do you
25 live in?

1 MS. FITZPATRICK: VanLoo Estates.

2 JUDGE DIPPELL: And the letter you're
3 referring to, can you explain that since -- the Commission
4 hasn't seen those letters, so --

5 MS. FITZPATRICK: Let me see if I have it.

6 JUDGE DIPPELL: Can you just explain what
7 that letter was?

8 Are you talking about the letter that
9 notified you of the rate increase?

10 MS. FITZPATRICK: Right.

11 The letter about, we received your
12 correspondence from -- let's see -- the Missouri Public
13 Service Commission expressing your concerns about Aqua
14 Missouri's proposed rate increase for your wastewater
15 service.

16 Do you want me to continue?

17 JUDGE DIPPELL: Go ahead.

18 MS. FITZPATRICK: Aqua Missouri requested a
19 rate increase for its customers in Jefferson City and
20 elsewhere in the state to help recover our investment for
21 capital improvements to our wastewater systems and cover
22 increases in operating expenses such as fuel and
23 wastewater treatment costs.

24 Overall since early 2005 we will have spent
25 more than 1.2 million for the capital improvements in your

1 community. This amount translates to an investment of
2 about 700 per customer in the Jefferson City area to
3 improve the services provided to you and your
4 neighborhood -- or your neighbors.

5 Aqua is committed to providing you and your
6 community with quality, reliable service for years to
7 come.

8 Well, that last -- I have to disagree with
9 that whole sentence, because as far as quality, we've not
10 had any of that; and as far as reliable service, we've
11 definitely not had any of that.

12 I hope this information addresses the issues
13 to your satisfaction. If you have any additional
14 questions or comments, please feel free to call and
15 contact the customer service department at 877-987-2782.

16 And that's from Tena Hale-Rush.

17 That's what I was talking about, the 700 per
18 month -- I mean, the 700 per customer. If I pay 60 some
19 dollars -- or let's see -- what you're considering is the
20 48.13. Down the road where is that extra money going to
21 be going to?

22 I'd rather just pay \$700. And, you know, if
23 they would start billing the rest of their people. I'm
24 one of them that was not billed for almost two years. I
25 didn't even know that they existed until I received

1 something on my door. And there was a couple more in our
2 neighborhood that falls under that same category.

3 And I have always paid my bills, and I just
4 don't want to be stuck with a bill for the rest of my life
5 to pay for somebody that -- or a company that -- if they
6 would bill everybody, they probably wouldn't be in
7 whatever debt problem they're in as far as -- I mean, they
8 just -- if they would start billing everybody, then they
9 would actually start making their income or whatever their
10 goal is on all this.

11 I'm done.

12 JUDGE DIPPELL: Thank you.

13 Commissioner Murray, did you have any
14 questions?

15 COMMISSIONER MURRAY: Good evening.

16 I understand you had problems with the
17 billing, and did you also mention that you've received no
18 quality service and that you have not received reliable
19 service?

20 What are you talking about with quality?

21 MS. FITZPATRICK: Well, basically I would
22 think that if the system is being maintained, our
23 neighborhood -- and I'm not the only one -- there is a
24 smell in some of our houses. There is a smell in our
25 neighborhood.

1 I know one of the ladies that is here
2 tonight can talk about there was a light that was off for
3 a while, some kind of a light. Well, anyway, I'll let her
4 explain that later.

5 COMMISSIONER MURRAY: I'm not trying to get
6 into the real details. I would imagine that is in your
7 complaint case.

8 MS. FITZPATRICK: Yes.

9 COMMISSIONER MURRAY: But just in general
10 what you're talking about when you're talking about lack
11 of quality and then lack of reliability.

12 MS. FITZPATRICK: Well, if they were
13 reliable, I would think that we would all receive a bill.

14 COMMISSIONER MURRAY: So your reference
15 to --

16 MS. FITZPATRICK: And they've had ample
17 amount of time to get this fixed, and there are still some
18 people in our neighbor who have not received a bill.

19 So, I mean, the reliability there is not
20 very good.

21 COMMISSIONER MURRAY: All right. Thank you
22 very much.

23 MS. FITZPATRICK: Thanks.

24 JUDGE DIPPELL: Commissioner Clayton.

25 COMMISSIONER CLAYTON: What was the

1 subdivision where you reside? You stated that earlier and
2 I didn't --

3 MS. FITZPATRICK: VanLoo Estates.

4 COMMISSIONER CLAYTON: VanLoo.

5 And how long have you been in that
6 subdivision?

7 MS. FITZPATRICK: Roughly two years.

8 COMMISSIONER CLAYTON: Two years.

9 Were you the original owner of the house?

10 MS. FITZPATRICK: No.

11 COMMISSIONER CLAYTON: And for those two
12 years only recently you received a sewer bill --

13 MS. FITZPATRICK: That's correct.

14 COMMISSIONER CLAYTON: -- is that correct?

15 Okay. You mentioned some billing errors and
16 that the bills are just being outrageous. Can you explain
17 that a little more to me?

18 MS. FITZPATRICK: Yes.

19 COMMISSIONER CLAYTON: Is that -- the
20 outrageous bill, is that where they billed you for a year
21 or two years worth of service?

22 MS. FITZPATRICK: Correct. And we're still
23 getting that same bill.

24 COMMISSIONER CLAYTON: Okay. What was the
25 amount? Do you mind sharing that with me?

1 MS. FITZPATRICK: I have copies.

2 COMMISSIONER CLAYTON: If you can tell me
3 the dollar amount.

4 MS. FITZPATRICK: Okay. Some of them were
5 507.83. Some were 844.54, 330.23, 336.71, 325.60.

6 COMMISSIONER CLAYTON: Wait a minute. Are
7 these all for the same time periods?

8 MS. FITZPATRICK: These are --

9 COMMISSIONER CLAYTON: These are, like,
10 corrected bills or are these for different quarters or do
11 the bills say what they're for?

12 MS. FITZPATRICK: These are for mine and
13 other people that live in our subdivision. They provided
14 me with copies.

15 So, for example, the first one which is --

16 COMMISSIONER CLAYTON: The 507.83, what time
17 period?

18 MS. FITZPATRICK: May 28, 2008.

19 COMMISSIONER CLAYTON: And that included how
20 many months? Twelve months or --

21 MS. FITZPATRICK: It just says your bill is
22 \$507.83 and it's overdue. Because of your bill -- because
23 your bill is overdue we will shut off service.

24 MR. GAYDOS: Excuse me. That bill she's
25 talking about right there is mine. I can address that

1 when I have time to at the podium.

2 COMMISSIONER CLAYTON: Sure. That's fine.

3 So these are different people's bills?

4 These are not your bills that you're --

5 MS. FITZPATRICK: Mine --

6 COMMISSIONER CLAYTON: Yeah, I was just
7 asking about your bill.

8 MS. FITZPATRICK: Okay.

9 COMMISSIONER CLAYTON: That would explain
10 why the numbers are so different.

11 MS. FITZPATRICK: Okay. Mine for June 13th,
12 2008, and the bill date is May 22nd, 2008, for the amount
13 of \$330.23.

14 COMMISSIONER CLAYTON: Okay.

15 MS. FITZPATRICK: My second one, bill date
16 May 29th, 2008 for the amount of \$336.71.

17 COMMISSIONER CLAYTON: That sounds like the
18 bill, like they added some late fee or interest. Is that
19 what that is?

20 Is that a twelve-month bill, do you know?

21 MS. FITZPATRICK: I would say yes.

22 COMMISSIONER CLAYTON: Okay. Okay.

23 And May was the first time you ever received
24 a bill?

25 MS. FITZPATRICK: Yes.

1 COMMISSIONER CLAYTON: You were asked about
2 quality of service, and you mentioned others have had a
3 problem with a smell in their house and there was some
4 other issues.

5 You personally, have you had any problems
6 with quality of service? Does the sewer work, things go
7 down when they're supposed to go down, or have you had
8 back-up problems --

9 MS. FITZPATRICK: No.

10 COMMISSIONER CLAYTON: -- blowups?

11 MS. FITZPATRICK: No.

12 COMMISSIONER CLAYTON: Okay. So the service
13 itself has worked?

14 MS. FITZPATRICK: Correct.

15 COMMISSIONER CLAYTON: Okay. I don't think
16 I have any other questions. I appreciate you coming out.

17 JUDGE DIPPELL: Ms. Baker.

18 MS. BAKER: The only thing I would add to
19 that is have you had a chance to contact or call Aqua's
20 customer service numbers?

21 MS. FITZPATRICK: I have now, yes, now that
22 I received the bills, which is where the phone number was
23 at.

24 MS. BAKER: Did you have a good experience,
25 a bad experience?

1 MS. FITZPATRICK: With the customer service
2 number?

3 MS. BAKER: Yes.

4 MS. FITZPATRICK: I did not have a bad
5 experience, no.

6 MS. BAKER: That's all of the questions that
7 I have. Thank you.

8 JUDGE DIPPELL: Any other clarifying
9 questions?

10 MS. HERNANDEZ: No, thank you.

11 MR. ELLINGER: No questions, Judge.

12 JUDGE DIPPELL: Thank you very much,
13 Ms. Fitzpatrick. I appreciate it.

14 Paul Imhoff or Imhoff.

15 MR. IMHOFF: I'm going to decline at this
16 time.

17 JUDGE DIPPELL: Travis Browsers.
18 Please raise your right hand.
19 (Witness sworn/affirmed.)

20 JUDGE DIPPELL: Thank you.

21 MR. BROWERS: My name is Travis Browsers,
22 B-r-o-w-e-r-s, and I'm with VanLoo Estates also.

23 Besides that our septic plant has been
24 donated to this company -- No. 1, we have not had any
25 problems with our septic whatsoever. I don't think

1 anybody in the subdivision has, until Aqua Net come to
2 town. And now it's kind of -- the only problem is the
3 billing deal.

4 And ours is 100 percent donation. So they
5 get 100 percent profit off this, except for the
6 maintenance that they do to it, which cannot be much
7 because every house in our subdivision has a holding tank.
8 Well -- so they don't deal with any solids. All they deal
9 with is the liquid. And it goes down to the septic, and
10 it's, you know, treated there and wherever it goes from
11 there.

12 There has been one pump since '95 that has
13 went out in that -- in that tank, which pumps cost about
14 500 bucks. So their maintenance on that one is grass,
15 mowing the grass, maybe, which, you know, probably not a
16 big deal. They might have to do some filters. I don't
17 know all about the maintenance.

18 But I know since '95 there has been one pump
19 run out of it. And if there is an addition to this plant,
20 say the subdivision gets bigger, the developer has to go
21 in -- go ahead and do the additional to this. Then he
22 donates it to Aqua Source or whomever is doing it at that
23 time.

24 So it's 100 percent profit on this deal.
25 And I cannot see our rates going up from 27.75 to 63.48

1 or -- or that was the proposed rate. I guess the other
2 one is 48.13. That's quite a steep increase there.

3 We were one of the five to ten people in the
4 40-house neighborhood that was getting billed, and we paid
5 our 27.75 all of the time. It's no problem. Then all of
6 a sudden we get three bills in one week for \$80. And
7 where did that come from?

8 You can't -- you can't get nothing resolved
9 when you call, and you call and you call and call. And
10 the people just don't have any clue what is going on, and
11 at the office.

12 And some of the people, I guess, that if you
13 paid a -- if you paid a deposit, then you pay your monthly
14 bills, you ought to be -- as I say, we paid a deposit and
15 we paid our monthly bills. Some of the people had no clue
16 that you had even the septic because -- the septic bill,
17 because even the previous owners of the homes did not have
18 it. So they didn't put a deposit down and they didn't pay
19 no bills.

20 And I don't know what is going on with that,
21 if they're to get -- if they're not going to have to pay
22 it or they're going to have to pay it, but how about the
23 ones who -- that has had to pay it or who has been paying
24 it? You know, do they credit that back to us? Is nobody
25 going to pay it or is everybody going to pay it? I mean,

1 you can't go from one way to the other.

2 And so that's about what I wanted to say was
3 in our subdivision I can't -- I don't know how bad these
4 other septic plants are in these old neighborhoods that
5 have been there for 40 years or whatever, how much
6 maintenance they have to do to theirs or what upgrade they
7 have to make.

8 But in ours it's not going to be much
9 because it's pretty new, and there is not much to have to
10 deal with. There is no solids. It's all -- it's all just
11 a water -- water plant basically is what it is.

12 And that's all I have to say.

13 JUDGE DIPPELL: Thank you.

14 Let me ask you just a couple things to
15 clarify a couple things.

16 How long has the subdivision been there?

17 MR. BROWERS: I think since '90--

18 MRS. BROWERS: '98, '99.

19 MR. BROWERS: '98.

20 JUDGE DIPPELL: And how long have you lived
21 there?

22 MR. BROWERS: We got our house done last
23 year -- well, about a year and a half.

24 JUDGE DIPPELL: Okay. And so you have been
25 receiving a bill since --

1 MR. BROWERS: Yes --

2 JUDGE DIPPELL: -- you moved in?

3 MR. BROWERS: -- we have.

4 JUDGE DIPPELL: And it sounds like you're
5 familiar with the history of the --

6 MR. BROWERS: I'm the one who built it.

7 JUDGE DIPPELL: -- area.

8 So can you explain, just so that it's clear
9 in here and we all are on the same page, the -- kind of
10 the history. You said the plant was donated.

11 MR. BROWERS: Yes.

12 JUDGE DIPPELL: Can you kind of explain that
13 history?

14 MR. BROWERS: Well, what they have to do
15 when they build these -- when you build a subdivision and
16 you're -- and you're the subdivision builder there, you
17 have to build the plant and the roads, and you donate the
18 roads to the county and you donate the -- the sub-- the
19 sewer plant to the public, whatever it is. Well, you know
20 what I'm talking about.

21 But, anyway, you donate to them, and I guess
22 they outsource it to Aqua. And so what you do there, I
23 mean, the whole deal is, it's 100 percent profit. I mean,
24 you can't really go wrong when somebody -- somebody says,
25 here. All you have to do is take care of this and you get

1 to collect the bills on it, you know.

2 And there is not a whole lot of -- I don't
3 know. Some others you might have to make improvements to
4 it, but as far as ours, it's pretty new. I mean, there is
5 not a lot of money that is going to go into it.

6 And there is two motors I believe in this
7 deal. If one of them goes bad -- motors, I think, runs
8 \$500, maybe less. So it's not a high-cost maintenance
9 deal.

10 I mean, you don't have to put fuel in it. I
11 mean, you can go down there and look at it and see if
12 everything is going okay. If everything is going okay,
13 drive away. And I guess you might have to test the water
14 sometimes for . . .

15 But, I mean, it's just -- to me it don't
16 look like it would be a really high maintenance ordeal. I
17 mean, it's a sewer, you know.

18 JUDGE DIPPELL: Okay. Thank you.

19 MR. BROWERS: You don't have to keep -- all
20 right.

21 JUDGE DIPPELL: Thank you.

22 Commissioner Murray, do you have any
23 questions?

24 COMMISSIONER MURRAY: Thank you.

25 Good evening.

1 You indicated that each home has a holding
2 tank. Is that correct?

3 MR. BROWERS: Yes.

4 COMMISSIONER MURRAY: And who is responsible
5 for maintenance?

6 MR. BROWERS: The homeowner.

7 COMMISSIONER MURRAY: And do you have to
8 have that emptied periodically?

9 MR. BROWERS: Where the solids go. I mean,
10 it's just like anything else. You might have to have it
11 pumped.

12 I'm not -- we've never had to have ours
13 pumped yet, but at our other house we did have a holding
14 tank that we had to have pumped before.

15 That's -- another thing they -- they said to
16 some of the people, if you didn't pay your bill, they were
17 going to cut you off of the septic. I mean, I don't know
18 how they would do that or even if it's possible to go in
19 there, because all of the lines run down to one main line
20 and it runs into the sewer.

21 But Aqua Net or Aqua -- what is it -- Aqua
22 Source, they threatened some people to cut them off the
23 septic down there.

24 I mean, I don't know what would be worse, to
25 have it cut off and have somebody pump your tank every two

1 months for \$100 or to go ahead and pay them, you know, or
2 every three months. So . . .

3 COMMISSIONER MURRAY: Did you say you did
4 not have any problems with the service itself?

5 MR. BROWERS: No, we didn't have any
6 problems prior to this. Now, before this, I mean -- now
7 the only problem we have is the Aqua Source.

8 COMMISSIONER MURRAY: Is the billing?

9 MR. BROWERS: Definitely the billing.
10 And, I mean, the threats of cutting your -- your septic
11 off.

12 And the -- you can't ever get a billing
13 right. I mean, 27 bucks every month, here you go, here
14 you go, and then all of sudden you get a \$80 bill. You
15 call in. What is this about? Well, we don't know. Here,
16 talk to somebody else. Okay. We'll talk to them. They
17 don't know.

18 And you never get it resolved, and the next
19 month you get another \$80 bill, you know, which is kind of
20 a steep price for septic. I think \$60 a month is a lot
21 for septic.

22 COMMISSIONER MURRAY: Thank you. That's all
23 of the questions I have.

24 JUDGE DIPPELL: Commissioner Clayton.

25 COMMISSIONER CLAYTON: It sounds like the

1 concerns that you've raised on billing are consistent with
2 at least the first witness who appeared. You basically
3 got a surprise bill out of nowhere that was very high on
4 the first hand. Is that -- are you --

5 MR. BROWERS: We really --

6 COMMISSIONER CLAYTON: Your concern is
7 consistent with that?

8 MR. BROWERS: We -- yeah, we got a surprise
9 bill, I mean, because it was the same every month. But we
10 were one of the -- like, she didn't know that they had a
11 septic bill because they hadn't ever been billed for it.

12 And the previous owner of the house, it
13 wasn't in there, in the -- when you buy a house, you know
14 how it lists all your utilities and stuff. It wasn't on
15 there because they'd never been billed for it either.

16 When we built ours, we built it ourself. We
17 made all of the contacts ourselves. So we figured it out,
18 and so we've never had a big surprise bill.

19 COMMISSIONER CLAYTON: So unlike the first
20 witness who didn't have any bill, you've been paying a
21 bill?

22 MR. BROWERS: Yes.

23 COMMISSIONER CLAYTON: How much -- how much
24 would that bill average?

25 MR. BROWERS: Like 30 bucks a month.

1 COMMISSIONER CLAYTON: 30 bucks. Okay.

2 MR. BROWERS: And we thought it was going to
3 go up to 35, which would have been no big deal, but to
4 double it or triple it.

5 COMMISSIONER CLAYTON: When did -- when did
6 your first surprise bill come?

7 I think May was Ms. Fitzpatrick I believe --
8 Ms. Fitzpatrick's surprise bill came in May of 2008. Is
9 that consistent --

10 MR. BROWERS: We didn't --

11 COMMISSIONER CLAYTON: -- with what --

12 MR. BROWERS: We didn't have any outrageous
13 bill like that. We had -- instead of 30 bucks it was \$80,
14 and then we'd get billed two times in a month and it would
15 be \$30 here and then \$80 here.

16 COMMISSIONER CLAYTON: So you had some
17 erratic things?

18 MR. BROWERS: Yes.

19 COMMISSIONER CLAYTON: Was that based --
20 when you looked at your bill, was it based on usage or did
21 how it was computed change? Do you recall that? And if
22 you don't, just say I don't know --

23 MR. BROWERS: I don't know.

24 COMMISSIONER CLAYTON: -- don't ask me these
25 questions.

1 MR. BROWERS: I don't really know.

2 MRS. BROWERS: Actually we are being billed
3 for two different residents out there, and we live in one
4 home. I have to bring all my past checks in. So we're
5 getting a penalty on top of -- for two different homes
6 we've lived in.

7 So, I mean, we don't have two homes out
8 there. But I can't get it taken care of.

9 COMMISSIONER CLAYTON: Ma'am, could you just
10 identify for yourself for us so we make it clear in the
11 record.

12 MRS. BROWERS: Christian Browsers.

13 COMMISSIONER CLAYTON: Christian Browsers.

14 MRS. BROWERS: His wife.

15 COMMISSIONER CLAYTON: I'm not sure if the
16 court reporter got all that.

17 Did you get all that?

18 THE COURT REPORTER: Christian, yes.

19 COMMISSIONER CLAYTON: Yeah, we're in good
20 shape. Not even under oath, so it better be truthful.
21 Okay.

22 So when -- let me ask that question. When
23 did this -- did the craziness begin?

24 MRS. BROWERS: June.

25 COMMISSIONER CLAYTON: June of this year.

1 Okay. And as far as the quality of service,
2 everything goes downhill, it goes down the pipes, doesn't
3 come back up, explodes, smells, nothing like that?

4 MR. BROWERS: Whoever put the septic in did
5 a great job at it, and -- and there is no big maintenance
6 to it. It's all been working just fine.

7 COMMISSIONER CLAYTON: Okay. It's working.
8 That's what I want to know. Okay.

9 All right. I don't think I have any other
10 questions. Thank you.

11 JUDGE DIPPELL: Ms. Baker.

12 MS. BAKER: You had indicated that you had
13 called customer service. Can you tell us --

14 MR. BROWERS: My wife has called customer
15 service.

16 MS. BAKER: And have things been resolved?

17 MR. BROWERS: No.

18 MS. BAKER: So you are currently still
19 discussing --

20 MR. BROWERS: Wondering what to pay, yeah.

21 MS. BAKER: That's all of the questions that
22 I have.

23 JUDGE DIPPELL: Any other questions from
24 attorneys?

25 MS. HERNANDEZ: I don't have any clarifying

1 questions. I'm just wondering if we should have the other
2 witness sworn so her testimony can be considered.

3 JUDGE DIPPELL: We can do that.

4 You can stay there, ma'am.

5 MR. ELLINGER: No other questions.

6 JUDGE DIPPELL: Okay. Just stay there.

7 (Witness sworn/affirmed.)

8 JUDGE DIPPELL: All right. Thank you,
9 ma'am.

10 THE COURT REPORTER: If you could spell your
11 first name, please.

12 MRS. BROWERS: C-h-r-i-s-t-i-a-n.

13 THE COURT REPORTER: Thank you.

14 JUDGE DIPPELL: Peggy Jensen.

15 (Witness sworn/affirmed.)

16 JUDGE DIPPELL: Thank you. If you could
17 spell your name and then give your testimony.

18 MS. JENSEN: Peggy, P-e-g-g-y, Jensen,
19 J-e-n-s-e-n.

20 I don't -- we just moved into the
21 subdivision the beginning of May, so I don't have --

22 JUDGE DIPPELL: Speak in the microphone just
23 a little bit so everybody can hear you.

24 MS. JENSEN: Okay. Do you want me to repeat
25 what I just said?

1 JUDGE DIPPELL: No. Go ahead.

2 MS. JENSEN: So I don't have any history as
3 far as service or anything like that.

4 But when we moved into our new house, we
5 were not informed that we needed to sign up for Aqua
6 Missouri; and by talking with neighbors, they indicated
7 that we needed to do so.

8 So I called the Jefferson City office. They
9 gave me the office number in, I guess, Texas or wherever
10 headquarters is located. I indicated that, you know, I
11 did not realize we needed to sign up.

12 And she set me up an account. She kind of
13 indicated that, you know, you needed to pay two months'
14 back pay. I said, I understand. You know, I'm sorry. I
15 didn't know I needed to call and sign up for the service.

16 And I said, just, you know, tell me what my
17 bill is. I'll send you a check, and I -- I want to get
18 this taken care of. And she indicated that she couldn't
19 tell me how much my service would be and that they would
20 go ahead and send me a bill, and I was fine with that.

21 I didn't receive a bill right away. So I
22 called several times and said, you know, I -- I really
23 would like to go ahead and have that bill. I want to take
24 care of my account and make sure it's in good standing.

25 And I didn't receive anything. So finally I

1 called the Jeff City office, and a lady by the name of
2 Tammy helped me. She told me what my amount was going to
3 be. She said the bill was printed at the end of June, and
4 I should receive a copy in the mail by July 11th.

5 I did receive that. I went ahead and paid
6 that, and we're now on a normal billing cycle.

7 I also received a letter from Aqua Missouri
8 that Melanie referred to, and being new to the subdivision
9 I had heard that there was going to be a rate increase.
10 Some had indicated it was going to be around \$60. And I
11 just wanted to verify that information just so I didn't
12 have it, you know, from hearsay. I wanted to have it
13 firsthand.

14 So I called the customer service number.
15 Actually, first, after I received the letter from Aqua
16 Missouri, I received a call on my cell phone from a lady
17 called Tamika. And I was in a meeting so it went to
18 voicemail.

19 She left me a number to call and her
20 extension, and she told me she wanted to just check and
21 make sure we were receiving good service, and if I had any
22 questions or anything, I should give her a call.

23 So I called her back because I wanted to
24 discuss the billing rate increase, and I didn't receive a
25 call back from her.

1 So then I called the customer service number
2 in the letter, and I asked, you know, what the increase
3 would be. And she said, well, it's based on the size of
4 your pipe. And she said, if it's less than one inch, the
5 increase would be \$3.24 a month. If it's an inch to two
6 inch, then it would be 7.44 a month. So our rate would
7 have increased to \$30.97 per month.

8 So when I heard that, I thought, well, you
9 know, that's not too bad. There is really no reason for
10 me to pursue anything any further.

11 And then I received a letter from the Public
12 Service Commission, I believe, indicating that the rate
13 was going to go up to \$63.48.

14 So I didn't understand why that difference
15 was there. You know, they told me it would be \$30.97, and
16 then another letter came that said 63.48.

17 So that was really my complaint, I mean, you
18 know, just a difference in information.

19 JUDGE DIPPELL: Okay. Was your house new
20 when you moved in or was there a previous owner?

21 MS. JENSEN: There was a previous owner.

22 JUDGE DIPPELL: So how did you find out
23 about Aqua Missouri?

24 MS. JENSEN: We were actually at a
25 neighborhood fish fry, and they were talking about the

1 increase that Aqua Missouri was proposing. And they were
2 talking about how much the bill was, how much they were
3 going to probably increase it. And I said, Aqua Missouri.
4 Are we supposed to be on that? And they said, oh, yes.

5 That was a Saturday. On Monday morning I
6 called and said, hey, you know, I apologize. I didn't
7 know we were supposed to do this. And I wanted to go
8 ahead and get the system, you know, started, the process
9 started.

10 JUDGE DIPPELL: Okay. Commissioner Murray,
11 did you have any questions?

12 COMMISSIONER MURRAY: Yes.

13 Good evening. Thank you.

14 Did you purchase your house through a real
15 estate broker?

16 MS. JENSEN: No. It was for sale by owner.

17 COMMISSIONER MURRAY: And was there anything
18 in the materials about the property that indicated what
19 you had for such things as water or sewer service?

20 MS. JENSEN: They listed -- our house is
21 kind of unusual because we have our own well. The
22 previous owners decided not to purchase water from the
23 utility company. They purchased their own well.

24 So on the water/sewer it was listed private
25 well. And, I mean, the telephone utilities and all that

1 was listed, but Aqua Missouri wasn't listed on the
2 information sheet.

3 COMMISSIONER MURRAY: So nothing was listed
4 in terms of wastewater treatment?

5 MS. JENSEN: No, it wasn't.

6 COMMISSIONER MURRAY: I think that's all my
7 questions. Thank you.

8 JUDGE DIPPELL: Commissioner Clayton.

9 COMMISSIONER CLAYTON: Ms. Jensen, just
10 briefly on quality of service. Everything works?

11 MS. JENSEN: Yes. We have no complaints.

12 COMMISSIONER CLAYTON: No problems.

13 And your bills have been reasonably
14 accurate?

15 MS. JENSEN: Yes. We were billed for two
16 months on our first bill, and then every month has been
17 the 27.75 ever since then.

18 COMMISSIONER CLAYTON: Okay. Your concern
19 principally is basically the size and the difference in
20 increase that was first given to you by the company?

21 MS. JENSEN: Yes. Probably more the
22 incorrect information provided. You know, if it wouldn't
23 have been for this hearing and I received a bill for \$63,
24 I would have been really surprised, and it would have
25 affected my budgeting.

1 COMMISSIONER CLAYTON: Do you know how many
2 people are on a well in the neighborhood?

3 MS. JENSEN: From what I understand, we're
4 the only one.

5 COMMISSIONER CLAYTON: You're the only one.
6 How does the company assess your usage?

7 MS. JENSEN: I believe as far as the sewer,
8 it's just a flat rate.

9 COMMISSIONER CLAYTON: So you're paying a
10 flat rate. They have no idea how much -- how much --

11 MS. JENSEN: Sewage, yes.

12 COMMISSIONER CLAYTON: I'm uncomfortable
13 using the language here, since we're all among friends.

14 They have no idea. There is no meter that
15 goes out that measures the output?

16 MS. JENSEN: As far as I know. I mean, the
17 bill that I receive, it just says service, 27.75. There
18 is no, like, gallons used or anything like that. So, you
19 know, it just says \$27.75, due 27.75.

20 COMMISSIONER CLAYTON: What neighborhood is
21 this?

22 MS. JENSEN: We're in VanLoo Estates.

23 COMMISSIONER CLAYTON: The same one as the
24 others?

25 MS. JENSEN: Yes.

1 So I assume it's a flat rate and it's not
2 based on usage, but I cannot verify that.

3 COMMISSIONER CLAYTON: Well, maybe someone
4 here tonight can help answer that question.

5 That's interesting. Well, this will be an
6 issue that -- this is the first I think I've ever heard
7 this related to sewer, where you got -- usually the
8 measurement comes off the water, the water usage. And in
9 this instance you don't have that. So this is an
10 interesting circumstance.

11 MS. JENSEN: Okay.

12 COMMISSIONER CLAYTON: It's about as
13 interesting as it gets in utility regulation. So, I mean,
14 I'm excited about this issue.

15 Thank you very much for coming out tonight.

16 JUDGE DIPPELL: Ms. Baker.

17 MS. BAKER: I have no questions. Thank you
18 very much.

19 JUDGE DIPPELL: Ms. Hernandez or
20 Mr. Ellinger?

21 MS. HERNANDEZ: I just have one question.

22 When did you get the response from the
23 customer service representative that your increase would
24 just be -- or your bill would only be \$30?

25 MS. JENSEN: I called on July 10th. Tamika

1 called me on July 9th. I called her back and she didn't
2 return my call, so then I called on July 10th.

3 MS. HERNANDEZ: And you received a response
4 that day?

5 MS. JENSEN: Yes.

6 MS. HERNANDEZ: Thank you.

7 JUDGE DIPPELL: Mr. Ellinger.

8 MR. ELLINGER: I have no questions, but I
9 can answer the commissioner's question, if that's okay.

10 JUDGE DIPPELL: Go ahead.

11 MR. ELLINGER: It is on a flat bill. There
12 is no water usage. Part of that is because the utility
13 companies -- predominantly water districts actually don't
14 allow Aqua Missouri to tap in and monitor water.

15 COMMISSIONER CLAYTON: So all of the
16 customers are on a flat rate?

17 MR. ELLINGER: None of it is based on usage,
18 that's correct. All of the customers in the
19 Jefferson City service area, which is roughly 1,700
20 customers, all are on a flat rate.

21 COMMISSIONER CLAYTON: That answers that. I
22 wasn't aware of that.

23 JUDGE DIPPELL: Okay. So, Mr. Ellinger,
24 Aqua Missouri has other customers in the state that are
25 on --

1 MR. ELLINGER: Other customers in the state,
2 and I think one -- one other location does have water
3 usage, and they average out the water usage to come up
4 with the bill.

5 COMMISSIONER CLAYTON: How many -- can I ask
6 just real quick, and this is -- I'm not supposed to be
7 asking you questions but since you brought it up.

8 How many different classes of customers does
9 this area have? Do you have a commercial class in the
10 tariff and a residential, industrial?

11 MR. ELLINGER: Two --

12 MS. HALE-RUSH: Residential and commercial.

13 MR. ELLINGER: -- residential and
14 commercial.

15 MS. HALE-RUSH: And rental.

16 MR. ELLINGER: And rental.

17 MS. HALE-RUSH: And rental.

18 MR. ELLINGER: So there is residential,
19 commercial, three -- and rental, three, residential,
20 commercial.

21 MS. HALE-RUSH: Multi families.

22 COMMISSIONER CLAYTON: It sounds like we're
23 all getting an education.

24 MR. ELLINGER: Yes.

25 COMMISSIONER CLAYTON: And those have been

1 assessed to be equitable measurements in terms of usage
2 and the cost that goes with the flat rate? Do you know
3 what I'm saying?

4 MR. ELLINGER: As far as I know they are.
5 That's part of, I presume, how those three classes have
6 been maintained.

7 COMMISSIONER CLAYTON: It's not really the
8 purpose of tonight's hearing. I shouldn't be asking you
9 questions. I'm going to get an objection here from
10 somebody, so I'm going to stop here.

11 Thank you very much for coming out tonight.

12 JUDGE DIPPELL: Thank you, Ms. Jensen.

13 Oh, Commissioner Murray.

14 COMMISSIONER MURRAY: I have one more
15 question.

16 JUDGE DIPPELL: I'm sorry.

17 COMMISSIONER MURRAY: What was the amount
18 that you said that you were told yours would increase by?

19 MS. JENSEN: It would increase by \$3.24 a
20 month, bringing it up to \$30.97.

21 COMMISSIONER MURRAY: \$3.24?

22 MS. JENSEN: 24 cents, if I had a less than
23 one-inch pipe. If it was greater than an inch, less than
24 two, it would be 7-- 7.44 per month.

25 COMMISSIONER MURRAY: All right. Thank you.

1 MS. JENSEN: Thank you.

2 JUDGE DIPPELL: Okay. That was all the --
3 Mr. Imhoff, did you want to go ahead and testify?

4 Okay. You prefer to wait until everyone
5 else has spoken?

6 MR. IMHOFF: Yeah, essentially.

7 JUDGE DIPPELL: Thank you, Ms. Fred.

8 Richard Fisher.

9 Please raise your right hand.

10 (Witness sworn/affirmed.)

11 JUDGE DIPPELL: Thank you.

12 If you could spell your name.

13 MR. FISHER: Richard Fisher, R-i-c-h-a-r-d,
14 F-i-s-h-e-r.

15 JUDGE DIPPELL: Go ahead.

16 MR. FISHER: And I'm a resident of
17 VanLoo Lake also.

18 I've been out there since '96. My last
19 water bill when I left Jefferson City -- and this is water
20 and sewer -- was \$23.84. Currently we pay 27.75 a month
21 for sewer alone.

22 When I first moved out there, our bill with
23 Aqua was 22.53. I did some rough calculations tonight,
24 and the current 27.75, to get to the \$64 and some odd cent
25 rate that they want, would take about 18 1/2 years, at a

1 5 percent annual increase. I wish I got a 5 percent
2 annual increase per year.

3 At the last rate case that Aqua presented, I
4 sent a petition around the neighborhood, and on my
5 petition I also asked, why doesn't -- why is it a flat
6 rate? Why do they not charge based on sewer usage or
7 water usage? And that's my question again tonight.

8 We have residents, single family -- or
9 single person living on a fixed income. We have several
10 that are two and three people. We have one family that
11 has ten people in it. I don't think it's quite right when
12 one person has to pay the same as ten.

13 As far as the erratic billings, not knowing
14 that Aqua is the supplier of their wastewater treatment
15 because we have to -- we have to maintain our septic
16 tanks.

17 Whose -- whose responsibility is it to
18 ensure that we, the homeowners or homebuyers, know that
19 we're supposed to be paying Aqua a fee? Is it the real
20 estate agent, is it the developer of the subdivision or is
21 it Aqua?

22 Personally I think it's Aqua's business.
23 It's their money they're missing out on. I mean, if they
24 want to go back and collect past bills because it's their
25 negligence, I don't think that's quite right either.

1 And as I said, we're paying 27.75 a month
2 right now, and that's for gray water. As Mr. Browers said
3 earlier, it goes into their lagoon, as I refer, to
4 treatment. It's only gray water. There is no solids.
5 That's our responsibility.

6 I believe that's all I have.

7 JUDGE DIPPELL: Thank you.

8 Mr. Fisher, did you say that you had -- you
9 testified in this case at the previous --

10 MR. FISHER: I -- I had sent a petition
11 around the neighborhood and submitted it to the
12 Commission.

13 JUDGE DIPPELL: Okay.

14 MR. FISHER: I did not testify.

15 JUDGE DIPPELL: All right.

16 Now, since you -- you've been there since
17 1996?

18 MR. FISHER: That's correct.

19 JUDGE DIPPELL: Has Aqua Missouri or their
20 predecessor been the provider since then?

21 MR. FISHER: That's correct. And we didn't
22 know about it either until -- for two years.

23 JUDGE DIPPELL: And how did you find out
24 about it?

25 MR. FISHER: They stuck -- they physically

1 placed a letter in my mailbox with no postage, which I
2 believe is against the law.

3 JUDGE DIPPELL: Okay.

4 Commissioner Murray, did you have any
5 questions?

6 COMMISSIONER MURRAY: Good evening,
7 Mr. Fisher. I apologize for my phone ringing. I thought
8 I had turned it off.

9 I wanted to ask you. You said you didn't
10 know that you were on a sewer service either?

11 MR. FISHER: That's correct.

12 The -- we bought our house as a spec house,
13 and on the listing for real estate agent for sewer it said
14 septic. And I'm sure if you were to look at several of
15 them now that are out there listed, they will say septic.
16 They wouldn't say Aqua Missouri.

17 COMMISSIONER MURRAY: Would you -- this is
18 fascinating to me that people wouldn't inquire about what
19 kind of wastewater treatment they have.

20 MR. FISHER: Well, if you see a septic tank
21 on the -- on the listing, to me led me to believe that's
22 all I had, and it wasn't the case.

23 COMMISSIONER MURRAY: Did you have to
24 main-- did you think you had to maintain it or --

25 MR. FISHER: Yes.

1 COMMISSIONER MURRAY: And you didn't find
2 out for two years. So what did you do in that two-year
3 period?

4 MR. FISHER: I was required to sign a
5 contract with Aqua -- I believe it was Aqua Source at the
6 time and then pay back billing.

7 COMMISSIONER MURRAY: No. I mean prior to
8 finding out.

9 You lived in the home two years before you
10 knew that it was Aqua Source, did you say?

11 MR. FISHER: The -- yes. The septic tank,
12 the gray water drains to the lagoon, and there was nothing
13 ever said about ever paying a fee or anything else.

14 COMMISSIONER MURRAY: How about maintenance
15 of your septic system? If you thought it was yours --

16 MR. FISHER: Yeah, the septic -- the septic
17 tank, if it needs to be maintained, it would be to have
18 the lid taken off and pumped down in 10, 20 years.

19 COMMISSIONER MURRAY: And you never
20 experienced any kind of problem with it or anything?

21 MR. FISHER: Oh, no, no. It was a new
22 house, and I don't look to need to pump my septic tank for
23 another ten years.

24 COMMISSIONER MURRAY: Okay. Thank you.

25 MR. FISHER: You're welcome.

1 JUDGE DIPPELL: Commissioner Clayton.

2 COMMISSIONER CLAYTON: I don't think I have

3 any questions. I appreciate you coming here.

4 MR. FISHER: You're welcome.

5 JUDGE DIPPELL: Thank you.

6 Ms. Baker.

7 MS. BAKER: Did you contact the customer

8 service whenever you got the letter in your mailbox?

9 MR. FISHER: No, ma'am.

10 MS. BAKER: That's all the questions that I

11 have. Thank you.

12 JUDGE DIPPELL: Anything, Ms. Hernandez?

13 MS. HERNANDEZ: No, thank you.

14 JUDGE DIPPELL: Mr. Ellinger?

15 MR. ELLINGER: No questions, Judge.

16 JUDGE DIPPELL: Thank you, Mr. Fisher. I

17 appreciate it.

18 MR. FISHER: Thank you for your time.

19 JUDGE DIPPELL: Robert McPherson.

20 MR. MCPHERSON: I'm Robert McPherson,

21 3902 Viola View.

22 JUDGE DIPPELL: Can you please raise your

23 right hand.

24 (Witness sworn/affirmed.)

25 JUDGE DIPPELL: Thank you.

1 If you could pull the microphone down just a
2 little bit there.

3 Thank you.

4 MR. MCPHERSON: I object to the flat rate.
5 I'm one of the people that just have two people in the
6 house, and we're gone for three months out of the year.

7 I think it's very unfair to do that -- to
8 give you a flat rate. Like, your utility companies don't
9 do that because it wouldn't be fair.

10 And I guess everybody knows that all these
11 sewers, from what I understand, were given to the Aqua
12 system.

13 I've done preliminary surveying, all of the
14 way through the end of construction, on all these sewers,
15 I mean, most -- a lot of these sewers in Cole County.

16 I've been doing it for 30 years with Central
17 Missouri Professional Service and -- I forgot --
18 Engineering Surveys and Services.

19 I've inspected them, surveyed them and built
20 them, and I know they're all accepted by high standards
21 with the county or the city before they're taken over.

22 And I think -- am I assuming? Don't they
23 get all these treatment plants given to them, Aqua
24 Services?

25 JUDGE DIPPELL: I don't know the answer.

1 It's all in the Staff recommendation.

2 MR. MCPHERSON: Well, from what I
3 understand, they're all given to them. And they're --
4 they've been inspected and they've been built to good
5 standards. They're not just sloppy sewers that flow down
6 the hill.

7 And I guess -- I guess that's all I've got
8 to say.

9 Oh. I've had a smell from the time -- I
10 moved in in March of last year, and I had a bad smell in
11 March, April, May, June, July, August, September, October,
12 November and December, and then I was gone for three
13 months. And I've only noticed the smell a few times since
14 I've been back, since April 1st.

15 And I didn't do anything about it, didn't
16 say anything about it. I was just hoping the wind would
17 blow another direction. And then after being in the
18 neighborhood for a while I heard a few other people
19 complaining about the smells.

20 Then this petition got moving, and I kind of
21 got involved a little bit and hadn't noticed the smell,
22 but it was there before and maybe it's cleaned up. I
23 don't live that close to it.

24 But there was a smell there, and it was very
25 disgusting, because I had -- I just moved from a place

1 that had a sewer smell, and I tried to go through the City
2 of Osage -- Lake Ozark. I had to go through them to try
3 to get the smell stopped, and they never could.

4 And then I -- I didn't smell this until I
5 moved in, and I thought, oh, boy, here I go again.

6 But, anyway, I haven't noticed the smell for
7 a couple of months.

8 JUDGE DIPPELL: Can I get you -- we didn't
9 get you to spell your name. Can you spell your last name?

10 MR. MCPHERSON: M-c-P-h-e-r-s-o-n.

11 JUDGE DIPPELL: Thank you.

12 Commissioner Murray, did you have any
13 questions?

14 COMMISSIONER MURRAY: I don't believe I do.
15 Thank you, Mr. McPherson.

16 MR. MCPHERSON: Thank you.

17 JUDGE DIPPELL: Commissioner Clayton.

18 Can you wait just one moment, Mr. McPherson.
19 Can you wait just one moment?

20 Commissioner Clayton, did you have any
21 questions?

22 COMMISSIONER CLAYTON: Did you?

23 THE COURT REPORTER: My question was, you
24 mentioned the two companies that you had --

25 MR. MCPHERSON: I worked for Central

1 Missouri Professional Service.

2 THE COURT REPORTER: And what was the other
3 one?

4 MR. MCPHERSON: It's been so long since I
5 worked there. Engineering Surveys and Services.

6 THE COURT REPORTER: Thank you.

7 MR. MCPHERSON: I did sewer inspections for
8 both companies. I did the surveying, the preliminary, all
9 of the way through the construction.

10 JUDGE DIPPELL: Commissioner Clayton has
11 some questions for you. Hang on just one moment.

12 COMMISSIONER CLAYTON: My question is about
13 the smell and I wasn't clear. Is that outside or inside?

14 MR. MCPHERSON: Outside.

15 COMMISSIONER CLAYTON: It's then outside?

16 MR. MCPHERSON: Yeah.

17 COMMISSIONER CLAYTON: It's not coming from
18 your pipes inside?

19 MR. MCPHERSON: No. Unless I open my
20 windows up. It got into my house a few times when we had
21 nice weather, and I had to close them because of the
22 smell.

23 COMMISSIONER CLAYTON: Okay. How long have
24 you been at your house?

25 MR. MCPHERSON: Since March of last year.

1 COMMISSIONER CLAYTON: March of '07?

2 MR. MCPHERSON: Yeah.

3 COMMISSIONER CLAYTON: Have you -- did you
4 receive bills from when you moved there or --

5 MR. MCPHERSON: I had no idea I was on
6 Aqua's service, and I think I got a bill two or three
7 months after, and I think they charged me for a couple
8 months' back pay. And -- but I've not had a billing
9 problem.

10 But I really got concerned when I saw this
11 petition go through and all these other bills that people
12 were getting billed back two and three years.

13 I just -- I hope somebody checks their
14 books. Just -- I don't -- you know, I don't know -- I
15 don't know if they're just inaccurate or cooked or what,
16 but I guess you guys can check into that.

17 COMMISSIONER CLAYTON: That's what we do.

18 Thank you for coming tonight.

19 MR. MCPHERSON: Thank you.

20 JUDGE DIPPELL: Ms. Baker, did you have
21 anything?

22 MS. BAKER: I have no other questions.

23 Thank you.

24 JUDGE DIPPELL: Anything else?

25 MS. HERNANDEZ: No, thank you.

1 MR. ELLINGER: No questions, Judge.

2 JUDGE DIPPELL: Thank you, Mr. McPherson.

3 Shannon Gaydos. I may not be pronouncing
4 that correctly.

5 JUDGE DIPPELL: Can you raise your right
6 hand.

7 (Witness sworn/affirmed.).

8 JUDGE DIPPELL: Could you spell your name,
9 because I know I didn't pronounce it correctly?

10 MR. GAYDOS: S-h-a-n-n-o-n, and Gaydos,
11 G-a-y-d-o-s.

12 JUDGE DIPPELL: Thank you.

13 Go ahead with your testimony.

14 MR. GAYDOS: I'm from VanLoo Estates also.

15 I'm sure you guys are getting tired of hearing that
16 subdivision.

17 The problem I've had, this is the second
18 subdivision I've lived in that had Aqua. The first one
19 was Ryan's Lake out in New Bloomfield. And it's the same
20 case, where the subdivision developer donated the land and
21 the services to Aqua.

22 Never had a problem with the sewer. It was
23 a new subdivision. I moved to VanLoo. I've never had a
24 problem with my sewer.

25 When I left New Bloomfield, Aqua was

1 notified that I had sold the house. When we moved in, my
2 developer -- we had talked about a septic tank when he
3 built it. I saw the septic tank get put in. So we
4 assumed we had septic. No other thing was said.

5 Well, I think it was the May timeframe, Aqua
6 Missouri drove around and was putting little door hangers
7 on doors saying -- I can't remember the whole language --
8 pretty much, well, you live -- you're living here now and
9 you have our services. You need to contact Aqua Missouri.

10 So I contacted them to get set up with a
11 bill, and -- and the first question asked, well, how long
12 have you lived there? Well, I had moved in in May of
13 2007.

14 And the -- there was a lady at the Apache
15 Flats office. I believe her name is Tammy. She had said,
16 well, we'll take care of a bill. I said okay. I said,
17 well, we'll see what we need to do.

18 And a -- and a month went by. They finally
19 sent me a bill, and the bill I got was for \$844.54. So
20 needless to say, I was not a happy camper come Friday
21 afternoon.

22 Monday morning I drive down to the office in
23 Apache Flats and ask why it's \$844. And what they had
24 claimed was they're charging me from January of 2007 to
25 current date for my house in New Bloomfield and they're

1 charging me for a year's rate at my VanLoo Estates house
2 here in Jeff City.

3 And I said, well, there is a
4 misunderstanding. I've sold the house. She was notified
5 of the person that bought my house. They were -- Aqua was
6 notified that the house was sold.

7 So we thought, okay, this is taken care of.
8 I paid -- I went ahead and paid the back date for my
9 VanLoo Estates house, which was \$330.23.

10 And within three days Ms. Fitzpatrick walked
11 around and was asking all of the neighbors if they're
12 having a problem with Aqua, and I think that's when the
13 whole neighborhood realized that were new that, oh, there
14 is Aqua out here. I had no idea. And everybody was being
15 paid -- charged back pay, which I say, that's fine.

16 Well, come to find out after talking with
17 her some more, some of the neighbors were immediately
18 told, no. We're going to start billing you from now.

19 And there was two neighbors in the
20 neighborhood that moved in about the same time I had, and
21 they were told, no, there is going to be no back pay.
22 We'll just start billing you from now.

23 The problem I've had is they cleared up the
24 \$500 that was with Ryan's Lake. I paid my back pay for
25 VanLoo. I have received the letter that says they're not

1 going to charge us back pay, and we should be getting a
2 credit for what we've paid and -- and starting on a
3 billing date. I can't remember the date.

4 So I expect to see at some time a \$330
5 credit. Well, when I received my bill again this month,
6 it once again states that I owe 500 and some dollars,
7 \$507.83 back pay.

8 And when I contacted them -- my name is no
9 longer the owner on the Ryan's Lake account, the house I
10 had. It's blank, but I'm still being billed for it. And
11 I was given -- Mr. Browers made the statement that we were
12 told -- customer service is not Aqua's first priority. I
13 can tell you that.

14 When I went to the Apache Flats office and
15 asked, immediately was, if you have a problem with this,
16 we can come out and shut your sewer off. You know -- you
17 know, well, where are we getting to this?

18 To me it's pretty simple. I did 27.75. I
19 divided it into this number, and it was pretty easy math
20 for me to figure out that it was a year and a half at one
21 house and a year at another house. I mean, if I can do
22 that within five minutes, you're telling me that a large
23 corporation can't figure this out.

24 The other thing is, they're asking for \$63
25 or \$48. I haven't seen that letter. They're asking for a

1 rate increase. They wouldn't need a rate increase if they
2 could bill the people that they need to bill.

3 I can't run my household giving a service
4 and not getting paid for it. It seems to me that they
5 need to make sure that everybody knows.

6 Up until we had this problem, this --
7 this -- I think a lot of neighbors have seen the same
8 thing.

9 I never saw Aqua Missouri in our
10 neighborhood. I work all types of hours, so I'm in and
11 out, working nights, days, so I have a pretty good -- and
12 I'm up on top of the hill. I can see down to the sewage
13 area. We never see Aqua Missouri there.

14 As soon as we started having problems, they
15 were there two, three times a week. They weren't doing
16 anything. They were sitting on the bottom of my street
17 just sitting there talking on the cell phone. So I don't
18 know if that was just a presence.

19 But up until this point we haven't had a
20 sewer problem. I can't attest to the sewage smell. I
21 live up on the hill, so I always have a breeze, so . . .

22 Most of the neighbors that you've heard
23 from, they live on one of the lower streets. So they're
24 kind of in the valley, where I'm on top.

25 But for a rate increase, I can understand

1 cost of living goes up, but nobody has asked for two and a
2 half times a rate increase. I mean, electric has not
3 asked for that, you know. People have gas. Our gas
4 hasn't gone up that much. But sewer.

5 And for what they do is -- is nothing. We
6 take care of our own septic system. You know, we have the
7 solids. All they're getting is runoff water. So I don't
8 know where it costs them \$63 a month for every person in
9 there to process water.

10 As of -- as of this meeting right now, I am
11 still having a problem with Aqua trying to charge me for a
12 house. And my statement to them was, if -- they have the
13 address of Ryan's Lake. I told them, I said, go shut the
14 sewer off. I don't care. It's not my house. I'm current
15 on my house. I've told you.

16 They specifically ask. I talked to
17 somebody -- I think it's a Pennsylvania number. And they
18 requested I take a copy of my bill of sale and the
19 contract from the bank to who I sold my house to and on
20 what date of the closing, and which I did. That was
21 January of '07.

22 So as far as they're concerned, from
23 January -- at the end of January of '07 I didn't have an
24 account with them, and then we lived in a temporary
25 housing until the house was completed in May of '07.

1 But they've tied all of these bills
2 together, and they're either unable, not capable or
3 unwilling to take care of this problem.

4 I'm hoping -- tonight I came here. I'm
5 pretty angered about this. It seems a pretty simple
6 process to fix the bill. And for me to have to waste my
7 time and your time for a simple -- this is all just a
8 billing error.

9 I hope we get some remedy out of this,
10 because individually I think everybody that has talked to
11 Aqua Missouri -- it sounds like we've had one person
12 tonight that had a pretty decent customer service rep, but
13 I think everybody else would -- would be fair to say that
14 we haven't had the best experience dealing with Aqua
15 Missouri and these problems.

16 I think that's really all I have to say. I
17 can't think of anything else.

18 JUDGE DIPPELL: Thank you. Let me just
19 clarify. You were the person that stood up earlier while
20 Ms. Fitzpatrick --

21 MR. GAYDOS: Yes.

22 JUDGE DIPPELL: -- was talking and said she
23 was talking about your bill --

24 MR. GAYDOS: Right.

25 JUDGE DIPPELL: -- just so that's clear on

1 the record.

2 Have you spoken with the customer service
3 people here at the Commission about your billing issues?

4 MR. GAYDOS: No. Actually, I didn't -- I
5 started having the problem, and I -- I felt obligated
6 that, okay, I have lived in this house. I didn't know
7 anything about it. I paid it and, I mean, I have a copy
8 of the receipt which is dated June 2nd, and my letter
9 came, like, May 28th or 25th. It was late in May.

10 I didn't have an issue with that until I
11 found out that they were telling other neighbors that
12 moved in about the same time I did, we're not charging you
13 a back pay. We're -- we're going to start the service
14 from now.

15 Well, I don't know if they thought I'm an
16 existing customer because I've had Aqua's -- Aqua Missouri
17 before, but not only did they hit me with this one, they
18 hit me with the house that I hadn't owned for 18 months.

19 And they have from -- from the day of sale
20 they had the information of who bought the house, and it
21 was turned over to them. And I've given it to them again
22 with copies that the bank sent them of -- faxed copies of
23 my bill of sale and the contract and contact information
24 of the owner, and I'm still getting a bill for a house
25 that I don't own.

1 I haven't talked to the Service
2 Commission -- get back to your question. I haven't talked
3 to the Service Commission. Mrs. Fitzpatrick had been
4 gathering everybody's information.

5 JUDGE DIPPELL: Right.

6 MR. GAYDOS: And I don't know if she was the
7 contact point. I think her first name was Gay was the
8 lady.

9 JUDGE DIPPELL: Gay Fred is in charge of our
10 customer service department, and that's her back there.

11 MR. GAYDOS: Okay.

12 JUDGE DIPPELL: And I just wanted to make
13 sure that you knew that --

14 MR. GAYDOS: Yes.

15 JUDGE DIPPELL: -- you can contact --

16 MR. GAYDOS: I haven't contacted them
17 because Melanie had been doing that, and she had -- I
18 mean, she had more information than us. She had a whole
19 packet of everybody in the subdivision, the type of bills
20 they've gotten and any type of letters they've gotten.

21 I think everybody is doing pretty good. And
22 then every so often she would actually bring us a copy of
23 everybody else that had signed the petition and what we
24 were asking for and the remedy, and --

25 JUDGE DIPPELL: Okay.

1 MR. GAYDOS: -- so I haven't personally done
2 that.

3 JUDGE DIPPELL: And you think that your
4 specific item is in the --

5 MR. GAYDOS: It is.

6 JUDGE DIPPELL: -- complaint case?

7 MR. GAYDOS: I believe it is.

8 JUDGE DIPPELL: Okay. I just -- I wanted to
9 make sure because your item is a little bit specific. I
10 wanted to make sure that --

11 MR. GAYDOS: I know the billing issue was,
12 and I thought it was taken care of, and within the last
13 week it's not taken care of again. I'm being billed for
14 it again.

15 JUDGE DIPPELL: Oh.

16 MR. GAYDOS: I did have a bill that said I
17 owed them -- it was supposed to be 27.75 and it was 31.44.
18 And when I called to ask about that, they couldn't explain
19 where that number was.

20 So I don't know if that's an interest
21 charge, if they're charging on the extra 500, you know.
22 You would think if I called the office here in Jeff City,
23 they deal with the Jeff City area. They should be able --
24 be able to understand and answer my questions, and they
25 never can.

1 Like I said, the only response I've gotten
2 out of the Jeff City office is, well, if you have a
3 problem, we can come shut your sewer off. So at that
4 point I -- I was done dealing with them.

5 So that's when we started this with the
6 Public Service Commission.

7 JUDGE DIPPELL: Thank you.

8 Commissioner Murray, did you have any
9 questions?

10 COMMISSIONER MURRAY: Just briefly.

11 Did you say you received a bill last week
12 that still included the Ryan's Lake property?

13 MR. GAYDOS: Yes. And it doesn't say that.
14 You have to figure that out.

15 Let's see. This is --

16 COMMISSIONER MURRAY: All right.

17 MR. GAYDOS: This is a June bill. I didn't
18 bring one.

19 COMMISSIONER MURRAY: You don't have to give
20 me the detail about the bill, but it --

21 MR. GAYDOS: No. They don't -- they don't
22 say anything. All they tell you is overdue amount is 507.

23 COMMISSIONER MURRAY: And when did you
24 provide the copies of the bill of sale?

25 MR. GAYDOS: I'm sorry?

1 COMMISSIONER MURRAY: When did you provide
2 the copies of the bill --

3 MR. GAYDOS: The end of May, when I -- it
4 was on or around June 2nd, 2008, because I went and paid
5 for the year back pay on the VanLoo Estate house.

6 Because they had given me a total bill of
7 \$844, and we figured out 500 some dollars of it was based
8 on 18 months worth of a New Bloomfield address.

9 COMMISSIONER MURRAY: And do you have a
10 complaint, a formal complaint, pending before us?

11 MR. GAYDOS: I believe my complaint was tied
12 in with Ms. Fitzpatrick's.

13 COMMISSIONER MURRAY: Thank you. That's all
14 I have.

15 JUDGE DIPPELL: Commissioner Clayton.

16 COMMISSIONER CLAYTON: I don't think I have
17 any additional questions. I appreciate you coming in.

18 MR. GAYDOS: Thank you.

19 JUDGE DIPPELL: Ms. Baker.

20 MS. BAKER: No further questions. Thank
21 you.

22 JUDGE DIPPELL: Mr. Ellinger or
23 Ms. Hernandez.

24 MS. HERNANDEZ: You stated that you had paid
25 the back bill for \$330.23?

1 MR. GAYDOS: Yes.

2 MS. HERNANDEZ: When did you pay it again?

3 MR. GAYDOS: June 2nd, 2008.

4 MS. HERNANDEZ: And then you received later
5 a letter saying that you wouldn't be billed for the back
6 pay. Is that correct?

7 MR. GAYDOS: That's correct. It said -- it
8 states there wouldn't be a back pay. Those individuals
9 that had paid a back pay will -- they will have a credit
10 on your account.

11 MS. HERNANDEZ: When was that letter that
12 you received?

13 MR. GAYDOS: I believe I got it last
14 Thursday or Friday, so . . .

15 I haven't received a bill yet since we
16 received that letter.

17 MS. HERNANDEZ: Okay. Thank you.

18 JUDGE DIPPELL: Mr. Ellinger.

19 MR. ELLINGER: No questions, Your Honor.
20 Thank you.

21 JUDGE DIPPELL: Thank you.

22 MR. GAYDOS: Thank you.

23 MR. MCPHERSON: May I say one more thing
24 that I forgot?

25 JUDGE DIPPELL: Certainly, Mr. McPherson.

1 Come back to the microphone.

2 MR. MCPHERSON: One of the main things that
3 I was concerned about is that I was in the business in
4 surveying and inspecting and all that. Our opinion the
5 whole time was that this is kind of a monopoly, and it
6 seems like they are now. And I think they might be trying
7 to take advantage because they are, from what I know, the
8 only -- the only one that does it.

9 That's the only thing I wanted to say.

10 JUDGE DIPPELL: Thank you.

11 Mr. Browers.

12 MR. BROWERS: Can I say it from here?

13 JUDGE DIPPELL: Go ahead.

14 MR. BROWERS: Well, like Mr. Gaydos said,
15 Aqua Net has never been seen. And I -- I work at Twehous,
16 and we have a little septic deal right there. And you
17 drive down the hill. You see them maybe once a month,
18 maybe once every month and a half. In the last week
19 they've been down there four days just sitting in their
20 truck doing nothing.

21 So I just want to make -- well, we check on
22 this thing every five days. We look at it every day.
23 Well, you know, all of a sudden they're down there that
24 much.

25 And on the billing deal, like I said, we've

1 been paying our bills, and the people who don't, who
2 haven't got a bill or didn't even know they were going to
3 have -- get a bill, are we going to get credit back money,
4 you know, because we've been paying for -- put down a
5 deposit and a trap we had to buy that they didn't know we
6 had to buy. We bought it anyway.

7 And, you know, I just wanted to point that
8 out to you.

9 JUDGE DIPPELL: Thank you.

10 Okay. Ms. Fred, did we have anybody else,
11 any further sign-ups?

12 MS. FRED: No.

13 JUDGE DIPPELL: All right. Then --

14 MS. FRED: But I think there is others who
15 want to testify.

16 JUDGE DIPPELL: I can see that. I'll let
17 you all race each other up here.

18 (Witness sworn/affirmed.)

19 JUDGE DIPPELL: If you could please state
20 your name and spell it for the court reporter.

21 MR. SCHOENEBERG: Corey Schoeneberg. First
22 is C-o-r-e-y; last is S-c-h-o-e-n-e-b-e-r-g.

23 JUDGE DIPPELL: Go ahead.

24 MR. SCHOENEBERG: I am also a resident of
25 VanLoo Subdivision. I've lived in VanLoo since March of

1 2006.

2 Initially whenever I looked to buy the house
3 in VanLoo I inquired about the sewer treatment. I was
4 told that Aqua Missouri was the sewer treatment system. I
5 asked a little bit about the septic tank. I was told the
6 septic tank being in place caused for Aqua Missouri to
7 have a reduced rate on your sewer because you're taking
8 care of the solids.

9 As I bought the house, I called Aqua
10 Missouri and established a -- got a bill got set up with
11 them for 27.75.

12 I asked Aqua Missouri at the time what
13 exactly they provide, what service they provide. I was
14 told that they take care of all waste that leaves the
15 house, which to me included the septic tank.

16 Several months after living there I started
17 noticing the sewer smell in the subdivision, as well as
18 inside my house.

19 Probably six, eight months after living
20 there I contacted Aqua Missouri again and advised them
21 about the odor, again, asked them what exactly services
22 they provide.

23 I was told by the customer service rep that
24 I talked to that they take care of all waste that leaves
25 the house, and they'll be out to treat the septic tank

1 twice a year, which was somewhat of a surprise to me
2 because I was told that it was a reduced rate because we
3 had the septic tank.

4 They said that they'd have somebody out that
5 week. Nobody ever showed up, so I just starting treating
6 things myself.

7 Up until the point of this last year when
8 all this complaint started coming around at the PSC is
9 when the odor started finally going away. You know, I
10 think that Missouri Aqua realized that they have a problem
11 out there and they started treating it. So the odor has
12 gone since they've been made aware of our complaint.

13 But still as far as the reduced rate that
14 Aqua -- that I was understanding that we were going to get
15 by having the septic system that's now in place, I'm just
16 curious -- and maybe Aqua can clear that up for me
17 later -- if there is other -- across Cole County if there
18 is other ones that have septic tanks in place if the rate
19 is different, if it is, in fact, different or if everybody
20 is going to this 48, whatever the price was that was
21 agreed on by the PSC and Aqua Missouri.

22 So -- and, also, since we started having the
23 complaint, I got a letter and a phone call from Aqua
24 Missouri wanting to address any concerns.

25 I've called them back twice, left two

1 messages and still have not heard back from Aqua Missouri.

2 JUDGE DIPPELL: When did you make your
3 calls?

4 MR. SCHOENEBERG: It was the first part of
5 June.

6 JUDGE DIPPELL: And when did you say you
7 moved in there?

8 MR. SCHOENEBERG: I'm been in there since
9 March of 2006.

10 JUDGE DIPPELL: Commissioner Murray, did you
11 have any questions?

12 COMMISSIONER MURRAY: What is your
13 experience over the time that you've lived there in terms
14 of seeing Aqua Missouri's presence in the estate?

15 MR. SCHOENEBERG: You occasionally see them
16 down dealing with the waste. I don't know what exactly.
17 You see a truck drive in there. I've never really paid
18 attention to what they've -- what they've done.

19 But there has been -- from the time that I
20 moved in -- well, several months after I moved in there
21 was an odor that was there. And, you know, I called them
22 and told them about it and there was still an odor, and
23 they never treated it.

24 I -- I do think they come out and look
25 things over. I don't know what services they actually do

1 down there. I've never really paid attention to that.

2 COMMISSIONER MURRAY: Thank you.

3 JUDGE DIPPELL: Commissioner Clayton.

4 COMMISSIONER CLAYTON: I don't think I have

5 any additional questions. Thank you.

6 JUDGE DIPPELL: Ms. Baker.

7 MS. BAKER: You said that you treated the

8 system yourself. What did you do?

9 MR. SCHOENEGER: Just the Rid-X in the

10 septic tank, what most people do that have septic.

11 MS. BAKER: That's the only question I have.

12 Thank you.

13 JUDGE DIPPELL: Thank you.

14 Mr. Ellinger.

15 MR. ELLINGER: No questions, Judge.

16 JUDGE DIPPELL: Ms. Hernandez.

17 MS. HERNANDEZ: No, thank you.

18 JUDGE DIPPELL: Thank you, sir.

19 And there was another gentleman over here.

20 Please raise your right hand.

21 (Witness sworn/affirmed.)

22 JUDGE DIPPELL: If you could state your name

23 and spell it for the court reporter, please.

24 MR. SCOTT: It's Kerry Scott. And it's

25 K-e-r-r-y, S-c-o-t-t.

1 Basically I just wanted to affirm some of
2 the other comments that there was tonight about. I've
3 lived in the VanLoo Subdivision for two years. I think we
4 bought our house in July of '06 from a builder.

5 Again, we weren't aware of the septic -- I
6 mean, of the sub-- subdivision sewer, and we didn't -- we
7 didn't get signed up until just -- until recently when the
8 mailing came. So I just wanted to state that.

9 We had -- we had the smell, the same smell
10 that Corey and some of the others had talked about.

11 And I was going through my builder trying to
12 get him to work it out, but I find he -- my builder said
13 I've done everything according to code and everything.

14 And we still -- I still notice it. It goes
15 away sometimes, but at certain times it comes -- I do have
16 a kind of -- I know where it's coming from. It's coming
17 out of my trap, I mean, on my vents on my house, and the
18 wind blows it down and around our neighborhood.

19 COMMISSIONER CLAYTON: So it's coming from
20 the outside?

21 MR. SCOTT: It's coming from the outside.

22 The way -- the only thing I can figure,
23 it's -- it's venting through the whole system. I'm at the
24 top of the hill. I don't know if at different times of
25 the day when there is a lot of water dumped in the system,

1 there is gas that builds up and it vents out through my
2 house. I feel like I'm the vent for the subdivision.

3 So -- and I may -- I don't know. My builder
4 didn't do a lot of things right. He might not have -- I
5 was trying to get him to put in a trap to stop that --
6 that gas coming up the -- the lines, and that's what I was
7 thinking it was. But he never did.

8 So I never did call Aqua about the smell.
9 So I just thought it was something I was going to have to
10 deal with.

11 My builder stood on my deck and said, I
12 can't stand this. I couldn't stand to be on my -- on your
13 deck. I was in a brand new house. So I just wanted to
14 state that.

15 I'm like some of the others. I don't -- I
16 don't feel like it's -- it's right to -- to pay for other
17 people's systems, and I know there is rules and all that
18 stuff, but, you know, again, it's a -- it's a gray water
19 system. It's a recircula-- recirculating sand filter, I
20 believe that's what the system is, and it's very low
21 maintenance.

22 And it just doesn't seem right that we have
23 to pump our own septic tanks, but we have to pay for other
24 people that are getting all their waste treated.

25 And I'm not -- I'm not aware of the other

1 people's systems. They may. But, I mean, 700,000 is a
2 lot -- lot of maintenance -- or an increase of 700,000
3 seems like a lot.

4 And I don't know all of the background about
5 it, but I just thought that was -- I just thought that was
6 a lot to go up for our type of system.

7 I did talk to the Public Service Commission.
8 I called one day. That's the only thing I've done is
9 called the Public Service Commission.

10 And basically, you know, maybe I didn't push
11 it that much. They just said, you know, they're going to
12 get a rate increase. So I didn't -- I didn't get involved
13 in it. I'm glad Melanie got involved because I just --
14 after that date -- it was before Melanie did that. I
15 don't know what date it was. I can't remember who I
16 talked to. I may have it written down somewhere. I'm not
17 very prepared tonight. But I -- I've been on vacation for
18 a week, and I did not get prepared.

19 I guess that's about it.

20 You know, this is hearsay and this is just
21 something I -- before I was checking out the company. I
22 was just looking at their stock. And I just encourage
23 people to look, you know, at the stock.

24 I looked at their stock, and it seemed --
25 you know, Shannon was saying that their first priority is

1 not customer service, but in -- in the statement on their
2 stock portfolio, or whatever, and on the website it says,
3 you know, they're looking at increasing revenue to their
4 stockholders by doing rate increases.

5 And so that -- that threw up a red flag with
6 me and made we kind of really wonder about -- you know,
7 there were millions -- I mean, it's for their whole
8 company, which is a national company, but it was a
9 multi-million dollar rate increase is how they were going
10 to produce revenues for their stockholders. So that --
11 that concerned me.

12 Like I said, that's hearsay. It's been a
13 couple months or three months ago, but I just -- I
14 encourage you to look at that, because that -- that was a
15 red flag to me and then to -- to know it just wasn't
16 happening to me.

17 I didn't really get out in the neighborhood.
18 Like I said, I was glad Melanie got out there and really
19 found that it was not, you know, just our problem. It was
20 several people in our neighborhood. And the -- the giant
21 increase for -- for a recirculating sand filter treatment
22 system.

23 I think that's about it. I try -- like I
24 said, I'm not very prepared, but I --

25 JUDGE DIPPELL: You're doing just fine,

1 Mr. Scott.

2 MR. SCOTT: I'd like to answer any
3 questions.

4 JUDGE DIPPELL: I appreciate it.

5 And I am by no mean an expert in sewer
6 systems, but just from these other public hearings that
7 we've had, I heard someone else with a similar smell issue
8 who was able to correct it, I believe with Aqua Missouri's
9 help, through some kind of filter on the vent stack.

10 And you might want to talk to Aqua Missouri
11 or some of the PSC staff who are experts in sewer stuff
12 and see if there is something else that can be done if
13 you're sure that that's where it's coming from.

14 MR. SCOTT: Yeah.

15 JUDGE DIPPELL: Commissioner Murray.

16 COMMISSIONER MURRAY: Good evening.

17 Mr. Scott, what is the approximate size of
18 the lots in that subdivision?

19 MR. SCOTT: Oh, they're probably from a half
20 acre to maybe an acre and a half. A half acre may be
21 small. But there is different sizes. They have a
22 different addition that have some smaller lots, but
23 probably a half acre to an acre is probably the average
24 size. Like I said, there are probably some that are
25 bigger, but a half acre to an acre.

1 Does that sound about right?

2 COMMISSIONER MURRAY: Thank you. And I hope
3 your vacation was a real good one.

4 MR. SCOTT: It was. Thanks.

5 JUDGE DIPPELL: Commissioner Clayton.

6 COMMISSIONER CLAYTON: I don't have any
7 questions. Thanks for coming up.

8 JUDGE DIPPELL: Ms. Baker.

9 MS. BAKER: No questions, but thank you.

10 JUDGE DIPPELL: Ms. Hernandez.

11 MS. HERNANDEZ: Yes.

12 You stated that you called the Public
13 Service Commission. You don't remember who you spoke to
14 or what date that was or approximately?

15 MR. SCOTT: I really don't. I don't know.
16 I probably have it written down somewhere, but, like I
17 said, I just came from work and I don't have all my stuff
18 with me.

19 But I did call somebody from the Public
20 Service Commission. It was when -- I guess -- it was
21 probably back when we found out that there was going to
22 be -- you know, I guess when the mail-- whenever the
23 mailer showed up at my house, because I did go ahead --

24 MS. HERNANDEZ: Which mailer?

25 MR. SCOTT: The mailer that said you're on

1 this septic system and you need to -- to join. And so I
2 did. I sent it in. I started getting billings.

3 And, like I said, then I heard about the
4 rate increase. I was okay with \$27, you know. Things
5 cost. But then when they said it was going to go to 64,
6 that's when I started looking at the stock.

7 I don't know why. I just wanted to find out
8 about the company and why -- why our recirculating sand
9 filter is going up. It's doubling to -- to maintain it,
10 when, like I said, it's a very -- it's a very easy system
11 to maintain and operate, rather than deal with the solids.

12 MS. HERNANDEZ: Can you say again what you
13 were told by the Service Commission?

14 MR. SCOTT: I was just wondering, is there
15 anything we can do? I said -- you know, I said, we have a
16 real easy -- I wasn't aware that they were going to just
17 lump five or whatever -- five systems together and say,
18 well, you're going to pay for their system, you know, if
19 it's 40 years old and it has lots of problems. I didn't
20 know it was all lumped together.

21 So basically when I did talk to the Public
22 Service, I just said, is there anything we can do to -- to
23 stop this rate increase? And, you know, I just signed up
24 for it. Now, you know, it's going to -- supposedly it's
25 going to double.

1 And -- and basically the person I talked to
2 just said, you know, there is probably not anything you --
3 you know, it's already -- we've already had the public
4 hearing. They're -- you know, they're going to get their
5 rate increase.

6 So that's -- that's just in a nutshell. I
7 don't know if it was exactly like that. I don't know if
8 they were that blunt about it or anything, but it was
9 pretty much that it's too late.

10 So I didn't -- I didn't pursue it, but, like
11 I said, I'm glad that Melanie did.

12 MS. HERNANDEZ: Okay. Thank you.

13 JUDGE DIPPELL: Mr. Ellinger.

14 MR. ELLINGER: No questions, Judge. Thank
15 you.

16 JUDGE DIPPELL: Thank you.

17 COMMISSIONER CLAYTON: Thank you.

18 JUDGE DIPPELL: Thank you, Mr. Scott.

19 Sir, if you'd raise your right hand.

20 (Witness sworn/affirmed.)

21 JUDGE DIPPELL: If you could state your name
22 and spell it for us, please.

23 MR. SIEBENECK: My name is Todd Siebeneck,
24 T-o-d-d, S-i-e-b-e-n-e-c-k.

25 I -- I live in the Lake VanLoo Subdivision

1 also, and I got the little hangy thing on my door one day
2 saying that, you know, I need to give Aqua Missouri a
3 call.

4 And, like, I was like the rest of the
5 people. I didn't know Aqua Missouri took care of my sew--
6 my septic -- or my sewer.

7 Whenever I bought the house, we bought it
8 from a home owner. They never once said anything about
9 Aqua Missouri. They said we had a septic tank.

10 So I waited a couple weeks to see if Aqua
11 Missouri would call me. They never did. So I called them
12 on a Friday, and I got their national office in
13 Pennsylvania. And I don't remember the lady's name.

14 But I told her about the situation, you
15 know, about how they left the little thing hanging. And
16 she asked me how long I lived there. I had lived there
17 since, I think, late September of 2006, so about two years
18 today.

19 And she said -- and she looked at her
20 records. And I said, I haven't been paying. I wasn't
21 aware I was supposed to be paying. No one told me.

22 And she looked at my record. She said,
23 well, that particular residence, that address, hasn't paid
24 since 2004. And I said, well, you know, I've lived here
25 since 2006. So I was fearful that they were going to back

1 charge me since 2004.

2 Well, they -- nothing else came of it, and
3 so I hung up the phone. And, you know, I waited and never
4 got a bill, never got a bill.

5 About a month later I ended up calling Aqua
6 Missouri and saying, you know, hey, where is my bill? You
7 know, I want to do things right. If I -- if I'm on
8 your-all's, you know, septic, I want to pay.

9 And they said -- whoever I talked to at the
10 local service, said, you know, within two or three weeks
11 you should be getting a bill.

12 And within about two or three weeks we did
13 get a bill, and it was kind of a backcharge for two
14 months. I think it was in June we got backcharged, April
15 and May or something like that, May or June. I don't
16 remember. And we've got another bill since then for -- I
17 don't remember if it was June or July.

18 But basically I'm the one -- I'm one of the
19 people that have -- hasn't paid a backcharge, because I
20 told the national office, whether it makes a difference or
21 not, that I didn't think it was right, you know, that I
22 was getting billed.

23 You know, we never once in the mail got a
24 bill, never once got, you know, Aqua Missouri's -- you
25 know, just a little flier saying how great we are or

1 anything like that, never once in, you know, about the two
2 years that I was there.

3 And I don't know how the Public Service
4 Commission goes about, you know, just granting Aqua
5 Missouri, you know, subdivisions or counties or anything
6 like that. I didn't know if, you know, you-all do a bid,
7 like, once every two or three years, you know, try to get
8 the best rate, you know, for your people or what, but I
9 think it would be a good idea.

10 That's -- and that's all I have.

11 JUDGE DIPPELL: Okay. I have just a couple
12 questions for you.

13 And the answer to your last question is
14 these are -- this is a privately held company. So it's
15 not -- the State doesn't own the facility, so there is
16 no --

17 MR. SIEBENECK: Well, I didn't know who made
18 the decision of letting Aqua Missouri have all these
19 counties and, you know, why they couldn't put it up for
20 bid, you know, competitive bid with other, you know,
21 sources.

22 JUDGE DIPPELL: How old is your house?

23 MR. SIEBENECK: I believe it's ten years
24 give or take a year.

25 JUDGE DIPPELL: So do you know how many

1 previous owners there were?

2 MR. SIEBENECK: I -- no. I believe there --
3 I know of -- I know of three.

4 JUDGE DIPPELL: When you did speak with
5 Aqua, did you ask what service they provide?

6 MR. SIEBENECK: No. I -- when we got the
7 thing hanging on the door, we went immediately to our
8 nextdoor neighbor. And she said, oh, yeah, we've been
9 paying it every month.

10 And I -- I had heard that, you know, all it
11 was was a sand infiltration system, and they treated, you
12 know, the liquids. But I never did, you know, ask Aqua
13 Missouri what -- what exactly they -- you know, they did.

14 JUDGE DIPPELL: And do you know the
15 mechanics of the septic tank?

16 MR. SIEBENECK: Yes.

17 JUDGE DIPPELL: Is there a pump on your end
18 or does it gravity drain to the --

19 MR. SIEBENECK: Well, my house in particular
20 is on top of the hill. So I -- I don't know if there's a
21 pump or you know.

22 There is houses below us. They'd have to
23 pump it up over our hill and down the hill. I don't know
24 how that works. I know we're -- you know, we have to
25 maintain our septic, and all they do is maintain the gray

1 water, whatever, that, you know, flows out of there.

2 JUDGE DIPPELL: Okay.

3 Commissioner Murray, did you have any

4 questions?

5 COMMISSIONER MURRAY: No questions. Thank

6 you.

7 JUDGE DIPPELL: Commissioner Clayton.

8 COMMISSIONER CLAYTON: No questions. Thank

9 you.

10 JUDGE DIPPELL: Ms. Baker.

11 MS. BAKER: No questions. Thank you.

12 JUDGE DIPPELL: Ms. Hernandez.

13 MS. HERNANDEZ: I have nothing. Thank you.

14 JUDGE DIPPELL: Mr. Ellinger.

15 MR. ELLINGER: No questions. Thank you.

16 Thank you, Judge.

17 JUDGE DIPPELL: Thank you, sir. I

18 appreciate your testimony.

19 MR. SCOTT: If you need to know about that,

20 it's mostly a gravity fed. There is not any additional

21 sump pumps that I know of that are out there.

22 Christian, you may know.

23 It's all pretty much laid out, gravity.

24 JUDGE DIPPELL: Okay. Thank you.

25 Can you tell us your name again?

1 Oh, Mr. Scott.

2 MR. SCOTT: Kerry Scott.

3 JUDGE DIPPELL: Okay. Is there anyone else
4 who didn't sign up that would like to testify?

5 Go ahead.

6 Could I get you to raise your right hand.

7 (Witness sworn/affirmed.)

8 JUDGE DIPPELL: If you could state your name
9 and spell it for us, please.

10 MR. FRAHM: David Frahm, D-a-v-i-d,
11 F-r-a-h-m.

12 JUDGE DIPPELL: Go ahead.

13 MR. FRAHM: Well, just for the record, my
14 experience is that our -- we're a new -- we're new to the
15 subdivision. We just closed on our house April 30th.

16 And we were only there just a few days, and
17 we got the tag on the door which said you're a customer of
18 Aqua Missouri and you need to call and establish service
19 within 24 hours or we'll shut you off.

20 So after that warm welcome I gave them a
21 call. And I was -- it was kind of weird that -- one thing
22 maybe that hasn't been said is, you know, I called them
23 and I'm sort of assuming that this is valid and that
24 they're really supposed to service us, although when we
25 bought our house our listing for -- for sewage or sewer

1 treatment, however that was worded, the exact wording
2 there was subdivision treatment.

3 So we didn't think we had to call anybody.
4 We just didn't know. But the tag on the door told us,
5 like I said.

6 So, anyway, we called and I kind of asked
7 them, I said, so how do you know -- I mean, are we
8 supposed to be -- you know, I'll gladly pay you what I
9 need to pay, but I was just trying to make sure that I
10 really did need to pay them my money every month or
11 whatever. And they were just, oh, yeah, we do your water
12 and your sewer. Wait a minute. You don't do our water.
13 She said, oh, yeah, we do your water and your sewer. So I
14 was very confused by that.

15 But I knew that I got the thing on the door,
16 so I figured I'll just do what I'm supposed to do. So
17 that was my experience with that.

18 We -- we two months later did receive our
19 first bill, which was for two months of service. It's not
20 listed there anywhere that it's for two months of service,
21 but it was the 27.75 times two, and we have received bills
22 since then.

23 But I -- I do also want to agree, whatever,
24 with other people, that the rate increase that they're
25 asking for does appear to seem to be extremely high based

1 on that it was given to them and does not require much
2 maintenance and that we shouldn't -- I do object that we
3 pay the same regardless of who uses more.

4 So I think that's about all I have to say.

5 JUDGE DIPPELL: Thank you.

6 Commissioner Murray, did you have any
7 questions?

8 COMMISSIONER MURRAY: I don't believe I do.
9 Thank you.

10 JUDGE DIPPELL: Commission Clayton.

11 COMMISSIONER CLAYTON: Thanks for sticking
12 around.

13 JUDGE DIPPELL: Ms. Baker.

14 MS. BAKER: I have no questions. Thank you.

15 JUDGE DIPPELL: Ms. Hernandez.

16 MS. HERNANDEZ: Who do you receive your
17 water from?

18 MR. FRAHM: It's Public Water District IV.

19 MS. HERNANDEZ: Thank you.

20 JUDGE DIPPELL: Mr. Ellinger.

21 MR. ELLINGER: No questions, Judge. Thank
22 you.

23 JUDGE DIPPELL: Thank you, Mr. Frahm.

24 MR. FRAHM: Thank you.

25 JUDGE DIPPELL: Is there anyone else who

1 didn't sign up that would like to speak?

2 Mr. Imhoff, do you still want to testify or
3 are you --

4 MR. IMHOFF: I'm weighing my options.

5 JUDGE DIPPELL: Okay.

6 (Witness sworn/affirmed.)

7 MR. TERRY: My name is Chris Terry,
8 T-e-r-r-y. I reside at 5832 Pair Tree in VanLoo
9 Subdivision also.

10 My experience with Aqua has not been
11 pleasant, as you've probably heard from most of the
12 residents in the neighborhood.

13 We purchased the house in March of 2007 from
14 our contractor. At that time during the building process
15 we did write a check for \$75 for the sewer connection
16 inspection fee.

17 And at that time we were -- filled out the
18 application, gave our name, address, all of the contact
19 information for the billing purposes.

20 As of -- the months went on. We never
21 received a bill. At the time when we filled out the
22 application they said we would receive a bill shortly.
23 Like I said, we moved in in March. We never received a
24 bill.

25 Between my wife and myself we made several

1 attempts to call the local office, and were also given the
2 customer service line, I believe it was in Pennsylvania
3 also, and reiterated that we haven't been receiving bills
4 and so on and so forth.

5 As of March of 2008, which was a year, we
6 still had not received a bill. As I stated, we did call
7 several times, and we were also told that there was a new
8 billing process in -- in the works and once that new
9 billing process took effect, we would receive our billing
10 at that point on and would not be back billed, as they
11 said.

12 So as of -- back to -- and March came and we
13 never saw anything. We made another attempt to call. And
14 at that time we were told the same thing, that it was
15 almost in effect and we would be receiving our bill
16 shortly.

17 Then in -- around July we received --
18 actually it was July. July 3rd, 2008 we received a -- our
19 first bill after living there for more than 12 months of
20 \$338.55.

21 It gave no explanation as to what that bill
22 was for. It just said your total amount due was due
23 within 24 days, and that was all that was put on there.

24 So we did contact the service to try to
25 obtain some information as to what the billing was for,

1 and especially after they told us that we wouldn't be
2 billed or back billed until the new billing system had
3 taken effect.

4 Then we got in contact with Melanie as she
5 came around. Ms. Fitzpatrick came around. We gave our
6 information to her as well. My wife called and talked to
7 Gay at the Public Service Commission and got some contact
8 information, and we gave that to Melanie, and it's kind of
9 gone from there where we've all signed a petition.

10 Basically, you know, I understand fuel
11 prices have gone up and they -- you know, they have to
12 make a little bit of money, but I -- I just feel that the
13 \$48 that you-all are proposing is still -- is still too
14 high for what service that we obtain, especially when they
15 don't take care of the solids. They just take care of the
16 gray water, as it's called.

17 And I'm kind -- kind of being redundant.
18 Like most of the others, you never -- you hardly ever see
19 anybody from Aqua in the neighborhood except for in the
20 recent months when we filed our complaints or made our
21 telephone calls.

22 JUDGE DIPPELL: Okay. When you said that
23 you wrote a check for \$75 to get a sewer connection --

24 MR. TERRY: Uh-huh.

25 JUDGE DIPPELL: -- who was that?

1 MR. TERRY: That was to the local
2 Apache Flats office.

3 JUDGE DIPPELL: To Aqua Missouri?

4 MR. TERRY: To Aqua Missouri at Apa-- yes.
5 It was paid for at the Apache Flats office.

6 JUDGE DIPPELL: And --

7 MR. TERRY: To Tammy actually.

8 JUDGE DIPPELL: -- do you know -- I'm sorry.

9 MR. TERRY: I'm sorry. Tammy was who
10 accepted the check at Aqua down there.

11 JUDGE DIPPELL: Do you know approximately
12 when you were told that you wouldn't be back billed?

13 MR. TERRY: We were told several times
14 throughout the months, and I think the first time we were
15 told that was probably in June or July of '07. So we'd
16 been there approximately six months before we were told
17 that.

18 And I know there is another -- another
19 person who is not able to attend tonight that was told the
20 exact same thing.

21 And then we were told that again later on
22 when we never received a bill and we called again, we were
23 told the exact same thing again, that once that billing
24 system got set up, the new billing, we would start
25 receiving bills. And we didn't receive a bill until

1 July 3rd of 2008.

2 JUDGE DIPPELL: And you understood that to
3 mean that you wouldn't be billed at all for the
4 previous --

5 MR. TERRY: That's correct.

6 JUDGE DIPPELL: -- service?

7 MR. TERRY: That's what I was told.

8 We wouldn't be back billed for -- from March of 2007 until
9 the system was in effect.

10 JUDGE DIPPELL: Okay. Thank you.

11 Commissioner Murray, did you have any
12 questions?

13 COMMISSIONER MURRAY: No questions. Thank
14 you.

15 JUDGE DIPPELL: Commissioner Clayton.

16 MR. CLAYTON: No additional questions.

17 JUDGE DIPPELL: Ms. Baker.

18 MS. BAKER: I have no questions. Thank you.

19 JUDGE DIPPELL: Ms. Hernandez.

20 MS. HERNANDEZ: I have nothing. Thank you.

21 JUDGE DIPPELL: Mr. Ellinger.

22 MR. ELLINGER: No questions. Thank you.

23 MR. TERRY: Thank you.

24 JUDGE DIPPELL: Thank you, sir.

25 Is there anyone else who wishes to testify?

1 MS. JENSEN: I know I can't ask a question
2 but --

3 JUDGE DIPPELL: Could I get you to come
4 forward. It's a little hard for us to hear you.

5 It's Ms. Jensen. Right?

6 MS. JENSEN: Yes.

7 I understand that I can't ask you a
8 question, but I received a notice from Aqua Missouri
9 informing us of this meeting tonight.

10 I was just curious if that went out to all
11 of the Jefferson City customers, because it seems like
12 everybody here is just from the Wardsville area.

13 JUDGE DIPPELL: Let me just confirm with the
14 Company.

15 Did that notice go out to all of the
16 Jefferson City area or just the customers that hadn't been
17 billed? I've forgotten what the Order required.

18 MS. HALE-RUSH: We were required to send it
19 to the ones that were identified as (inaudible).

20 THE COURT REPORTER: I'm sorry?

21 MS. HALE-RUSH: We were required to send it
22 to the ones that were identified as not being billed.

23 JUDGE DIPPELL: The Commission issued an
24 Order that required them -- we had already had a previous
25 public hearing, and everyone in the Jefferson City area

1 got notice of that.

2 MS. JENSEN: Okay.

3 JUDGE DIPPELL: There were -- obviously this
4 issue with VanLoo came up, and the Company was ordered
5 to -- we set an additional public hearing, so that people
6 who hadn't previously received notice could have a chance
7 to come testify.

8 MS. JENSEN: Okay. Thank you.

9 JUDGE DIPPELL: There was also -- as part of
10 that Order notice was sent to the press and, you know, the
11 newspapers and local legislators and so forth. So if they
12 chose to run that, then other customers might have also
13 found out about that.

14 And if anyone is interested, the
15 Commission's -- on the Commission's website we have what
16 we call our electronic filing and information system and
17 the transcripts from all of the public hearings we've
18 held -- now this is the seventh one -- throughout the
19 state on this particular -- on these particular rate
20 increase requests. All of those transcripts are on our
21 website if you, you know, want to see what other people
22 had to say.

23 Is there anyone else who wishes to testify?

24 Mr. Imhoff, do you want to come forward?

25 I'm sorry. Is it Imhoff or Imhoff?

1 MR. IMHOFF: Imhoff.

2 JUDGE DIPPELL: Please raise your right
3 hand.

4 (Witness sworn/affirmed.)

5 JUDGE DIPPELL: If you could spell your name
6 for the court reporter, please.

7 MR. IMHOFF: Paul Imhoff, I-m-h-o-f-f.

8 Really, I just -- I don't know if I'm
9 summarizing this, but during the Staff information session
10 we were asking questions about what process was gone
11 through to determine the level of rate increase.

12 And I specifically asked about efficiencies
13 or inefficiencies or that type of thing, and basically it
14 was indicated to us that really nothing like that was
15 audited. They just looked at the books.

16 Well, my contention is that if they
17 addressed all of the inefficiencies that they've had over
18 the number of years that they've been in service with
19 VanLoo and maybe others, perhaps this type of rate
20 increase wouldn't be -- wouldn't be necessary.

21 Now, I can say that we moved in in
22 February -- February 15 of 2008. We've had no problems
23 with billing. We've had no problems with service. Okay.
24 Their billing found us automatically. I don't know how
25 they got our name, but they got our name.

1 So I have no problem with the service, but
2 my problem is with the rate increase. And it really stems
3 from talking to all these folks out here and all of the
4 inefficiencies that we're -- that they're talking about.

5 And it seems to me that, you know, our
6 system works thanks to gravity. Not really nothing that
7 they're doing is having any type of an effect on our
8 system.

9 Now, I don't know the ins and outs of these
10 systems the way they probably do, but I do know that at
11 \$27 and change a month plus roughly \$30 or sometimes a
12 little less for water, I'm paying roughly double of what I
13 paid on the sewer system in the city.

14 Okay? And my guess is that their costs
15 aren't nearly as high as what the city's costs are in
16 terms of -- as -- as each individual's percentage of that
17 cost.

18 So I just -- I considered this -- I mean,
19 they requested a 129 percent increase. We're talking
20 about possibly approving an 80 percent increase, when I
21 don't even know how much of that 80 percent increase in
22 cost that they're claiming has to do with their
23 inefficiencies.

24 We know they're inefficient in billing. It
25 looks like they're inefficient in their management. How

1 inefficient are they in the -- you know, in their service?
2 How inefficient are they in, you know, their purchasing?
3 Are they purchasing at too high of a cost? We don't know
4 any of that. But that hasn't been audited according to
5 PSC staff.

6 So that -- that was really -- I just had a
7 statement. That was all.

8 JUDGE DIPPELL: Thank you.

9 Commissioner Clayton -- I'm sorry.

10 Commissioner Murray --

11 COMMISSIONER CLAYTON: No, I don't.

12 JUDGE DIPPELL: -- do you have any
13 questions?

14 COMMISSIONER MURRAY: I don't either. Thank
15 you.

16 JUDGE DIPPELL: Thank you.

17 Ms. Baker.

18 MS. BAKER: No. I have no questions. Thank
19 you.

20 JUDGE DIPPELL: Ms. Hernandez.

21 MS. HERNANDEZ: I was just going to state:
22 You might want to speak to Staff again. They might be
23 able to clarify some more of your questions after the
24 hearing --

25 MR. IMHOFF: Thank you.

1 MS. HERNANDEZ: -- if you had anything else.

2 MR. IMHOFF: Okay. Thank you.

3 JUDGE DIPPELL: Mr. Ellinger.

4 MR. ELLINGER: No questions. Thank you.

5 MR. IMHOFF: Thank you.

6 JUDGE DIPPELL: Thank you.

7 Was there anyone else who wished to testify?

8 Seeing no further witnesses, then this will
9 conclude the on-the-record portion.

10 I want to thank everyone for your attendance
11 this evening. We really do appreciate hearing from the
12 public about these matters. So thank you very much.

13 We can go off the record.

14 WHEREUPON, the on-the-record portion of the
15 public comment hearing was concluded.

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1	I N D E X	
2		PAGE
3	MELANIE FITZPATRICK	9:9
4	TRAVIS BROWERS	20:21
5	PEGGY JENSEN	32:18
6	RICHARD FISHER	43:16
7	ROBERT MCPHERSON	49:4
8	SHANNON GAYDOS	54:14
9	ROBERT MCPHERSON	67:2
10	TRAVIS BROWERS	67:14
11	COREY SCHOENEBERG	68:24
12	KERRY SCOTT	72:24
13	TODD SIEBENECK	80:23
14	DAVID FRAHM	86:13
15	CHRIS TERRY	89:7
16	PEGGY JENSEN	94:6
17	PAUL IMHOFF	96:7
18		
19		
20		
21		
22		
23		
24		
25		

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