

**STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION**

At a session of the Public Service  
Commission held at its office in  
Jefferson City on the 31st day  
of July, 2013.

In the Matter of a Request for Increases in	)	
Annual Sewer and Water System Operating	)	<b><u>File No. SR-2013-0258</u></b>
Revenues	)	
In the Matter of a Request for Increases in	)	
Annual Sewer and Water System Operating	)	<b><u>File No. WR-2013-0259</u></b>
Revenues	)	

**ORDER APPROVING  
UNANIMOUS STIPULATION AND AGREEMENT  
AND TARIFF**

Issue Date: July 31, 2013

Effective Date: August 15, 2013

**Background**

Gladlo Water & Sewer Company serves 67 sewer and 71 water customers in Phelps County, Missouri. The company has been in receivership under Heartland Utilities, Inc. since March of 2009<sup>1</sup> and had its last rate increase in November of that same year.<sup>2</sup> On November 2, 2012, Gladlo Water & Sewer Company submitted a request to the Missouri Public Service Commission seeking to increase its water and sewer revenues. The company requested an increase in water revenue of \$9,186 and \$5,281 in sewer revenues.

The Commission held a local public hearing on May 29, 2013 in Rolla Missouri. One person testified. Then, on July 17, the parties filed a unanimous stipulation and agreement,

---

<sup>1</sup> See Case No. 09PH-CV00116 *Public Service Commission v. Gladlo Water Co.*, Circuit Court of Phelps County.

<sup>2</sup> Commission Case Nos. WR-2009-0418 and SR-2009-0419.

through which they agree on increases of \$3,619 in water revenues and \$7,381 in sewer revenues.

The parties filed tariff sheets reflecting the terms of the Agreement. The tariff sheets bear an effective date of August 15, 2013. A comparison of those sheets and the company's current tariff shows that the base rate for water will increase from \$8.28 to \$9.97 for the first 1,000 gallons. For each 1,000 gallons above the base, the rates will increase from \$3.13 to \$3.77. This will result in an average<sup>3</sup> monthly increase from \$23.93 to \$28.82. Sewer rates will increase from \$18.42 to \$28.50 per month. The combined average household monthly cost will be \$57.32; an increase of \$14.97.

In addition to the agreed-upon rate increases, Gladlo is required to make certain improvements to both its water and sewer operations within specified time frames. The parties also agree upon the depreciation rates the company is to use and have attached those rates to the Agreement. Finally, the parties attached revised tariff sheets reflecting their Agreement.

## **Discussion**

Because this file is being disposed of by agreement, the Commission need not set out separate findings of fact or conclusions of law.<sup>4</sup> However, consistent with Section 393.130.1, RSMo, the Commission concludes that the rates and charges agreed upon by the parties are just and reasonable. Having so concluded, the Commission will approve the Agreement, which is attached to this order, and direct the parties to abide by its terms. The Commission will also approve the revised tariffs and reject the tariffs that were suspended pending resolution of this matter.

---

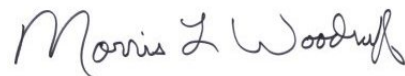
<sup>3</sup> Average usage is based on 50 gallons of use per day, per person in a 4 person household.

<sup>4</sup> Section 536.090, RSMo.

**THE COMMISSION ORDERS THAT:**

1. The Unanimous Stipulation and Agreement Regarding Rate Increase is approved and the provisions set out therein are incorporated into this order.
2. The current water tariff, PSC MO Number 2, is cancelled.
3. The proposed water tariff, assigned Tariff File No. YW-2013-0432, is rejected.
4. The revised water tariff, PSC MO Number 3, and assigned Tariff File No. YW-2014-0028, is approved to become effective on August 15, 2013.
5. The current sewer tariff, PSC MO Number 2, is cancelled.
6. The proposed sewer tariff, assigned Tariff File No. YS-2013-0431, is rejected.
7. The revised sewer tariff, PSC MO Number 4, and assigned Tariff File No. JS-2014-0029, is approved to become effective on August 15, 2013.
8. The signatories to the Unanimous Stipulation and Agreement Regarding Rate Increase are directed to comply with its terms.
9. This order shall become effective on August 15, 2013.
10. This case shall be closed on August 16, 2013.

**BY THE COMMISSION**



Morris L. Woodruff  
Secretary

R. Kenney, Chm., Jarrett, Stoll,  
and W. Kenney, CC., concur.

Jones, Senior Regulatory Law Judge