

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of a Working Case to Investigate Appropriate) Methods for Ratemaking Treatment of Fees or Other) Mechanisms used for Capital Recovery of Sewer and) Water Infrastructure Investment)

) <u>File No. SW-2011-0042</u>) <u>File No. WW-2011-0043</u>

ORDER DIRECTING NOTICE OF WORKING CASE AND DIRECTING FILING

Issue Date: August 23, 2010

Effective Date: August 23, 2010

During the recent ratemaking proceeding for Lake Region Water and Sewer Company, the Commission announced its intention to change, on a prospective basis, its practices and policies with how it treats revenue derived through the use of availability fees and other similar fees for capital recovery of infrastructure investment in sewer and water companies. Consequently, the Commission is opening these files to explore all proper options for ratemaking treatment of this revenue and to ultimately formalize a proper policy in a subsequent rulemaking. It is the intent of the rulemaking proceeding to delineate a definitive policy for ratemaking treatment of availability fees, reservation fees, standby fees, connection fees, or any other similar fees and their proper use as mechanisms of capital recovery.

The two workshops will not be consolidated at this time because it is possible that different considerations, and thus different rules, will need be to be articulated with regard to water and sewer systems. However, the Commission may consolidate these dockets in the future if it finds that issues of fact and law are substantially related for both types of utilities.

THE COMMISSION ORDERS THAT:

1. No later than September 24, 2010, the Staff of the Missouri Public Service Commission shall file a proposed schedule for workshops, along with any other proposals it has regarding the procedure to follow in these workshop dockets.

2. The Commission's Data Center shall provide electronic notice of these workshop dockets to all regulated Missouri water and sewer companies. If the Commission's Data Center is unable to provide electronic notice to specific regulated entities, the Data Center shall notify those entities by mail.

3. The Commission's Data Center shall provide electronic notice of this workshop docket to all entities listed for the:

Missouri Chamber of Commerce Members at: http://www.ccemo.org/mx/hm.asp?id=memdir;

Missouri Growth Association at: https://www.mogrowth.com/;

Missouri Home Builders' Associations at: http://www.nahb.org/local_association_search_results.aspx?state=MO;

Associated General Contractors of Missouri, Inc. at: http://www.agcmo.org/contact/ or agcmo@agcmo.org ;

Missouri Municipal League at: http://www.mocities.com/index.php

Missouri Economic Development Council at: <u>http://www.showme.org/</u>

If the Commission's Data Center is unable to provide electronic notice to these specific

entities, the Data Center shall notify those entities by mail.

4. The Commission's Data Center shall also provide notice of this workshop docket to the Small Business Regulatory Fairness Board at: Missouri Department of Economic Development, 301 W. High Street, P.O. Box 1157, Jefferson City, Missouri 65102, by mail or by E-mail at: SBRFB@ded.mo.gov.

5. This order shall become effective immediately upon issue.

BY THE COMMISSION

Steven C. Reed Secretary

(SEAL)

Harold Stearley, Senior Regulatory Law Judge, by delegation of authority pursuant to Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri, on this 23rd day of August, 2010.

STATE OF MISSOURI

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OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this 23rd day of August 2010.

Steven C. Reed Secretary

MISSOURI PUBLIC SERVICE COMMISSION

August 23, 2010

File No. SW-2011-0042 and WW-2011-0043

General Counsel's Office P.O. Box 360 200 Madison Street, Suite 800 Jefferson City, MO 65102

Affton Chamber of Commerce Legal Department 10203 Gravois Rd Saint Louis, MO 63123

Blue Springs Chamber of Commerce Legal Department 1000 W Main St Blue Springs, MO 64015

Branson/Lakes Area Chamber of Commerce Legal Department

269 Saints St Branson, MO 65616

Chesterfield Area Chamber of Commerce

Legal Department 101 Chesterfield Business Parkway Chesterfield, MO 63005

Creve Coeur - Olivette Chamber of Commerce Legal Department 677 North New Ballas, #214 Creve Coeur, MO 63141

Eureka Chamber of Commerce Legal Department 14811 Manchester Rd Ballwin, MO 63011

Grandview Area Chamber of Commerce

Legal Department 12500 S US Highway 71 Grandview, MO 64030

Greater North County Chamber of Commerce Legal Department 420 W Washington St. Florissant, MO 63031

Greater West Plains Area Chamber of Commerce Legal Department

401 Jefferson Ave West Plains , MO 65775 Lewis R. Mills, Jr. P.O. Box 2230 200 Madison Street, Suite 650 Jefferson City, MO 65102

Associated General Contractors of Missouri, Inc. Legal Department 1221 Jefferson Street P.O. Box 94 Jefferson City, MO 65102-0094 Bolivar Chamber of Commerce Legal Department 454 S Springfield Bolivar, MO 65613

Camdenton Area Chamber of Commerce Legal Department 739 W US Highway 54 Camdenton, MO 65020

Columbia Chamber of Commerce Legal Department 300 South Providence Rd PO Box 1016 Columbia, MO 65205-1016

Dexter Chamber of Commerce Legal Department 515 B West Market St. P.O. Box 21 Dexter, MO 63841

Fenton Area Chamber of Commerce Legal Department 964 S Highway Drive , Suite 103 Fenton, MO 63026

Greater Clinton Area Chamber of Commerce

Legal Department 200 S. Main Street Clinton, MO 64735

Greater Poplar Bluff Area Chamber of Commerce Legal Department 1111 W Pine St

Poplar Bluff, MO 63901

Hannibal Area Chamber of Commerce

Legal Department 623 Broadway P.O. Box 230 Hannibal, MO 63401 Barton County Chamber of Commerce Legal Department 102 West 10th St PO Box 577 Lamar , MO 64759 Boonville Area Chamber of Commerce Legal Department 320 1st Street Boonville, MO 65233

Cape Girardeau Area Chamber of Commerce Legal Department 1267 North Auburn Road Cape Girardeau, MO 63701

Crestwood/Sunset Hills Area Chamber of Commerce Legal Department 9058-A Watson Saint Louis , MO 63126

Eldon Area Chamber of Commerce Legal Department 203 East First Street Eldon, MO 65026

Grain Valley Chamber of Commerce Legal Department 515 S Main St, Grain Valley, MO 64029

Greater Kansas City Chamber of Commerce

Legal Department 911 Main St Ste 2600 Kansas City, MO 64105

Greater Warrensburg Chamber of Commerce Legal Department 100 South Holden Street Warrensburg, MO 64093

HBA of Central Missouri, Local 2605 Legal Department 1420 Creek Trail Dr Jefferson City, MO 65109-9238 HBA of Columbia, Local 2618 Legal Department 204 Peach Way, Suite B Columbia, MO 65204-4924

HBA of St. Louis and Eastern Missouri, Local 2690 Legal Department 10104 Old Olive Street Rd Saint Louis, MO 63141-5908

Houston Area Chamber of Commerce Legal Department 810 S Sam Houston Blvd Houston, MO 65483

Joplin Area Chamber of Commerce Legal Department 320 E 4th St Joplin, MO 64801

Kirksville Area Chamber of Commerce Legal Department 304 S Franklin St., Ste 100 Kirksville , MO 63501

Lebanon Chamber of Commerce Legal Department 186 N Adams Ave Lebanon, MO 65536

Liberty Area Chamber of Commerce Legal Department 9 S. Leonard Liberty, MO 64068

Maplewood Chamber of Commerce Legal Department 8330 Manchester Rd Saint Louis , MO 63144

Maryville Chamber Of Commerce Legal Department 423 North Market Street Maryville, MO 64468

Missouri Economic Development Council Legal Department PO Box 105918 Jefferson City, MO 65110

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Lee's Summit Chamber of Commerce Legal Department 220 SE Main Street Lee's Summit , MO 64063-2332

Macon Area Chamber of Commerce Legal Department 119 N Rollins Macon, MO 63552

Marshall Chamber of Commerce Legal Department 214 N Lafayette Ave Ste C Marshall, MO 65340

Mexico Area Chamber of Commerce Legal Department 100 West Jackson Street Mexico, MO 65265

Missouri Growth Association Legal Department 9147 Watson Rd St. Louis, MO 63126

Mountain Grove Area Chamber of Commerce Legal Department P.O. Box 434 Mountain Grove, MO 65711

HBA of Greater Springfield, Local 2654

Legal Department 636 W Republic Rd, Ste D 108 Springfield , MO 65807

Higginsville Chamber of Commerce Legal Department 2102 S Main St Higginsville, MO 64037

Jerrson City Chamber of Commerce Legal Department 213 Adams St Jefferson City, MO 65101

Kingdom of Callaway Chamber of Commerce Legal Department 409 Court Street Fulton, MO 65251

Lake West Chamber of Commerce Legal Department PO Box 340 Sunrise Beach, MO 65079

Lemay Chamber of Commerce Legal Department PO Box 6642 St, Louis, MO 63125

Malden Chamber of Commerce Legal Department 607 N Douglass St Malden, MO 63863

Maryland Heights Chamber of Commerce Legal Department 547 Westport Plaza Saint Louis, MO 63146-3007

Midland Empire HBA, Local 2629 Legal Department PO Box 2629 St. Joseph, MO 64508

Missouri Municipal League Legal Department 1727 Southridge Drive Jefferson City, MO 65109

Neosho Area Chamber of Legal Department PO Box 605 Neosho, MO 64850 Nevada/Vernon County Area Chamber of Commerce Legal Department 225 West Austin, Suite 200 Nevada, MO 64772

Northwest Chamber of Commerce Legal Department 11965 St. Charles Rock Road, Suite 203

Bridgeton, MO 63044

Park Hills - Leadington Chamber of Commerce Legal Department 5 Municipal Dr Park Hills , MO 63601

Rolla Area Chamber of Commerce Legal Department 1311 Kingshighway St Rolla, MO 65401

Sikeston Area Chamber of Commerce Legal Department One Industrial Drive Sikeston, MO 63801

South Kansas City Chamber of Commerce Legal Department 5908 E Bannister Rd Kansas City, MO 64134-1141

St. Joseph Area Chamber of Commerce Legal Department 3003 Frederick Ave Saint Joseph, MO 64506

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Union Area Chamber of Commerce Legal Department 105 S Oak St Union, MO 63084

Waynesville - St. Robert Chamber of Commerce Legal Department 137 St. Robert Blvd., Ste. B St. Robert, MO 65584

Wentzville Chamber of Commerce Legal Department PO Box 11 Wentzville, MO 63385 Nixa Area Chamber of Commerce Legal Department 105 W Sherman Way Ste 108 Nixa, MO 65714

O'Fallon Chamber of Commerce Legal Department 1299 Bryan Road O'Fallon, MO 63366

Perryville Area Chamber of Commerce Legal Department 2 W Sainte Marie St Perryville, MO 63775

Salem Area Chamber of Commerce Legal Department 200 South Main Street Salem, MO 65560

Smithville Area Chamber of Commerce Legal Department 105 W Main St Smithville, MO 64089

Springfield Area Chamber of Commerce Legal Department 202 S John Q Hammons Pkwy Springfield, MO 65806

Ste Genevieve Chamber of Commerce Legal Department 251 Market St Sainte Genevieve, MO 63670

Trenton Area Chamber of Legal Department 617 Main Street Trenton, MO 64683

Warsaw Area Chamber of Commerce Legal Department 816 E Main St Warsaw, MO 65355

Webb City Area Chamber of Commerce Legal Department 555 South Main Street PO Box 287 Webb City, MO 64870 Northland Regional Chamber of Commerce Legal Department 634 NW Englewood Rd Kansas City, MO 64118

Pacific Area Chamber of Commerce Legal Department 333 Chamber Drive Pacific, MO 63069

Raytown Area Chamber of Commerce Legal Department 5909 Raytown Trfy Raytown, MO 64133-3860

SE Missouri HBA, Local 2691 Legal Department 3667 County Road 222 Cape Girardeau, MO 63701-9450

South County Chamber of Commerce Legal Department South Lindbergh Blvd Saint Louis, MO 63125

St. Charles Chamber of Commerce Legal Department 2201 1st Capitol Dr Saint Charles, MO 63301

Sullivan Area Chamber of Legal Department 2 W Springfield Rd Sullivan, MO 63080

Troy Area Chamber of Commerce Legal Department 543 E Cherry Street Troy, MO 63379

Washington Area Chamber of Commerce Legal Department 323 West Main Street Washington, MO 63090

Webster Groves/Shrewsbury Area Chamber of Commerce Legal Department 353 Marshall Ave, Ste A Webster Groves , MO 63119 Enclosed find a certified copy of an ORDER in the above-numbered matter(s).

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Sincerely,

Steven C. Reed Secretary

Uncertified Copies to Missouri Certified Sewer and Water Companies