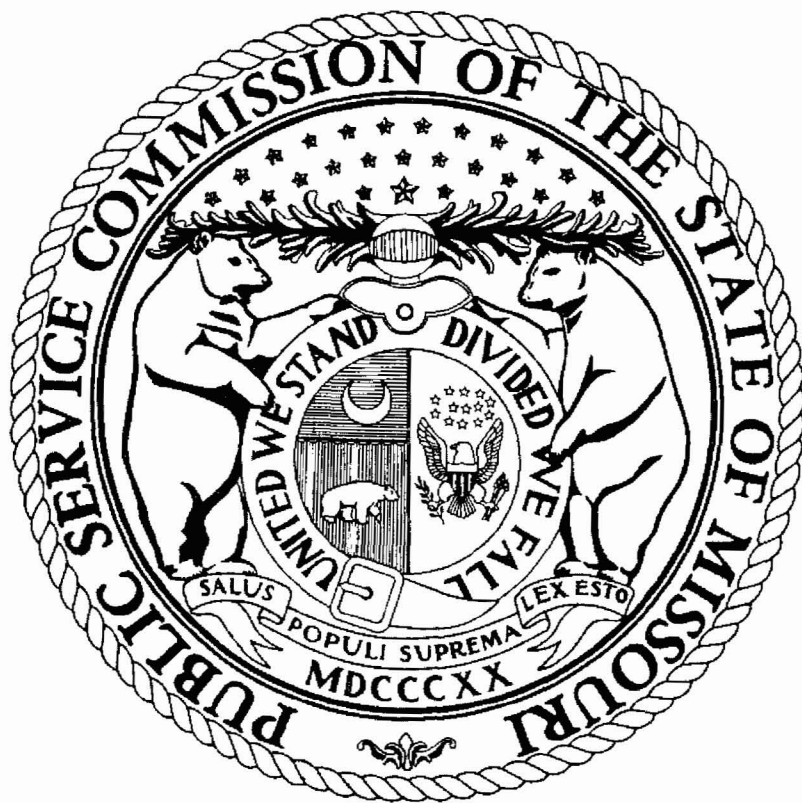




Missouri
Public Service Commission

1992 Annual Report





Missouri Public Service Commission

Commissioners:

KENNETH McCLURE
Chairman
ALLAN G. MUELLER
DAVID L. RAUCH
PATRICIA D. PERKINS
DUNCAN E. KINCHELOE

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December 1, 1992

BRENT STEWART
Executive Secretary
SAM GOLDAMMER
Director, Utility Operations
GORDON L. PERSINGER
Director, Policy & Planning
DANIEL S. ROSS
Director, Administration
CECIL I. WRIGHT
Chief Hearing Examiner
MARY ANN YOUNG
General Counsel

Honorable John Ashcroft
Governor, State of Missouri
Executive Office
Jefferson City, MO 65101

Dear Governor Ashcroft:

Each day the actions of the Public Service Commission affect every person in Missouri by ensuring that consumers receive adequate amounts of safely delivered, reasonably priced utility services at rates that will provide the companies' shareholders the opportunity to earn a reasonable return on their investment. We continuously review our regulatory policies to ensure that the broad public interest is promoted and protected.

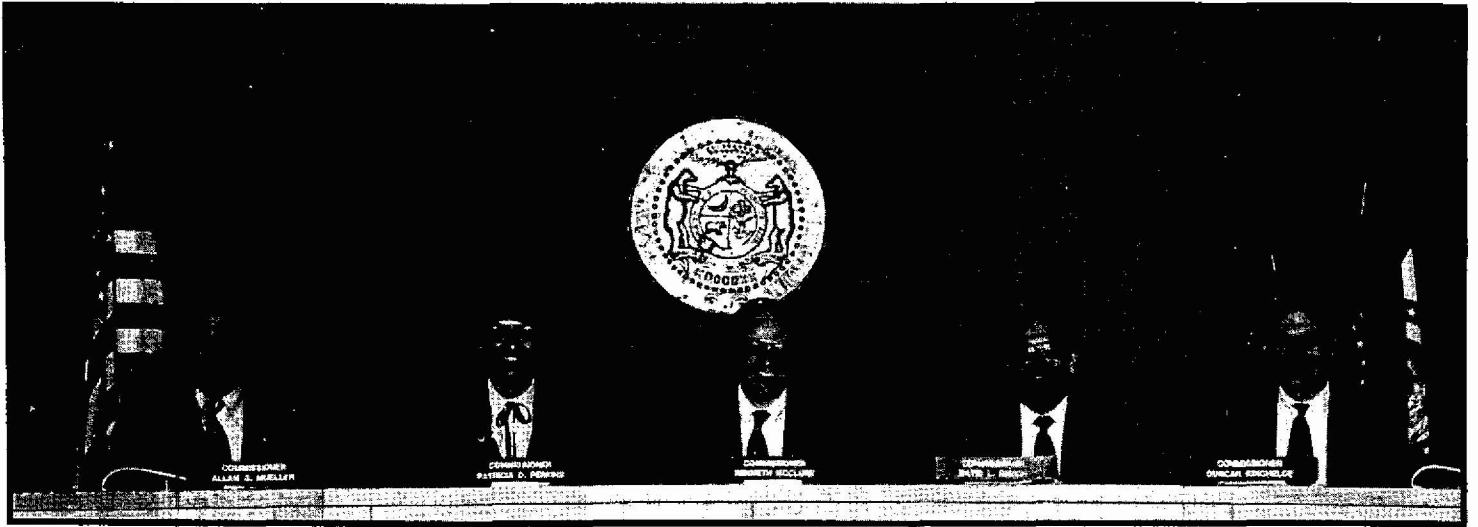
As our annual report indicates, the Commission has had a very busy and productive year. In addition to several state regulatory issues, we also continue to aggressively participate in several federal issues ensuring the interests of Missouri ratepayers are represented.

As required by Section 386.380 RSMo 1986, the Missouri Public Service Commission is pleased to submit its annual report for the fiscal year of July 1, 1991 through June 30, 1992.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Kenneth McClure".

Kenneth McClure
Chairman



From left to right: Commissioner Allan Mueller, Commissioner Patricia Perkins, Chairman Kenneth McClure, Vice Chairman David Rauch and Commissioner Duncan Kincheloe.

Missouri Public Service Commission

1992 Annual Report

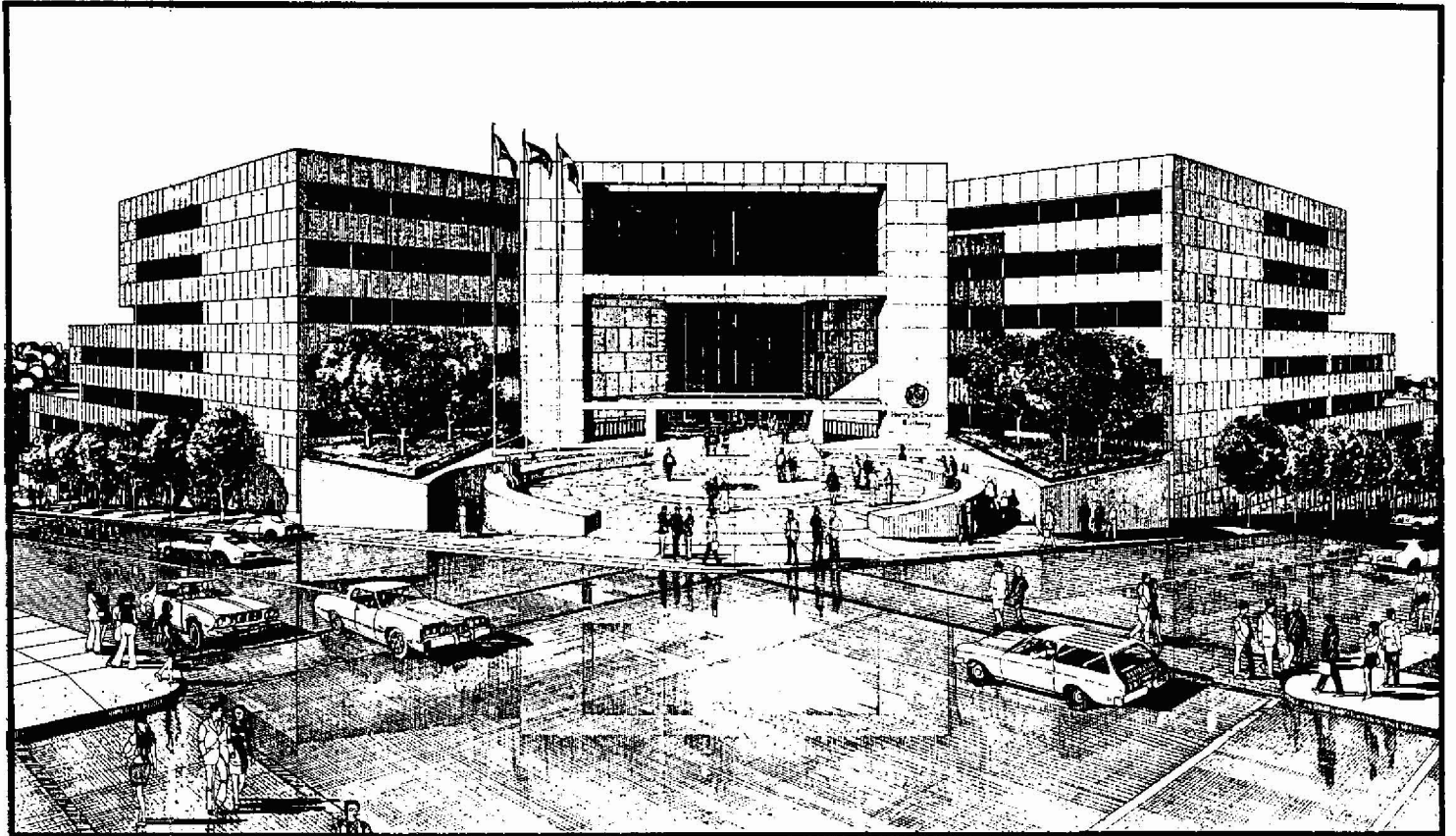
Kenneth McClure, Chairman

David L. Rauch, Vice Chairman

Allan G. Mueller, Commissioner

Patricia Perkins, Commissioner

Duncan Kincheloe, Commissioner



Harry S Truman State Office Building, Jefferson City, Missouri. Commission offices are located on the 5th and 8th floors.

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PSC Purpose and Responsibilities

Missouri Public Service Commission

The Missouri Public Service Commission has the statutory responsibility of ensuring that consumers receive adequate amounts of safely delivered and reasonably priced utility services at rates that will provide the utility companies' shareholders the opportunity to earn a reasonable return on their investment. The Commission must balance a variety of often competing private interests to ensure the overall public interest.

The Commission regulates the rates, practices and operations of the state's 355 investor-owned electric, gas, telephone, water, and sewer utilities. The Commission also regulates the state's 48 rural electric cooperatives and 34 municipally-owned natural gas utilities for operational safety, and the manufacturers and dealers of mobile/modular homes and recreational vehicles. Recent legislation also has expanded the Commission's regulatory oversight to include service territory issues involving rural electric cooperatives and municipally-owned electric utilities. The basic statutory provisions governing the Commission are contained in Chapters 386, 392, 393, 394 and 700 RSMo. The Commission is funded through assessments of those entities the Commission regulates and not from general revenue.

The Commission consists of five commissioners who are appointed by the Governor with the advise and consent of the Missouri Senate. The Governor designates one member as the Chairman who serves in that capacity at the pleasure of the Governor. Commissioners are appointed to six year terms. These terms are staggered so no more than two terms expire in any given year. Historically, a majority of the Commission has been of the same political party as the Governor.

The Commission is both quasi-judicial and quasi-legislative. The Commission is responsible for deciding cases brought before it and for the promulgation and enforcement of the administrative rules and regulations it has

adopted. Many of the Commission's duties are performed by conducting hearings in contested cases, which by statute must be transcribed by a court reporter. Commission hearings are conducted in a trial-like atmosphere using the same rules of evidence as applicable in the circuit court of the state. The Commission must render decisions in all cases in a timely manner to afford all parties procedural and substantive due process and comply with strict statutory time limits.

The Commission is assisted by a staff of professionals in the field of engineering, management, accounting, law, rate analysis, economics, consumer affairs, information, finance, investigation and administration. Duties range from helping an individual who has a complaint to investigating multi-million dollar utility-proposed rate requests. The Staff participates as a party in cases filed before the Commission. They conduct audits and make recommendations to the Commission. The recommendations made by the PSC Staff, like those filed by other parties in a proceeding, are used by the Commission in reaching a decision in a complaint or rate case. The Commission has established standards for safety and quality of service to which companies must adhere. Routine and special investigations are conducted by the Commission's Staff to ensure companies comply with those standards.

Commission Resources

Kenneth McClure, Chairman



Kenneth McClure
Chairman

Chairman Kenneth McClure was appointed to the Missouri Public Service Commission by Governor John Ashcroft on January 3, 1990, to fill an unexpired term. In April, 1991, Mr. McClure was reappointed to a full six year term.

On January 5, 1992, Mr. McClure became Chairman of the Public Service Commission replacing William Steinmeier who resigned.

Mr. McClure served as a budget analyst with the Missouri Senate Appropriations Committee from 1974 through 1976. From 1977 until 1981, he was Staff Director of the Missouri Senate Appropriations Committee. In October, 1981, he was appointed Deputy Director/Administration of the Missouri Department of Economic Development. In that capacity, he had responsibility for the department's accounting, budget, personnel, data processing and unclaimed property functions as well as supervision of selected programmatic divisions.

Chairman McClure serves as a member of the Communications Committee, the Committee on Utility Association Oversight and the Executive Committee of the National Association of Regulatory Utility Commissioners (NARUC). He also serves on the Federal-State Joint Conference on Open Network Architecture plans, Federal Communications Commission (FCC) Docket No. 88-2, Phase I.

Mr. McClure received his BA degree from Southwest Missouri State University in 1972 and his MA degree from the University of Missouri-Columbia in 1974.

Mr. McClure and his wife, Joey, have two children.

Chairman McClure's term expires on April 15, 1997.

Commission Resources

David Rauch, Commissioner

David Rauch, a former member of the Missouri House of Representatives, was appointed to the Missouri Public Service Commission by Governor John Ashcroft on March 23, 1989.

Prior to his appointment to the Public Service Commission, Commissioner Rauch had served ten years in the Missouri House of Representatives, first elected in 1978.

As a member of the Missouri General Assembly, Vice-Chairman Rauch distinguished himself in property tax reform matters and served on both the House Appropriations Committee for Natural and Economic Resources and the House Committee on Ways and Means.

Mr. Rauch also served on the House Commerce Committee and was appointed by the House Speaker to serve on the Governor's Advisory Council for Small Business Development.

Commissioner Rauch is currently serving on the National Association of Regulatory Utility Commissioners (NARUC) Committee on Water and is a member of the Mid-America Regulatory Commission Association.

Mr. Rauch received his BA degree in History from Drury College. He also holds a Masters of Divinity from Andover Newton Theological School. He completed part of his undergraduate studies at Schiller College in Heidelberg, Germany.



David Rauch
Commissioner

Commissioner Rauch and his wife, Christine, have four children.

Mr. Rauch's term expires on April 15, 1993.

Commission Resources

Allan Mueller, Commissioner



Allan Mueller
Commissioner

Commissioner Allan Mueller, a former member of the Missouri Senate and the Missouri House of Representatives, was first appointed to the Missouri Public Service Commission on July 11, 1983, by Governor Christopher S. Bond. On June 30, 1989, he was reappointed to a six year term by Governor John Ashcroft.

Prior to his appointment to the PSC, Mr. Mueller represented the City of St. Louis in the Missouri House of Representatives from 1971 to 1977 and was a member of the Missouri Senate from 1978 until 1983.

While in the Missouri General Assembly, Commissioner Mueller sponsored several pieces of important legislation including the Missouri Compliance to the Federal Clean Air Act, the Energy Assistance Act and expansion of Prenatal Health Care Medicaid Coverage. His legislative record includes appointments to the National Council of State Legislators Energy Committee, the E.P.A. Superfund Implementation Strategy Task Force, the Low Income Energy Assistance Oversight Committee and the Hazardous Waste Management Task Force.

Prior to his election to the Missouri House of Representatives, Commissioner Mueller served three years in the United States Marine Corps. His tour of duty included 13 months in Vietnam.

Commissioner Mueller is currently serving on the National Association of Regulatory Utility Commissioners (NARUC) Committee on Energy Conservation. He has also been an active member of the Mid-America Regulatory Conference (MARC).

Mr. Mueller graduated from St. Mary's University in San Antonio, Texas, in 1965 with a Bachelor's degree in Business Administration.

Commissioner Mueller and his wife, Carol, have four children.

Mr. Mueller's term expires on April 15, 1995.

Commission Resources

Patricia Perkins, Commissioner

Attorney Patricia Perkins was appointed to the Missouri Public Service Commission by Governor John Ashcroft on March 19, 1991, to fill an unexpired term.

Prior to her appointment to the Commission, Ms. Perkins worked in the legal department of the Missouri State Auditor's Office and as an Assistant Attorney General for the State of Missouri. Commissioner Perkins was Assistant Legal Counsel for the Missouri State Auditor from 1979 until 1981.

From 1981 until her appointment to the Missouri Public Service Commission, Ms. Perkins was an Assistant Attorney General and represented various state agencies during that period of time, including the Missouri State Employees' Retirement System, the State Medical Care Plan, the Public School Retirement System, the Missouri Division of Finance, which regulates state banks, the Missouri Division of Savings and Loan Supervision, the Division of Economic Development within the Department of Consumer Affairs, Regulation and Licensing, and the State Board of Accountancy. She also represented the Missouri Department of Corrections, defending the department against inmate civil rights lawsuits.

Most recently she represented the Missouri Department of Elementary and Secondary Education in all legal matters other than the desegregation lawsuits.

Commissioner Perkins earned a Bachelor of Music degree from Oklahoma Baptist University. She also holds a Masters in Education and JD degree from the University of Missouri-Columbia.



Patricia Perkins
Commissioner

While working on the Masters degree, she was a graduate teaching assistant, and then taught public school in Dallas, Texas, for two years prior to attending law school.

Ms. Perkins has two daughters.

Commissioner Perkins was appointed in October, 1991, to the Gas Committee of the National Association of Regulatory Utility Commissioners (NARUC). Her term expires on April 15, 1995.

Commission Resources

Duncan Kincheloe, Commissioner

Attorney Duncan Kincheloe was appointed to the Missouri Public Service Commission by Governor John Ashcroft to replace William D. Steinmeier who resigned effective January 4, 1992.

Mr. Kincheloe had served as the governor's director of policy development for seven years prior to his appointment to the PSC. In that capacity, he acted as general counselor to the governor on education and other issues and served as the governor's office liaison to the departments of Public Safety, Corrections and Health. He also served as chairman of the Missouri Military Advisory Commission and as a trustee of the Missouri State Employees' Retirement System.

Prior to 1985, Mr. Kincheloe held the position of associate attorney general in the Missouri Attorney General's office. Until 1979 he was engaged in the private practice of law in the Kansas City area.

Commissioner Kincheloe is currently serving on the National Association of Regulatory Utility Commissioners (NARUC) Committee on Finance and Technology.

Mr. Kincheloe earned his BA from the University of Missouri-Kansas City in 1973 and his JD from the University of Missouri-Kansas City Law School in 1976. He is a member of the Missouri Bar.

Commissioner Kincheloe and his wife, Lucia, have two children.

Mr. Kincheloe's term expires on April 15, 1997.



Duncan Kincheloe
Commissioner

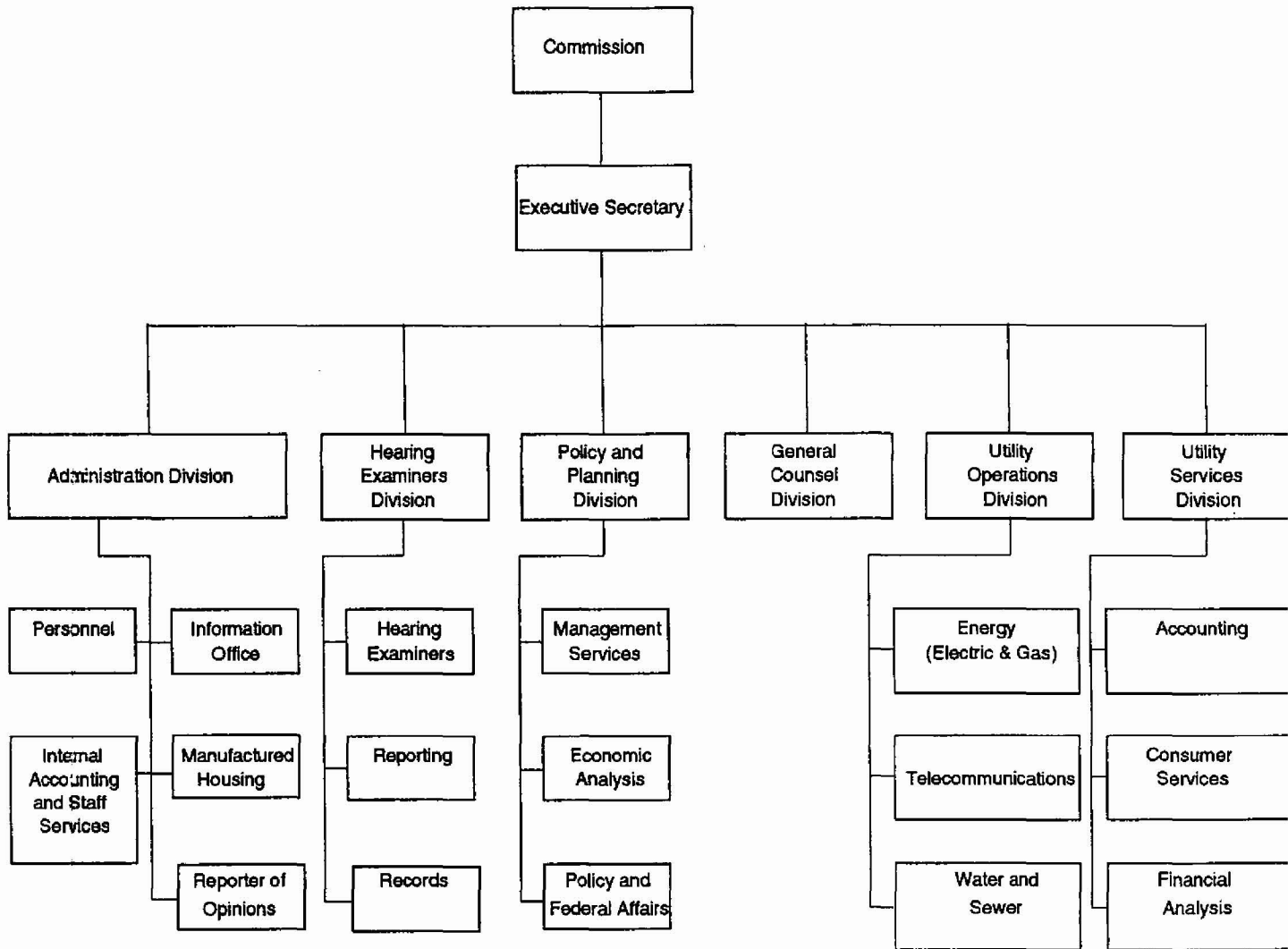
Commission Resources

Key Personnel

Kenneth McClure, Chairman	751-4221
David Rauch, Vice-Chairman	751-2690
Allan Mueller, Commissioner	751-3243
Patricia Perkins, Commissioner	751-3233
Duncan Kincheloe, Commissioner	751-4132
Brent Stewart, Executive Secretary	751-5246
Administration Division	
Dan Ross, Director	751-7492
Mike Broker, Personnel Director	751-5606
Jim Phillips, Manager - Mobile Homes	751-7119
Kevin Kelly, Information Officer	751-9300
Lawson Phaby, Reporter of Opinions	751-5472
Dan Redel, Internal Accounting	751-2457
Hearing Examiners Division	
Cecil Wright, Chief Hearing Examiner	751-7497
Barb Skalla, Chief Court Reporter	751-4255
Judy Fritsch, Manager - Records	751-7496
Policy and Planning Division	
Gordon Persinger, Director	751-7491
Bill Washburn, Manager - Policy and Federal Affairs Department	751-7505
Martin Turner, Manager - Economic Analysis	751-7523
Art Wimberley, Manager - Management Services	751-7439
General Counsel	
Mary Ann Young, General Counsel	751-7485
Utility Operations Division	
Sam Goldammer, Director	751-2508
Bo Matisziw, Manager - Energy Department	751-2152
Bill Sankpill, Manager - Water and Sewer Department	751-7074
Charlotte TerKeurst, Manager - Telecommunications Department	751-1307
Utility Services Division	
Sherry Boldt, Director	751-7487
David Winter, Assistant to the Director	751-5392
Jay Moore, Manager - Financial Analysis	751-8517
Janet Hoerschgen, Manager - Consumer Services	751-3160
Mark Oligschlaeger, Manager - Accounting	751-7443

Commission Resources

Missouri Public Service Commission Organization Chart



Commission Resources

Budget

	FY 1991	FY 1992*	FY 1993*
Executive Section			
Personal Service	\$ 938,208	\$ 2,288,693	\$ 2,206,546
Expense and Equipment	129,277	308,913	302,425
F.T.E.	25.00	67.00	64.00
Administration Division			
Personal Service	\$ 407,072	\$ 398,137	\$ 398,137
Expense and Equipment	320,936	298,197	1,181,928
F.T.E.	16.00	13.00	13.00
General Counsel			
Personal Service	\$ 523,051	\$ 641,874	\$ 641,874
Expense and Equipment	103,543	140,986	135,751
F.T.E.	18.00	21.00	21.00
Utility Section			
Personal Service	\$ 4,112,734	\$ 2,959,439	\$ 2,985,515
Expense and Equipment	1,237,985	4,639,104	4,621,894
F.T.E.	127.00	93.00	93.00
Manufactured Housing Dept.			
Personal Service	\$ 157,825	\$ 157,825	\$ 157,825
Expense and Equipment	92,248	49,648	49,648
F.T.E.	6.00	6.00	6.00
Totals			
Personal Service	\$ 6,138,890	\$ 6,445,968	\$ 6,389,897
Expense and Equipment	1,883,989	5,436,848	6,291,646
Total	<u>\$ 8,022,879</u>	<u>\$ 11,882,816</u>	<u>\$ 12,681,543</u>
F.T.E.	<u>192.00</u>	<u>200.00</u>	<u>197.00</u>

*PSC reorganization effective 11/1/90 reflected on FY '92-'93 budget amounts.

State Regulatory Summary

Fiscal Year 1992

During the 1992 fiscal year, the Missouri Public Service Commission issued over 870 orders, closed 253 cases and spent over 158 hours in the hearing room. Utility companies regulated by the PSC filed a total of 316 cases, 569 tariffs and nearly 6,729 tariff sheets during FY '92.

In addition to traditional docketed case activities, the Commission addressed numerous regulatory policy issues. Some of the most significant issues appear below.

TELECOMMUNICATIONS

Interactive Video Programming

On November 5, 1991, the Commission formed an Interactive Video Programming Task Force to evaluate the feasibility of interactive video programming in Missouri. The task force was charged with developing a proposed interactive video pilot program for both education and health care usage and reporting to the Commission all relevant factors involved in establishing such a program. The task force filed its report with the Commission on July 24, 1992, and the Commission appointed an advisory committee to assist three school clusters in establishing demonstration projects.

Basic Local Service Upgrades

After receiving a report from the Commission's Project Team on Telecommunications Modernization and Incentive Regulation, the Commission issued a proposed rule in January, 1992, which prescribed the minimum technologies and service features constituting basic local service to be provided by local exchange telephone companies (LECs). Public hearings were held in March and the Commission issued its final rule in June of 1992.

The new rule, effective December 3, 1992, requires LECs to submit plans which: (1) upgrade all telephone service to single party service; (2) provide electronic switching with the capability of providing enhanced 911

service if local governments seek such service; and (3) make custom calling features, touch tone and 1+ long-distance dialing (equal access) for calling between area codes in Missouri available to all customers.

Competition In The Local Exchange Market

For several years, the Commission has allowed a limited degree of competition within the local exchange market by permitting shared tenant service providers and private pay phone providers to operate within Missouri. However, only recently has the Commission explicitly authorized competition in certain dedicated local exchange services when it granted Digital Teleport its requested certificate of service authority.

Southwestern Bell Incentive Regulation Plan

The incentive regulation experiment applicable to Southwestern Bell established a sharing grid under which customers share in earnings achieved above a specified return on equity. Any shared earnings are distributed by a bill credit issued on June bills each year. Customers received bill credits totaling approximately \$22.2 million in June of 1992.

The incentive regulation plan also required Southwestern Bell network modernization through the replacement of 36 electromechanical switches and the conversion of more than 7,000 multiparty service lines to single party service during fiscal year 1992.

The three year experiment expires by its own terms on December 31, 1992. Reports were filed by the PSC Staff, the Office of the Public Counsel and Southwestern Bell on October 1, 1992, regarding whether to continue the experiment in its present form, modify the plan, or end the experiment and return to traditional rate-of-return regulation. The experiment has been continued for one additional year pending evidentiary hearings during 1993.

State Regulatory Summary

Extraexchange Expanded Local Calling

After years of controversy and court proceedings, on December 16, 1991, a task force named to examine extraexchange calling in Missouri filed its final report with the Commission. A coalition of task force members recommended a comprehensive plan to address the extraexchange calling scope requirements of Missouri customers. Southwestern Bell, the Office of the Public Counsel and the Competitive Telecommunications Association of Missouri each filed separate proposals.

The Commission held a total of 11 local public meetings throughout the State in January and February of 1992 to allow for public comment on the proposals. Over 2,000 people attended the meetings and over 400 individuals made formal on-the-record statements.

After extensive review and prolonged deliberations concerning expanded calling, the Commission determined one statewide plan would not adequately meet the requirements of both metropolitan areas and outstate areas. On June 12, 1992, the Commission issued an order which proposed two extraexchange calling plans. One proposal involves the metropolitan areas of Kansas City, St. Louis and Springfield. The second proposal would provide all remaining areas with a 23-mile radius, point-to-point and/or block of time calling options for customers.

The Commission held evidentiary hearings on the two proposals in late October and plans to issue its final decision in late December of 1992.

Relay Missouri

The Relay Missouri service, which enables those who have hearing or speech disabilities to use the telephone by communicating through a "communications assistant", completed its first year of operation in June of 1992. Relay Missouri processes approxi-

mately 30,000 calls a month and employs 77 communications assistants. These numbers are expected to increase as more people become aware of the system and its capabilities.

In its first year of operation, the service grew from 84,418 minutes of usage in June of 1991 to approximately 205,000 minutes in June of 1992. Relay Missouri service operations are supported through a monthly surcharge on telephone access lines in Missouri. The surcharge is billed and collected by the LECs, who then remit these funds to the Commission. The Commission, in turn, then pays the current Relay Missouri service provider, Sprint Services, from the surcharge funds.

ELECTRIC

Electric Strategic Resource Planning

Because of the long term nature and potential rate impacts of electric utility resource planning decisions on the public, the Commission has engaged in a comprehensive review of its regulatory policy respecting the strategic resource planning processes of Missouri's regulated electric utilities.

In 1989, a project team was formed to investigate the existing resource planning methods and procedures used by the investor-owned electric utilities in Missouri. In August, 1991, the project team issued its report which was based upon extensive analysis and evaluation of information gathered from electric utilities. The report called for the Commission to adopt rules designed to set minimum standards for the resource planning process. The report also recommended providing for informal input and comment by all interested persons prior to starting the formal rulemaking process.

State Regulatory Summary

Commission staff then drafted proposed rules on electric resource planning which would require electric utilities to collect certain data and perform specific analyses as part of the planning process. The staff also drafted proposed amendments to the Commission's existing utility promotional practices rules which would permit electric utilities to offer certain demand-side or conservation programs under certain conditions.

In early 1992, the draft rules and amendments were sent to approximately 100 individuals and entities. During April and May, 1992, a series of informal public workshops were held to discuss the draft rules and amendments. As a result, several revisions were made by the staff to the draft rules and amendments which were then submitted to the Commission.

A Notice of Proposed Rulemaking containing the full text of the proposed rules and amendments was published in the Missouri Register on July 1, 1992. Hearings were held on September 10, 1992, and the Commission intends to issue its final rules by the end of the year.

Nuclear Decommissioning Funding

Commission rules require each utility operating a nuclear plant to file updated decommissioning studies every three years. During the 1991 fiscal year, Union Electric Company and Kansas City Power & Light Company each filed updated nuclear decommissioning cost studies. In February 1992, the Commission staff filed decommissioning cost studies for the Callaway and Wolf Creek plants.

The companies, the Commission staff and other parties to the proceedings agreed that additional funding of external decommissioning trust funds was necessary due to updated estimates of the future cost of decontamination and demolition of the plant facilities.

The original estimate of the cost to decontaminate and demolish Union Electric's Callaway nuclear power plant was approximately \$120 million in 1983 dollars. For Kansas City Power & Light's Wolf Creek nuclear power plant, the original estimate was approximately \$103 million in 1985 dollars. Current cost estimates in 1990 dollars indicate the cost will be approximately \$347 million for each plant, with increases in the cost of disposal of radioactive materials as the main contributor to the increased cost. An agreement reached among parties in these cases, which was subsequently approved by the Commission, provided that Kansas City Power & Light Company and Union Electric Company will fund these additional decommissioning costs without increasing the electric rates of their customers.

Sales, Purchases And Mergers

During the 1992 fiscal year, there were a number of mergers and sales involving electric and gas utilities in Missouri. The most significant ones involved Union Electric Company, Arkansas Power & Light Company (AP&L) and KPL Gas Service.

On September 19, 1991, the Commission approved an application which authorized the sale of AP&L's Missouri transmission and distribution properties to Union Electric Company. These properties generally are located along the Missouri/Arkansas state line in the southeastern portion of the state. Part of this sale also conveyed a small portion of AP&L properties to Sho-Me Power Corporation, which in turn, conveyed the properties to Howell-Oregon Electric Cooperative and transformer facilities to certain mines. As a result, Arkansas Power & Light Company no longer operates as a Missouri jurisdictional utility.

State Regulatory Summary

On September 24, 1991, the Commission approved the merger of Kansas Gas & Electric and The Kansas Power and Light Company (KPL). The Commission determined KPL's management should be permitted to proceed with the merger since there was no evidence showing the merger would interfere with KPL's capacity to render safe and adequate service to its Missouri ratepayers or that the merger was otherwise detrimental to the public interest. The Commission stated in its order that Missouri ratepayers would not be called upon to pay for any of the costs relating to the merger and that any cost savings arising from the merger potentially might be shared between the company and its ratepayers.

Some smaller municipal systems were sold to larger investor-owned utilities during FY '92. These involved the sale of properties of the City of Clarksville to Union Electric Company and the City of Pleasant Hill to Missouri Public Service.

House Bill 813 Territorial Agreements

The Commission decided two cases involving territorial agreements during the fiscal year. The PSC approved an agreement reached between Missouri Public Service and Platte-Clay Electric Cooperative which designates the boundaries of each supplier at or near Platte City, Missouri. Also approved was an agreement entered into between Union Electric Company and Crawford Electric Cooperative. This agreement designates service areas for the two utilities in the counties of Jefferson, Crawford, Gasconade and Franklin.

These agreements allow each electric provider to more efficiently plan and use their electrical distribution systems in the future, avoiding unnecessary duplication of services. These agreements mark the first time regulated investor-owned utilities have utilized the provisions of H.B. 813 (enacted in 1989) to address territorial disputes.

NATURAL GAS

I-44 Corridor Natural Gas Pipeline

Construction of the Missouri Pipeline/Missouri Gas Company natural gas transmission system was completed to a location near Washington, Missouri during FY '92. Work currently is underway to complete the remainder of the natural gas pipeline to Fort Leonard Wood. With the availability of natural gas to the area, construction of local natural gas distribution systems have started in Union and Washington by the Laclede Gas Company. In addition, the City of St. James is constructing a natural gas distribution system to be operated as a municipal system. Other communities along the Interstate-44 (I-44) corridor have expressed an interest in obtaining natural gas service.

On December 31, 1991, Fidelity Natural Gas was granted a certificate of public convenience and necessity to construct and provide natural gas distribution services in the City of Sullivan, Missouri. Construction of the system started in the fall of 1992.

Gas Safety

Replacement of unprotected steel service lines and yard lines continues as a result of the requirements contained in the Commission's most recently enacted pipeline safety regulations. In addition, the cast iron main replacement programs and unprotected steel main cathodic protection/replacement programs underway continue to eliminate many miles of cast iron and unprotected steel mains. The overall goal of these improvements to Missouri's natural gas distribution systems is to eliminate those facilities which may have a higher probability of failure and thus enhance the overall safety of the state's natural gas distribution system network.

State Regulatory Summary

During FY '92, the gas safety staff continued to be actively involved in numerous inspections, investigations and company filings regarding compliance with gas safety regulations of the Commission.

Stone And Webster Gas Safety Study Of KPL Gas Service

In December of 1989, following a series of incidents in 1988 and 1989 that resulted in several injuries and fatalities in Missouri and Kansas, the Missouri Commission enacted more stringent pipeline safety regulations. At the direction of the Governors and Commissions of Missouri and Kansas, KPL hired Stone and Webster Management Consultants, Inc. to perform a comprehensive gas safety study of KPL Gas Service which focused on

the utility's existing natural gas safety procedures and programs. The study was performed under the guidance of an oversight committee comprised of personnel from KPL, the Missouri and Kansas Commissions, Missouri Public Service and the United Cities Gas Company. The two-state study began in September of 1989 and resulted in findings and conclusions by Stone and Webster and recommendations to KPL. The study was completed and the final report released in May of 1992, with KPL subsequently receiving Commission approval to implement many of the recommendations.

Federal Activity

Fiscal Year 1992

FEDERAL PARTICIPATION

The Commission continued to aggressively represent the interests of Missouri utility customers in proceedings before the Federal Energy Regulatory Commission (FERC), the Federal Communications Commission (FCC), the Environmental Protection Agency (EPA) and Congress in FY '92. As has been the case in recent years, Congress, federal regulators and the federal courts continue to consider and act on questions which have major consequences for Missouri utility ratepayers.

The Commission has dedicated a number of staff members to work on federal issues on a full-time basis and others who handle both federal and state level issues, along with outside counsel in Washington, D.C. In FY '92, the efforts of this "federal team" were focused on federal proceedings relating to rate increases proposed by gas pipelines that sell to Missouri gas companies, as well as to responding to numerous FERC and FCC proposed changes in the structure and regulation of the natural gas, electric and telecommunications utility industries.

The Commission continues to closely monitor Congressional activity such as national energy and cable television legislation, and works as needed with the Missouri Congressional delegation on these and other significant regulatory topics affecting the state.

The Commission and staff remain active participants in the National Association of Regulatory Utility Commissioners (NARUC) which works to promote state interests in the national arena.

Federal Natural Gas Issues

Decisions by the Federal Energy Regulatory Commission (FERC) directly impact Missouri ratepayers since Missouri's local natural gas distribution companies (LDCs) must utilize FERC-regulated interstate pipelines for delivery of their natural gas

supplies. Presently 50% to 80% of the price paid by Missouri gas consumers is regulated by the FERC. The Commission has focused on rate and tariff filings at the FERC by the Williams Natural Gas Company, Panhandle Eastern Pipe Line Company, the Mississippi River Transmission Corporation, as well as other proceedings, to ensure the interests of Missouri customers are represented.

FERC Order No. 636, issued in April, 1992, formalized significant federal regulatory changes aimed at completely restructuring the services of interstate natural gas pipelines. All major interstate pipelines are to file restructuring plans by the end of 1992 with implementation effective for the 1993-94 winter heating season. The Commission and staff are actively participating in this major undertaking to protect the interests of Missouri natural gas customers.

These changes, along with decreased FERC oversight, will have a dramatic impact upon Missouri LDCs, and therefore, on customers. With the elimination of traditional pipeline sales service, Missouri LDCs alone will be completely responsible for acquiring the necessary gas supplies and selecting the best mix of pipeline storage and transportation services to assure continued reliable natural gas service to Missouri customers.

The federal requirement to eliminate bundled pipeline services and rates charged for natural gas shifts new and significant regulatory oversight responsibilities to the Missouri Commission. The pipeline restructuring cases at FERC will ultimately result in Missouri rate case and tariff filings by the LDCs. The Commission's review of the LDCs' costs necessarily must increase to include reviewing gas purchase options, types and mixes of services the LDCs have chosen, and determining whether the LDCs make prudent capacity reassignment decisions.

Federal Activity

Federal Telecommunications Issues

AT&T divestiture and increasing competition in the telecommunications industry make it critical that federal and state regulatory oversight be coordinated to successfully resolve common issues involving the needs of the customers and the telecommunications companies. The Commission continues to take an increasingly active role in federal dockets. Issues to be resolved include collocation and expanded interconnection, open network architecture, cost allocation, and access rate/pricing/cost policies.

Collocation and Expanded Interconnection:

A controversial issue at the FCC is "collocation". Collocation allows end-users, long distance telecommunications companies and competitors of a local exchange telephone company (LEC) to place their own equipment within the LECs facilities and interconnect this equipment to the equipment of the LEC. This arrangement would be termed physical collocation. Another type of collocation would be virtual collocation where the same type of interconnection would be achieved, but the equipment of the end-user would not be located on the LECs premises but would be within 1/8 mile of the LECs serving central office. The stated intention of collocation is to improve interconnection, reduce costs, improve service and open up the local network to competition.

The Missouri Commission anticipates the FCC will issue an order that will set forth the guidelines for the establishment and provision of collocation among LECs and end-users seeking to interconnect with the LECs in an effort to "promote competition". The local exchange network historically has been a monopoly geographic service area that is set by tariffs approved by the Missouri Commission.

The anticipated FCC action could allow other providers to benefit from reduced access charges by allowing them to physically (or virtually) collocate in a LECs central office. Access charges are paid by an interexchange company to the LEC for use of the local network. The potential provision of access at lower rates has caused state regulators to raise concerns that additional pressure to increase local phone rates may occur due to the lost access revenues. In addition, collocation may increase pressure for regulators to consider geographic deaveraging and to provide pricing flexibility to incumbent LECs in areas where competition arises.

The Missouri Commission will continue to participate in any proceeding pertaining to collocation in order to preserve the authority to promulgate policies in regard to collocation on the state level.

Open Network Architecture: Open Network Architecture (ONA) is a concept developed by the FCC designed to require LECs to separately price individual elements of services so that customers can select only those elements they require. With FCC approval of interstate Bell Operating Company ONA tariffs in February, 1992, the ONA focus has shifted from the federal level to the state level where approval of intrastate ONA tariffs is being sought.

Southwestern Bell Telephone Company currently has filed such an ONA tariff with the Missouri Commission. These tariffs have been suspended and are currently under review.

Federal Activity

Federal Cost Allocation Process: Since local exchange telephone plant is used both for intrastate and interstate calls, the cost of telephone plant is allocated between the interstate jurisdiction and the intrastate jurisdiction. This process is called "separations" and the procedures to be used are determined by a Federal/State Joint Board made up of three FCC Commissioners and four state commissioners, supported by selected staff personnel from the FCC and various states. Missouri currently has one staff member serving on the Joint Board.

Changes made in the way costs are assigned to the jurisdictions may change the "share" of the revenue requirement of a telephone company that must be borne by each jurisdiction. In recent years, FCC actions have tended to shift responsibility for additional costs to the states. In addition, current separations procedures have not kept pace with the rapid technological advances in the telecommunications field. The Joint Board has recently indicated it will perform a comprehensive review of the separations process. The Commission plans to remain very active in this process to ensure that Missouri consumers are represented in the development of new separations rules for joint services.

Comprehensive Access Rate Review: The FCC is about to launch a major overhaul of access rate/pricing/cost policies. Access primarily deals with the recovery of costs from long distance carriers (e.g. AT&T, MCI) by the LECs (e.g. Southwestern Bell, GTE) for completion of calls.

With the advent of major investments in new technology, such as packet switching and signalling, development of non-separations based procedures for the allocation and cost recovery of these functions is required.

The National Association of Regulatory Utility Commissioners (NARUC) has initiated a working group which includes a coalition of state regulators and industry representatives, to develop a NARUC position on access restructure. The Missouri Commission and its staff are active participants in the NARUC Access working group.

Federal Electric Issues

Clean Air Act: The Environmental Protection Agency (EPA) issued draft clean air rules on December 3, 1991. During the drafting of these rules, the Missouri Commission and staff actively participated in several groups working with the EPA staff to draft rules that would assure compliance with the Clean Air Act Amendments of 1990 at minimum cost to the electric utility industry and its customers. The latest version of the rules, as issued by the EPA, adopts much of the language and positions urged by the Missouri Commission.

Federal Activity

Public Utility Holding Company Act (PUHCA) Reform: During FY '92, Congress continued work on legislation which now has been passed and signed by the President as the Energy Policy Act of 1992. The Missouri Commission worked with Missouri's regulated electric utilities and rural electric cooperatives to influence the course of this legislation through our Congressional delegation, particularly on issues of stranded investment, maintaining the reliability of the state's transmission system, and appropriate reimbursement of the transmission systems owners by those wishing to wheel power across it. The Commission's primary objective was to protect Missouri electric customers from any adverse effects of this legislation while preserving the benefits of this restructuring of the electric industry to permit competition in bulk electric power markets. The new law includes many of the customer safeguards advocated by the Missouri Commission.

Energy Policy Act of 1992: The Commission worked with NARUC and Missouri utilities to evaluate and provide input on this major piece of legislation with objectives of maintaining a

proper balance between federal and state jurisdiction and development of a rational approach to energy regulation.

Missouri River Water Levels: A continuing drought in the upper Missouri River basin has drastically lowered the levels of the large impoundments in Montana, North Dakota and South Dakota. These states have sued the U.S. Army Corps of Engineers to force the reduction of the water released from these impoundments so as to minimize the effect of low lake levels on the recreational industry in those states.

The Missouri Commission has worked with the Missouri Congressional delegation and state officials to voice its concern that excessively low flows on the river during cold winter months represent a grave danger to the reliability of the state's hydro-electric power supply during severe cold weather.

Regulatory Activities

Year-at-a-Glance

1991

July 1

Natural gas applications approved authorizing the construction of pipelines which will, for the first time, send natural gas to customers along the Interstate-44 corridor.

July 30

PSC approves agreement which authorizes the Missouri-American Water Company to increase revenues by approximately \$452,000. Company sought \$1.9 million.

August 23

Telecommunications Project Team submits report on network modernization and incentive regulation.

September 6

PSC approves agreement which authorizes the United Cities Gas Company to increase natural gas revenues by approximately \$1.3 million. Company sought approximately \$1.9 million.

September 13

Missouri PSC Chairman William D. Steinmeier named President of the National Association of Regulatory Utility Commissioners (NARUC).

September 13

PSC approves agreement authorizing the acquisition of the Missouri Telephone Company by ALLTEL Corporation.

September 19

PSC approves the sale of the Arkansas Power & Light Missouri facilities to Union Electric Company and the Sho-Me Power Corporation.

September 20

PSC authorizes Missouri Cities Water Company to increase water revenues by approximately \$768,000 a year. Company sought to increase water revenues by approximately \$1.7 million. A request to increase annual sewer revenues by approximately \$9,000 was rejected by the PSC.

September 24

PSC approves the merger of Kansas Gas & Electric (KG&E) into the Kansas Power & Light Company (KPL).

October 2

Task force on extraexchange calling in Missouri submits report to PSC.

October 8

PSC Management Services Department issues audit of KPL Gas Service.

October 9

PSC Chairman William D. Steinmeier announces resignation from PSC effective January 4, 1992.

October 16

PSC approves agreement which provides a lump sum payment of approximately \$20 million to current Missouri customers of KPL Gas Service. Payment reflects part of the return of credits from the Wyoming Tight Sands Settlement.

November 6

PSC establishes task force to examine interactive video programming concept in Missouri.

November 8

PSC approves agreement which authorizes the St. Louis County Water Company to increase annual water revenues by approximately \$5.5 million. Company sought \$11.7 million.

December 12

Missouri Governor John Ashcroft appoints Duncan Kincheloe to replace William D. Steinmeier on the five member commission. Governor Ashcroft also names Kenneth McClure as Chairman.

Regulatory Activities

1992

January 14

Laclede Gas Company files \$28.9 million natural gas rate case with the PSC.

January 22

PSC issues decision which authorizes KPL Gas Service to increase natural gas revenues by approximately \$7.3 million a year. Company sought \$20 million.

February 7

Empire District Electric Company files a \$9.2 million electric rate case with the PSC.

February 13

PSC issues decision which authorizes the Sho-Me Power Corporation to increase electric revenues by approximately \$409,000 a year. Company sought an increase of approximately \$2.3 million.

February 21

Missouri Cities Water Company files rate case seeking to increase water revenues by approximately \$847,500 a year and sewer revenues by approximately \$6,500 a year.

March 3

PSC approves application authorizing Sho-Me Power Corporation to sell electric distribution facilities serving customers in rural Taney and Oregon Counties and the City of Thayer to Howell-Oregon Electric Cooperative, Incorporated.

March 31

PSC authorizes the sale of Union Electric's water system to the City of Cape Girardeau, Missouri.

April 15

PSC approves Southwestern Bell Telephone Company tariff regarding information terminal service and bulletin board systems.

April 16

Empire District Electric Company withdraws \$9.2 million electric rate case.

May 29

Telephone customers of Southwestern Bell receive bill credits totaling approximately \$22 million under the second year of a three year incentive regulation experiment.

June 10

Telephone customers of United Telephone Company receive a one-time bill credit totaling approximately \$1 million under an agreement approved by the PSC. The agreement approved by the PSC resolved an investigation into United's cost of providing Community Optional Service (COS).

June 12

PSC releases proposed extraexchange calling plans designed as a comprehensive solution for the expanded calling requirements of Missouri telephone customers.

June 12

PSC releases proposed rules which would require electric companies in Missouri to develop plans examining the most efficient and cost-effective way to provide electric service in the future.

June 24

PSC issues rules directing local telephone company network modernization. Network modernization is expected to improve the quality of telephone service, give customers a broader range of services from which to choose and generally promote economic development and public safety.

Regulatory Activities

Electric Rate Cases Decided During Fiscal Year 1992

Date of Order	Case No.	Company	Company Requested	PSC Decision
2/13/92	ER-91-298	Sho-Me Power Corporation	\$ 2,300,000	\$ 409,000
	ER-92-188	Empire District Electric Co.	\$ 9,200,000	Withdrawn

Natural Gas Rate Cases Decided During Fiscal Year 1992

Date of Order	Case No.	Company	Company Requested	PSC Decision
9/6/91	GR-91-249	United Cities Gas Co.	\$ 1,900,000	\$ 1,300,000
1/22/92	GR-91-291	KPL Gas Service	\$ 20,000,000	7,300,000

Telephone Rate Cases Decided During Fiscal Year 1992

Date of Order	Case No.	Company	Company Requested	PSC Decision
9/10/91	TR-91-336	Choctaw Telephone Co.	\$ 43,000	\$ -0-

Regulatory Activities

Water and Sewer Rate Cases Decided During Fiscal Year 1992

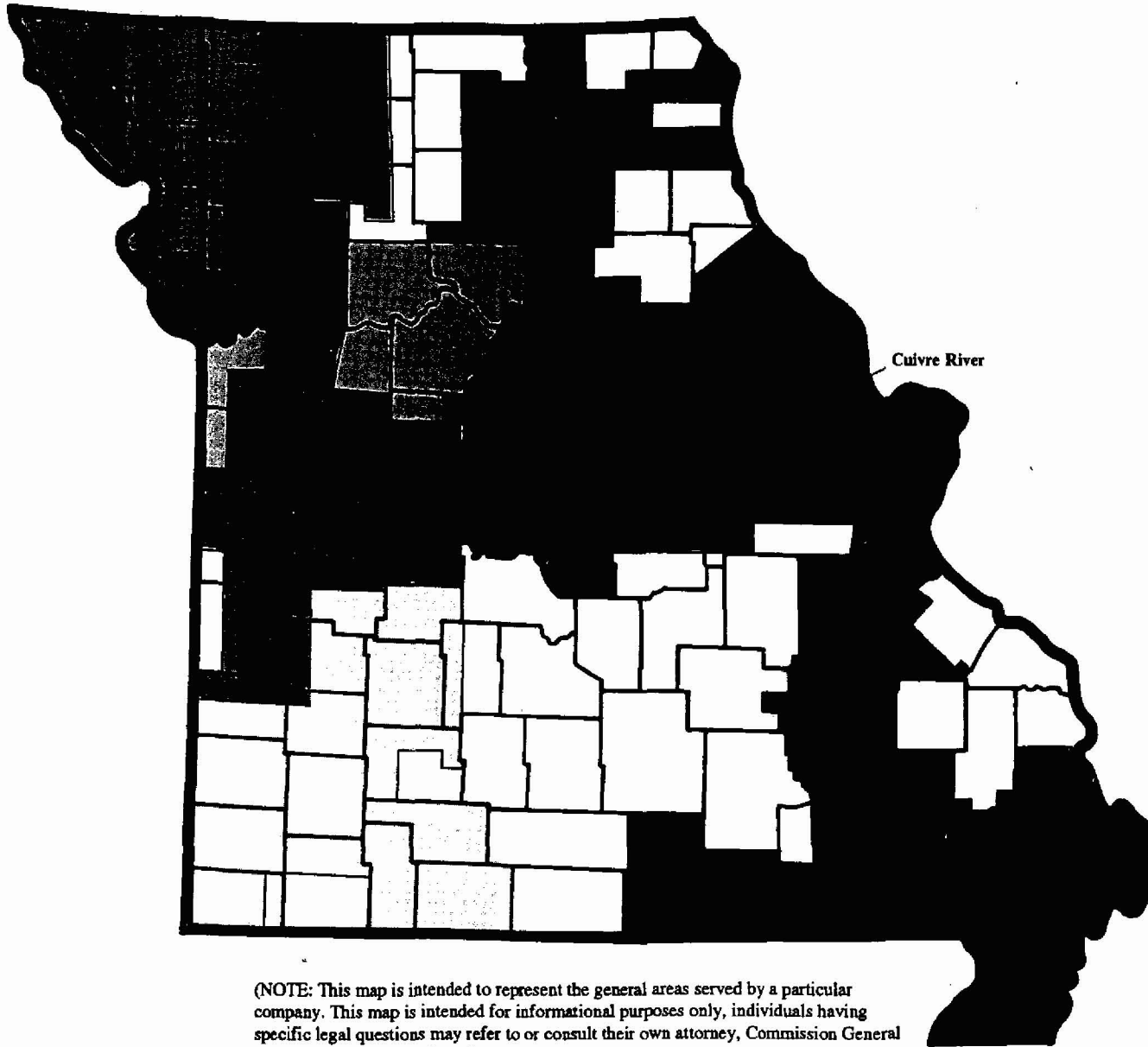
Date of Order	Case No.	Company	Company Requested	PSC Decision
7/30/91	WR-91-298	Missouri American Water Co.	\$ 1,900,000	\$ 452,000
9/20/91	WR-91-172	Missouri Cities Water Co. (w)	\$ 1,700,000	\$ 768,000
9/20/91	SR-91-174	Missouri Cities Water Co. (s)	\$ 9,000	\$ -0-
11/8/91	WR-91-361	St. Louis County Water Co.	\$ 11,700,000	\$ 5,500,000

Informal Rate Cases








Case No.	Company	Decision
920001	Argyle Estates Water Co.	Case Settled-Effective 2-1-92
9200095	Vogel Sewer System Inc.	Case Settled-Effective 3-1-92
9200096	KMB Utility Corporation	Case Settled-Effective 3-1-92
9200097	Riverside Utility Company	Case Settled-Effective 3-1-92
9200101	Gold Investment	No Increase Recommended
9200143	SLR Development	Withdrawn
WA-91-128	Highway H Utilities	Interim Rate Approved
9200206	Taney County Utilities	Case Settled-Effective 6-1-92
9200392	Incline Village (Sewer)	No Increase Recommended
9200393	Incline Village (Water)	No Increase Recommended
9200388	Cedar Hill Utility Company	Pending
9200444	White Branch Water Company (Emergency Request)	No Increase Recommended
9200443	White Branch Water Company	No Increase Recommended
9200495	Gladlo Water & Sewer	Pending
9200567	Evergreen Lake Water Company	Pending

Maps and Statistics

Electric Service Areas of Regulated Utilities



(NOTE: This map is intended to represent the general areas served by a particular company. This map is intended for informational purposes only, individuals having specific legal questions may refer to or consult their own attorney, Commission General Counsel or the Office of Public Counsel.

- | | | | |
|---|-------------------------------|---|------------------------------|
|  | CITIZENS ELECTRIC CO. |  | ST. JOSEPH LIGHT & POWER CO. |
|  | EMPIRE DISTRICT ELECTRIC CO. |  | UNION ELECTRIC CO.* |
|  | KANSAS CITY POWER & LIGHT CO. |  | ARKANSAS POWER & LIGHT CO.* |
|  | MISSOURI PUBLIC SERVICE | | |

*During FY '92, the Commission approved an application which merged Arkansas Power & Light's Missouri properties into Union Electric. This map reflects that change.

Maps and Statistics

Calendar Year 1991 Electric Utilities' Statistics (Missouri Jurisdictional)

Name of Company	MWH's Sold 1991	Total Operating Revenues 1991	Total Number Residential Customers	Total Number of Customers
Arkansas Power & Light Company*	732,237	\$ 47,794,459	24,157	28,084
Citizens Electric Corporation	620,135	33,648,855	17,716	19,568
Cuivre River Electric Service Co.	68,711	4,632,461	3,306	3,402
Empire District Electric Co.	2,372,893	117,800,074	84,779	100,928
Kansas City Power & Light Co.	7,326,152	510,094,675	218,301	250,076
Missouri Public Service	3,354,237	227,364,638	146,945	168,481
Sho-Me Power Corporation**	2,385,822	98,362,194	0	27
St. Joseph Light & Power Co.	1,393,793	72,199,442	52,701	59,409
Union Electric Company	25,193,681	1,701,834,209	884,361	1,003,406
TOTALS:	43,447,660	\$ 2,813,731,007	1,432,266	1,633,381

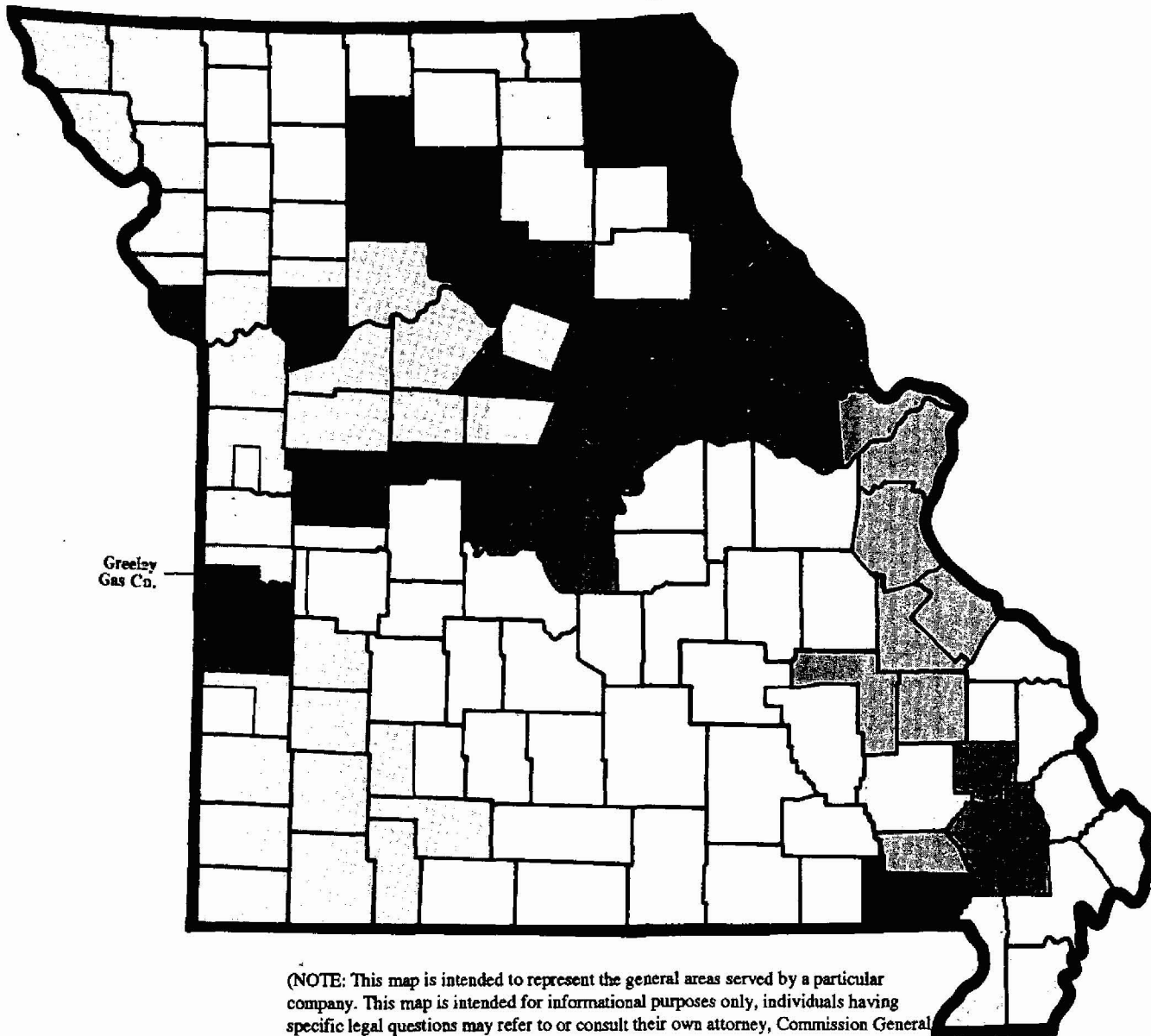
Source: 1991 Annual Reports
(Missouri Jurisdictional)

*Commission Approved Merger of Arkansas Power & Light into Union Electric and the Sho-Me Power Corporation on September 19, 1991.

**Includes Wholesale Customers

Maps and Statistics

Gas Service Areas of Regulated Utilities



ASSOCIATED NATURAL GAS CO.
GAS SERVICE
LACLEDE GAS CO.
MISSOURI PUBLIC SERVICE

ST. JOSEPH LIGHT AND POWER CO.
UNION ELECTRIC CO.
UNITED CITIES GAS CO.

Maps and Statistics

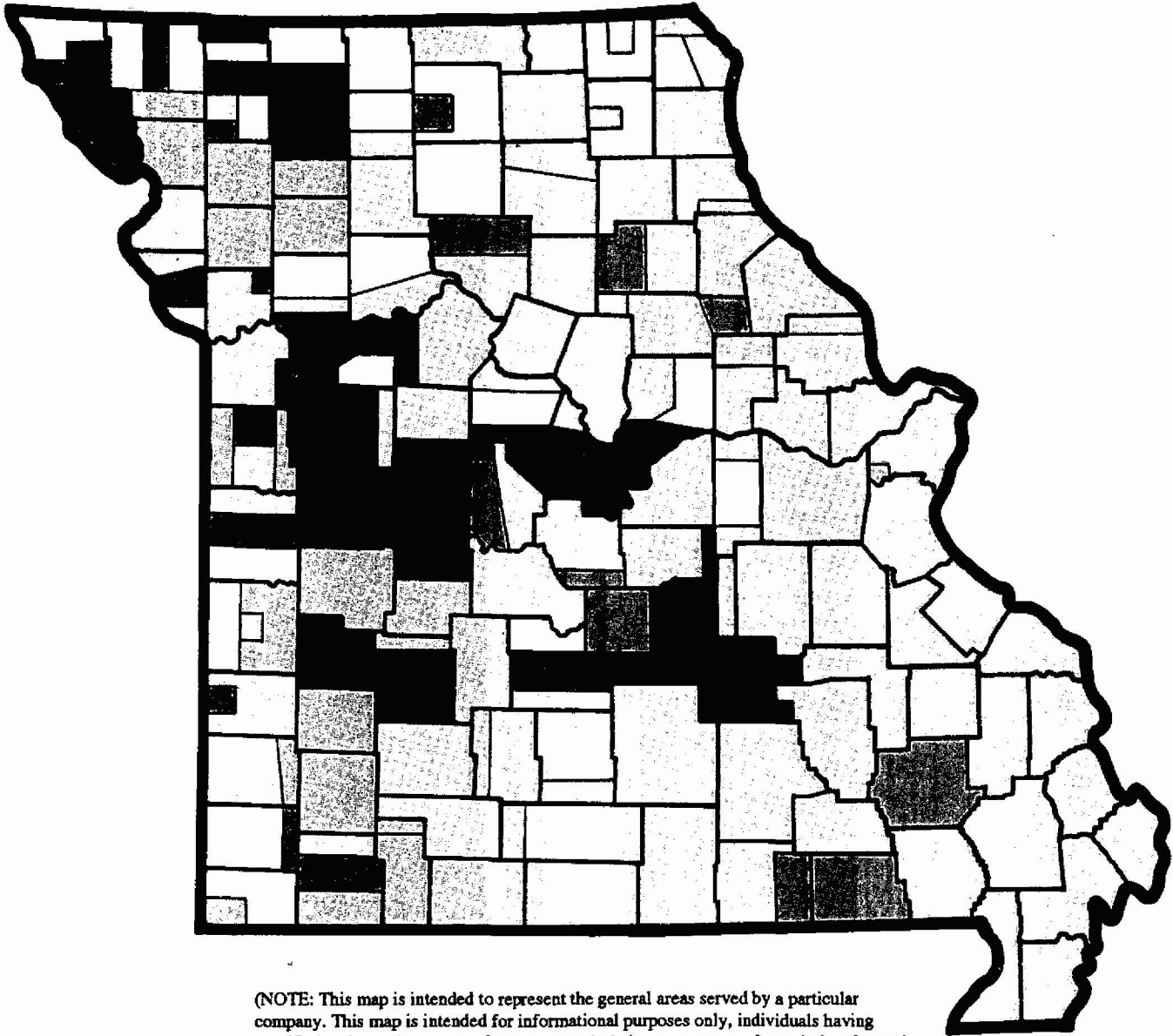
Calendar Year 1991 Natural Gas Utilities' Statistics (Missouri Jurisdictional)

Name of Company	MCF's Sold 1991	Total Operating Revenues 1991	Total Number Residential Customers	Total Number of Customers
Associated Natural Gas Company	6,455,752	\$ 30,463,001	37,801	43,251
Greeley Gas Company	55,392	318,106	505	570
Gas Service	64,084,020	275,003,094	398,581	449,618
Laclede Gas Company	81,729,042	417,091,474	555,434	592,175
Missouri Public Service	5,343,641	29,861,621	35,794	40,263
St. Joseph Light & Power Company	834,229	3,994,589	5,277	6,092
Union Electric Company	11,873,813	71,418,523	83,768	94,097
United Cities Gas Company	1,902,134	9,941,665	12,168	13,801
TOTALS:	<u>172,278,023</u>	<u>\$ 838,092,073</u>	<u>1,129,328</u>	<u>1,239,867</u>

Source: 1991 Annual Reports (Missouri Jurisdictional)

Maps and Statistics

Telephone Service Areas of Regulated Utilities



(NOTE: This map is intended to represent the general areas served by a particular company. This map is intended for informational purposes only, individuals having specific legal questions may refer to or consult their own attorney, Commission General Counsel or the Office of Public Counsel.)

 GTE INC.
 ALLTEL SERVICE CORP.*
 MISSOURI TELEPHONE CO.*

 SOUTHWESTERN BELL TELEPHONE CO.
 UNITED TELEPHONE CO.

*During FY 92, the Commission approved an application which merged the Missouri Telephone Company into ALLTEL Corporation. This map reflects that change.

Maps and Statistics

Other Telephone Companies and Counties They Serve

Mark Twain Rural Telephone Company Adair, Clark, Knox, Schuyler, Shelby, Lewis, Marion, and Scotland Counties

Citizens Telephone Company Lafayette County

Northeast Missouri Telephone Company Adair, Clark, Knox, Linn, Macon, Putnam, Schuyler, Scotland, and Sullivan Counties

Kingdom Telephone Company Callaway and Montgomery Counties

Mid-Missouri Telephone Company Cooper, Moniteau, and Saline Counties

Steelville Telephone Company Crawford, Washington and Iron Counties

Green Hills Telephone Corporation Caldwell, Carroll, Daviess, Livingston, and Ray Counties

McDonald County Telephone Company McDonald County

Granby Telephone Company Newton County

Eastern Missouri Telephone Company Montgomery, Audrain, Lincoln, and Pike Counties

Chariton Valley Linn, Chariton, and Macon Counties

Seneca Telephone Company Newton and McDonald Counties

Craw-Kan Telephone Company Bates and Jasper Counties

Rock Port Telephone Company Atchison County

Bourbeuse Telephone Company Franklin and Gasconade Counties

Goodman Telephone Company McDonald County

Ellington Telephone Company Reynolds County

KLM Telephone Company Vernon and Bates Counties

Iamo Telephone Company Atchison and Nodaway Counties

Oregon Farmers Mutual Telephone Company Holt County

Lathrop Telephone Company Clinton County

Orchard Farm Telephone Company St. Charles County

Le-Ru Telephone Company Newton and McDonald Counties

Grand River Mutual Telephone Corporation Daviess, Gentry, Grundy, Harrison, Linn, Livingston, Mercer, Nodaway, Putnam, Sullivan, and Worth Counties

Miller Telephone Company Lawrence County

Stoutland Telephone Company Camden and Laclede Counties

New London Telephone Company Ralls County

Holway Telephone Company Holt and Nodaway Counties

Mo-Kan Telephone Company Cass County

Choctaw Telephone Company Lawrence and Greene Counties

Wheeling Telephone Company Livingston County

New Florence Telephone Company Montgomery County

Alma Telephone Company Lafayette County

Peace Valley Telephone Company Howell County

Farber Telephone Company Audrain County

Fidelity Telephone Company Gasconade and Franklin Counties

(NOTE: Companies serve all or parts of the counties listed. This is for informational purposes only, individuals having specific legal questions may refer to or consult their own attorney, Commission General Counsel or the Office of Public Counsel.)

Maps and Statistics

Missouri Jurisdictional Telephone Companies by Access Lines*

Company	No. of Access Lines
1. Southwestern Bell Telephone Company, St. Louis	2,421,652
2. GTE Telephone Operations, Columbia	329,499
3. United Telephone Company, Jefferson City	191,052
4. ALLTEL Service Corporation, Little Rock, Ark.	28,399
5. Missouri Telephone Company, Bolivar	16,436
6. Fidelity Telephone Company, Sullivan	10,848
7. Grand River Mutual Telephone Corporation, Princeton	10,727
8. Chariton Valley Telephone Corporation, Bucklin	6,916
9. Mark Twain Rural Telephone Company, Hurdland	3,810
10. Kingdom Telephone Company, Auxvasse	3,652
11. Citizens Telephone Company, Higginsville	3,616
12. Steelville Telephone Exchange, Inc., Steelville	3,550
13. Northeast Missouri Rural Telephone Company, Green City	3,478
14. Mid-Missouri Telephone Company, Pilot Grove	3,085
15. Green Hills Telephone Corporation, Breckenridge	2,814
16. Eastern Missouri Telephone Company, Bolivar	2,578
17. Seneca Telephone Company, Seneca	2,480
18. McDonald County Telephone Company, Pineville	2,395
19. Granby Telephone Company, Granby	2,239
20. Craw-Kan Telephone Cooperative, Inc., Girard, Kansas	2,016
21. Bourbeuse Telephone Company, Sullivan	1,792
22. Ellington Telephone Company, Ellington	1,539
23. Rock Port Telephone Company, Rock Port	1,538
24. Goodman Telephone Company, Goodman	1,520
25. KLM Telephone Company, Rich Hill	1,264
26. Lathrop Telephone Company, Princeton	1,141
27. Iamo Telephone Company, Coin, Iowa	1,104
28. Le-Ru Telephone Company, Stella	1,050
29. Stoutland Telephone Company, Stoutland	1,021
30. Oregon Farmers Mutual Telephone Company, Oregon	1,005
31. Miller Telephone Company, Miller	908
32. Orchard Farm Telephone Company, St. Charles	892
33. New London Telephone Company, New London	792
34. Mo-Kan Dial, Inc., Louisburg, Kansas	620
35. Holway Telephone Company, Maitland	560
36. Choctaw Telephone Company, Halltown	438
37. New Florence Telephone Company, New Florence	395
38. Alma Telephone Company, Alma	335
39. Wheeling Telephone Company, Breckenridge	334
40. Peace Valley Telephone Company, Peace Valley	325
41. Farber Telephone Company, Farber	208
Total Access Lines in Missouri	3,070,023

*Access Lines in use as of December 1991. (Note: Billed access lines would be somewhat less.)

Maps and Statistics

Calendar Year 1991 Sewer Company Statistics (Missouri Jurisdictional)

<u>Classification and Company</u>	<u>Customers</u>
Class A	
(Revenue over \$500,000)	
West Elm Place Corp.	3,198
Class B	
(Revenue from \$250,000-\$500,000)	
Imperial Utility Corp.	1,770
Class C	
(Revenue from \$50,000-\$250,000)	
Capital Utilities Inc.	855
Cedar Hill Utility Co.	334
Four Seasons Lakesites W&S Co.	8
Herculaneum Sewer Co.	211
House Springs Sewer Co.	605
Meramec Sewer Co.	759
Terre Du Lac Utilities Corp.	823
Class D	
(Revenue under \$50,000)	
Batson Development Co.	215
Berndt Twin Lake Inc.	55
Cassidy Water Co.	13
Central Jefferson County Utility Inc.	181
Cleanco Sewer Corp.	8
Eastern Missouri Utilities Co.	2
Franklin County Service Co.	55
Gladlo Water & Sewer Co.	61
Gold Investments Inc.	104
Hickory Hills Water & Sewer Co.	41
Highway H Utilities	32
Hillcrest Utilities Co.	137
Hillshine Comm. Water & Sewer Co.	27

<u>Classification and Company</u>	<u>Customers</u>
Incline Village Sewer Co.	55
LW Sewer Corp.	185
Lake Carmel Development Co.	18
Lake Hannibal Sewer Corp.	14
Lake Northwoods Utility Co.	13
J.L. Lewis Construction Inc.	73
Lincoln County Utility Co.	127
Meadows Water Co.	182
Mill Creek Sewers Incorp.	74
Missouri Cities Water Co.	102
MPB Inc.	63
Ozark Water & Wastewater Mgmt. Inc.	291
P.C.B. Inc.	238
Peaceful Valley Service Co.	124
PIHI Investments Inc.	169
Port Perry Service Co.	47
Riverside Utility Co.	69
Rogue Creek Valley Inc.	71
Roy L. Utilities Inc.	48
SK&M Water & Sewer Co.	91
Schell Sanitation Inc.	130
Shepard of the Hills	15
SLR Development Co.	220
South Jefferson County Utility Co.	121
Southwest Sewer Corp.	0
Stoddard County Sewer Co.	143
Swiss Villa Utilities Inc.	59
Village Water & Sewer Co., Inc.	28
Vogel Sewer System Inc.	162
West 16th Street Sewer Co.	40
Willows Utility Co.	171
Woodland Heights Utilities Inc.	68
WPC Sewer Co.	39

Maps and Statistics

Calendar Year 1991 Water Company Statistics (Missouri Jurisdictional)

<u>Classification and Company</u>	<u>Customers</u>	<u>Classification and Company</u>	<u>Customers</u>
Class A			
(Revenue over \$500,000)			
Capital City Water Co.	9,876	Frimel Water Systems Inc.	74
Empire District Electric Co.	4,124	Gladlo Water & Sewer Co.	60
Missouri Cities Water Co.	31,996	Hickory Hills Water & Sewer Co.	43
Missouri-American Water Co.	47,330	KMB Utility Corp.	202
Raytown Water Co.	6,542	Highway H Utilities Inc.	171
St. Louis County Water Co.	288,461	Hillcrest Utility Co.	134
U.S. Water/Lexington, Mo., Inc.	2,457	Hillshine-Comm. W & S Co.	26
Class B			
(Revenue from \$250,000 - \$500,000)			
Four Seasons Lakesites Water Co.	731	Incline Village Water Co.	56
Tri-State Utility Co.	958	Jefferson County Water Co.	39
Class C			
(Revenue from \$50,000 - \$250,000)			
Capital Utilities, Inc.	362	Kimberling City Water Co.	102
I H Utilities, Inc.	659	Lake Northwoods Utility Co.	13
Noel Water Co.	559	Lakeland Heights Water Co.	119
Rex Deffenderfer Enterprises Inc.	480	Lakewood Manor Water Co.	25
Rocky Ridge Ranch Utilities Inc.	345	LTA Water Co.	74
Taney County Utilities Corp.	425	McCord Bend Water Co.	121
Terre Du Lac Utilities Corp.	917	Moore Bend Water Co.	94
The Meadows Water Co.	819	Oakbrier Water Co.	40
Class D			
(Revenue under \$50,000)			
Argyle Estates Water Co.	45	Osage Water Co.	49
Big Val Utility Corp.	8	Ozark Mountain Water Co.	282
Camelot Utility Co.	182	Peaceful Valley Service Co.	133
Cat-Pac Waterworks Inc.	136	PIHI Investments Inc.	168
Cedar Hill Estates Water Co.	250	Port Perry Service Co.	101
Central Jefferson County Utility Inc.	181	Quail Run Water & Land Co.	33
Community Water Co.	0	Rankin Acres Water Co.	80
Coney Island Water System Inc.	83	Riverfork Water Co.	24
Davis Water Co.	176	Riverside Utility Co.	128
Evergreen Lake Water Co.	65	Rogue Creek Utility Inc.	90
Finley Valley Water Co.	90	Roy L. Utilities Inc.	48
Franklin County Service Co.	29	SK&M Water & Sewer Co.	182
Franklin County Water Co.	121	South Jefferson County Utility Co.	124
		Stockton Hills Water Co.	123
		Suburban Water Co.	155
		Swiss Villa Utilities Inc.	59
		Village Water & Sewer Co., Inc.	28
		Whispering Hills Water System	42
		White Branch Water Service	181
		White River Valley Water Co.	115
		Wilden Heights Water Co.	22
		Willows Utility Co.	171
		Woodland Heights Utilities Inc.	68

Additional Information

Consumer Services

The Missouri Public Service Commission has three offices for assisting consumers. The offices are located in Jefferson City, St. Louis and Kansas City. The Commission is open from 8-12 noon and 1-5 p.m., Monday through Friday, except on state holidays.

If you live outside of the St. Louis and Kansas City areas, you may contact the Jefferson City office without charge by using the toll-free Consumer Hotline: (800) 392-4211.

If you live in the St. Louis or Kansas City areas, you may take your complaint to the PSC Consumer Services Offices in those cities.

Jefferson City: Missouri Public Service Commission
Harry S Truman State Office Building
301 W. High
(Mailing Address: P.O. Box 360)
Jefferson City, MO 65102
Toll-free Consumer Hotline for
Complaints: (800) 392-4211
Other Business: (314) 751-3234

St. Louis: Missouri Public Service Commission
The New Frisco Building
Suite 330
906 Olive Street
St. Louis, MO 63101
Telephone No: (314) 340-6807

Kansas City: Missouri Public Service Commission
Suite 510
615 E. 13th Street
Kansas City, MO 64106
Telephone No: (816) 889-2816

Additional Information

Commissioners Past and Present

The Missouri Public Service Commission was formed in 1913 by the Missouri General Assembly. Those who have served as Commissioners of the Missouri Public Service Commission since its beginning appear below:

Present Commission

* Kenneth McClure	January 3, 1990
David L. Rauch	March 23, 1989
Allan G. Mueller	July 11, 1983
Patricia D. Perkins	March 19, 1991
Duncan E. Kincheloe	January 4, 1992

<i>Former Commissioners</i>	<i>Length of Service</i>	<i>Former Commissioners</i>	<i>Length of Service</i>
* John M. Atkinson	**1913-1916	* Albert Miller	1943-1944
William F. Woerner	**1913-1914	Richard Arens	1944-1945
John Kennish	**1913-1917 and 1920	* Kyle Williams	1941-1952
Frank A. Wightman	**1913-1915	Agnes Mae Wilson	1943-1949
Howard B. Shaw	**1913-1917	* Morris E. Osburn	1945-1952
Edwin J. Bean	1914-1925	John P. Randolph	1949-1951
Eugene McQuillin	1915-1917	Henry McKay Cary	1950-1955
* William G. Busby	1916-1921	Frank Collier	1953-1954
David E. Blair	1917-1920	Maurice W. Covert	1952-1953
Noah W. Simpson	1917-1923	Charles L. Henson	1942-1959
Edward Flad	1917-1921	M. J. McQueen	1954-1956
* John A. Kurtz	1920-1923	D. D. McDonald	1955-1961
Hugh McIndoe	1921-1923	Frank J. Iuen	1959-1963
A. J. O'Reilly	1921-1925	* Tyre W. Burton	1952-1965
Richard H. Musser	1923-1925	William Barton	1956-1965
* Merrill E. Otis	1923-1924	Frank W. May	1961-1967
D. F. Calfee	1925-1929	E. L. McClintock	1945-1967
* Thomas J. Brown	1923-1928	Donal D. Guffey	1963-1968
James P. Painter	1928-1929	Howard Elliott, Jr.	1967-1970
* Almon Ing	1925-1933	* Marvin E. Jones	1967-1973
S. M. Hutchison	1925-1931	* William R. Clark	1965-1975
* Milton R. Stahl	1929-1933	Willard D. Reine	1968-1975
J. Fred Hull	1929-1934	* James F. Mauze	1971-1975
* J. C. Collet	1933-1935	* A. Robert Pierce, Jr.	1973-1977
Harry E. McPherson	1934-1935	* James P. Mulvaney	1975-1977
J. H. Porter	1925-1933	Charles J. Fain	1965-1977
George H. English	1931-1936	Stephen B. Jones	1975-1979
William Stoecker	1933-1936	Hugh A. Sprague	1975-1979
Albert D. Nortoni	1936-1938	Stephanie Bryant	1979-1981
W. M. Anderson	1933-1938	* Alberta Slavin	1977-1981
Scott Wilson	1938-1941	Larry W. Dority	1979-1983
* Sam O. Hargus	1935-1937	Leah Brock McCartney	1977-1983
John S. Boyer	1935-1941	* Charles J. Fraas	1977-1983
Marion S. Francis	1938-1941	* John C. Shapleigh	1981-1984
* J. D. James	1937-1942	Charlotte Musgrave	1981-1988
Paul Van Osdol	1941-1943	Connie Hendren	1983-1989
* Frederick Stueck	1941-1943	James M. Fischer	1984-1989
John A. Ferguson	1936-1944	Ruby Letsch-Roderique	1990-1991
		* William D. Steinmeier	1984-1992

*Those who have served as Chairman of the Public Service Commission

**First Commissioners of the Public Service Commission