



1965-1966



WARREN E. HEARNES
Governor of Missouri

STATE OF MISSOURI



ANNUAL REPORT
OF THE
PUBLIC SERVICE COMMISSION

For the Fiscal Year 1965-1966

Commissioners:

WILLIAM CLARK, Chairman

E. L. McCLINTOCK

FRANK W. MAY

DONAL D. GUFFEY

CHARLES J. FAIN

WAYNE W. WALDO
General Counsel

SAM L. MANLEY
Secretary

Missouri Public Service Commission



WILLIAM R. CLARK
CHAIRMAN

January 3, 1967

TO: THE HONORABLE WARREN E. HEARNES, GOVERNOR
and
THE LEGISLATURE OF THE STATE OF MISSOURI

On behalf of the Public Service Commission, I have the honor to submit to you its Annual Report for the fiscal year, July 1, 1965 through June 30, 1966, a year of significant progress and change for this Commission.

At the year's end, the Commission had just completed a reorganization program. The various departments of the Commission have been consolidated into four offices under the immediate direction and supervision of one executive director. The program promises to eliminate costly duplication of work loads and result in fulfilling the regulatory obligations of this Commission expeditiously and in the best interests of Missouri.

This report is an accounting by the Commission of its stewardship for the year 1965-66.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "William R. Clark".
Chairman

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THE COMMISSION



THE PUBLIC SERVICE COMMISSION IN REVIEW

The Missouri Public Service Commission today is a product of nearly a century of evolution. That evolution began in 1875 with the creation of the Board of Railroad Commissioners. The formation of that Board was the first concrete statement of the concept of governmental participation in the economic activities of the State. Missouri legislators defined governmental participation as regulation of special areas of the economy which directly influenced the health of the State's entire economic structure and the welfare of its people.

In the post-bellum years, the railroad industry was a major cornerstone in Missouri's growing economy. Because the efficiency and stability of the railroads would, in large measure, determine the economic progress of Missouri, the legislators reasoned that State government should take measures to assure the continued vibrancy of the railroad industry in order to insure the economy and at the same time to protect the public interest.

The Board of Railroad Commissioners was organized to regulate railroads operating in Missouri. The necessary legal tools for effective regulation were put at the Board's disposal. For example, witnesses could be subpoenaed to appear and to testify at Board hearings. Those who neglected or refused to appear could be held in contempt by the Circuit Courts of the State. The Commissioners had access to any and all books and papers in any railroad office kept for and used by any railroad doing business in Missouri. Each year railroad companies were required to present to the Board a complete record of business activities, physical and financial assets and liabilities, and so forth. In addition to its regulatory duties, the Board investigated the safety of the railroads under its jurisdiction. It was charged with the obligation to discover safety hazards and to direct the detection of such hazards to the attention of the railroads for remedy. The Board was authorized to set a time within which repairs were to be made and hazards corrected. It could order and direct the speed of trains over dangerous and defective track until repairs were completed.

The Board of Railroad Commissioners experienced an expansion of its scope of activities during the next decades. In 1889, the Board of Railroad Commissioners became the Board of Railroad and Warehouse Commissioners and was given added authority to regulate and inspect Missouri's grain warehouses. In 1893, the Board's regulatory powers were expanded to include railway express enterprises that were operating in the State.

Public Service Commission Begins

An important development in the evolution of State Government's position in economic regulation came in 1913 when the 47th General Assembly ordered the organization

of a new State agency to replace the Board of Railroad and Warehouse Commissioners. The decision of those legislators reflected an increased vision of State government and the vast role it had to play in the continuous advance of technology and the rapid economic development that was characteristic of the Twentieth Century.

The name chosen for the new State agency... The Missouri Public Service Commission... reflects what the legislators saw as its two-fold purpose. The Commission is charged with the obligation to oversee the operation of utilities that serve the general public. At the same time, it serves the public itself by equitable regulation of industries vital to the health, comfort, and prosperity of all Missourians. Industries that, because of their very nature, could become dangerous monopolies controlling access to water, electric power, natural gas, and telephones.

In 1913, the Commission Act that established the Public Service Commission gave it jurisdiction over all investor-owned public utilities. It conferred upon the Commission power of regulation over not only the railroads and railway express operations but over public utilities which have grown from luxury services in the early days of the Commission to an integral part of modern living today.

The 56th General Assembly in 1931 added the motor carrier transportation industry to the jurisdiction of the Commission with the added provision that the Commission could levy certain fees on trucks and buses using the State's highways for transporting persons or properties for hire. The Bus and Truck Act, often referred to today as 33-D, outlines the regulation, supervision, and inspection of motorized vehicles under Commission jurisdiction.

Favorable Economic Climate

Through its regulatory powers, the Public Service Commission helps keep Missouri's public utility and transportation industries sound elements of a strong and favorable economic climate. The Commission has a responsibility both to the consumers and to the investors. To obtain authorization for operation from the Public Service Commission, as required by Missouri law, a public utility or motor carrier must show proof of financial solvency and evidence of its continued economic stability. The Commission assures Missouri citizens of safe and adequate service from public utility industries and, at the same time, protects the interests of the investors by prohibiting cutthroat, competitive practices that can destroy sound business operations.

An administrative agency of rule-making power, the Public Service Commission is both quasi-judicial and quasi-legislative in nature. Hearings before the Commission are similar to, but generally less formal than,

courtroom proceedings. The findings of the Commission are subject to judicial review if found unreasonable or unlawful. Enforcement of Commission decisions is made by the established courts of the State of Missouri.

Commissioners' Responsibility

The final responsibility in fulfilling the Public Service Commission's obligations rests with five Commissioners, headed by the Chairman. Each of the five is appointed by the Governor with the advice and consent of the Senate. Each is appointed to serve a six-year term with terms of office so staggered that not more than two Commissioners' terms expire within any given year.

By tradition... but not by law... the Commissioners are selected on a bi-partisan basis. The present Commissioners represent a three-to-two majority with three from the political party in power.

Reorganization Program

The Public Service Commission has always sought to continue its proud history of service to citizens of Missouri. It has a long heritage of competent operation based on records of men of judgment who have served as its leaders.

In keeping with this tradition, a major change of operation has been initiated at the close of the fiscal year covered by this report. New methods of operation are being put into effect to enable the Commission to respond to its obligations to Missourians with greater efficiency and increased speed.

The Commission is being reorganized within itself. The reorganization divides operations of the Commission into four major areas: The Office of the Secretary; the Office of the General Counsel; the Office of the Director of Transportation, and the Office of the Director of Utilities. Under the new system, the Commission will be unified and the Commissioners better able to use its staff for the consultation needed in the complex field of regulation.

This report includes a more detailed description of the reorganization plan at the beginning of each of the four divisions. The reorganization plan is graphically outlined by the chart at the conclusion of this section.

To Tell The Public

Decisions of this Commission affect Missourians perhaps far more directly than decisions of any other agency of State government. Still, the

Commissioners have despaired at how little knowledge of economic regulation citizens of Missouri often have. Since it is the Public Service Commission and the public interest is foremost in its decisions, the Commissioners constantly strive to better inform all Missourians of its functions.

The Commission sponsored a display to show how utilities under its regulation have contributed to the economic growth of this State. A non-commercial display by each regulated telephone, water, natural gas, electric and railroad company operating a public utility in Missouri and by the Missouri Bus and Truck industry was constructed at the 1965 Missouri State Fair. The Commission maintained an information stand at the center of this display in the Varied Industries Building to answer questions of fair-goers. More than 10,000 viewed the display and registered at the Commission booth.

In its efforts to better inform Missourians of its activities, the Commission has a 15-minute, color and sound, documentary film portraying the duties and operation of the Public Service Commission. This film, now in the process of being upgraded to include changes in the operation of the State agency, was used on numerous occasions by civic groups, schools and similar agencies in this and other states. Representatives of the Commission present the film on request and offer a brief question and answer period following the presentation. This film was used on a continuous-run projector during the 1965 State Fair.

Power Conference

Following a major power failure in November 1965 which occurred in the Northeastern portion of the United States and parts of Canada, Governor Warren E. Hearnes ordered an investigation to determine if a similar power failure could occur in Missouri; what steps should be taken to avert a power failure here and a correction plan with appropriate actions to be taken in event that a massive failure did occur in the State.

The Public Service Commission took the responsibility of conducting an investigation to answer the Governor's three-point inquiry calling the project the Governor's Emergency Power Conference. All electric companies operating in Missouri... including municipally-owned and cooperatives outside the jurisdiction of the Commission... were asked to participate. Telephone companies, Civil Defense and Emergency Resources and Planning Office representatives, along with Public Service Commission engineers, met with the statewide group.

The investigation revealed that Missouri's power situation is less vulnerable to breakdown than that in the heavily-populated Northeast, but that several corrective measures could be implemented to assure an uninterrupted power supply for Missourians.

Advance Sheet Service

A new advance sheet service was initiated earlier this year by the Commission. The monthly publication of selected cases issued by the Commission is being printed in the office to augment the bound, library editions required periodically by statute.

The service is of interest primarily to the industries under Commission jurisdiction. It is supplied to subscribers at a nominal subscription fee and printed in looseleaf form. The bound editions will continue to be published as the number of cases merits issuance of a new volume.

Enforcement Training School

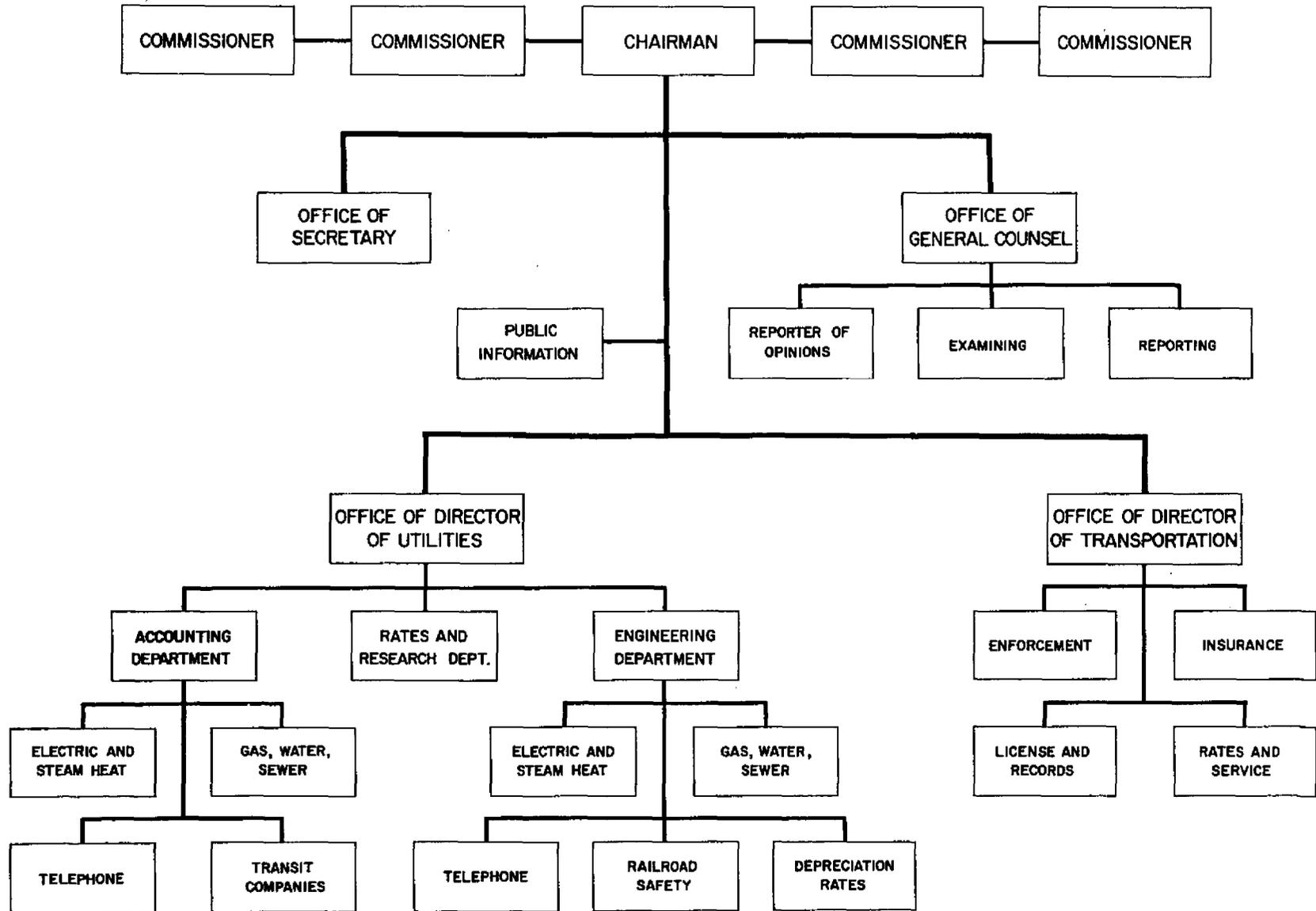
In keeping with its reorganization program and continuing efforts to upgrade its operation, the Public Service Commission was the first state regulatory agency in the nation to conduct a training school for its enforcement officers in cooperation with Public Law 89-170, a legislative enactment to unify motor carrier regulation in all states. The training program was also aimed at assisting in the elimination of illegal activities in the trucking industry which pose a threat to the public dependent upon its services and to the certificated carriers who provide such services.

Citizens of Missouri at the close of this 1965-1966 fiscal year are the most prosperous in the history of the State and their well-being and security is due in large part to the tireless operation of their Public Service Commission. Each time someone turns on an electric light, sprinkles his lawn, rides on a bus, takes a train, or boosts the thermostat to warm his home, he is making use of services provided for the general public by private business firms whose activities are carefully watched and regulated by the Public Service Commission.

Through its evolutionary progress, the Public Service Commission continues to fulfill its obligations by keeping step with the changing times. It continues to see that Missourians will receive the best possible service for fairest possible prices in keeping with a healthy economy. The Commission holds as its prime goal service to the public interest, as its name, Public Service Commission, implies. That interest embraces consumer and investor of today and Missourians of the future.

___ J.E.

MISSOURI PUBLIC SERVICE COMMISSION



THE CHAIRMAN

Chairman William R. Clark was Governor Warren E. Hearnes' first appointment to the Public Service Commission. Chairman Clark assumed the position on June 1, 1965.



WILLIAM R. CLARK

Prior to his appointment, Chairman Clark was engaged in the general practice of law at Columbia. He had served as Corporation Counsel under Secretary of State Walter H. Toberman (1955 - 1959). He was a Colonel on the staff of the late Governor James T. Blair and is a Colonel on Governor Hearnes' staff.

A graduate of the University of Missouri School of Law, the Chairman holds a degree from that University's School of Business and Public Administration in addition to his L.L.B. degree. He is a graduate of Kemper Military Academy and attended Central College, Fayette, Missouri, and the University of Colorado.

An Air Force pilot during World War II, Chairman Clark flew 172 combat missions in the China-Burma-India theater of action. He served as a jet test pilot for the Air Force from 1948 to 1953.

Chairman Clark is a member of the Executive Board of the Midwest Association of Railroad Utilities Commissioners. He serves on the Missouri Oil and Gas Council; the Governor's Coordinated Committee on Traffic Safety and is Chairman of the Transportation Task Group of the Missouri Emergency Resources Management Planning Board. He also organized The Governor's Emergency Power Conference to investigate Missouri's electric power systems following the November 9, 1965 black-out in the East and serves as Chairman of an eight-member committee, The Governor's Railroad-Highway Grade Crossing Safety Committee.

A native of Missouri, Chairman Clark was born March 27, 1921.



E. L. McCLINTOCK

Commissioner

by that Association. He is a member of the Executive Committee of the National Association of Railroad and Utilities Commissioners and has also served as President of the Midwest Association of Railroad and Utilities Commissioners.

Judge E. L. McClintock, affectionately called the Dean of the Public Service Commission, has served as a Commissioner longer than any other person since the creation of the Public Service Commission in 1913. Judge McClintock was appointed as a member of the Commission on May 15, 1945, by the late Governor Phil M. Donnelly for an unexpired term of four years and was reappointed in 1949, 1955 and 1961. He has served under five Governors.

Judge McClintock has spent more than 50 years in the courts of Missouri. A portion of that time he was an official court reporter. A member of the Missouri Bar Association, Judge McClintock in 1965 was given the honorary title of Senior Counselor

Judge McClintock's term of office will expire in April, 1967.



FRANK W. MAY

Commissioner

Commissioner Frank W. May was appointed to the Public service Commission by Governor John M. Dalton. His term of office began June 23, 1961 and will terminate in 1967,

He served as Assistant Prosecuting Attorney and a Prosecuting Attorney of St. Francois County and was the Eighth District Republican Congressional Candidate in 1956. On different occasions he served as City Attorney for Flat River, Bonne Terre, Esther and Elvins.

Commissioner May was born December 30, 1925. He graduated from the Desloge High School and attended Flat River Junior College before entering the United States Navy V-12 college program during World War II. He was commissioned Ensign in the Naval Reserve July 3, 1945, and served in the Pacific until discharged from the service.

Judge May received his LL. B degree from Washington University School of Law in 1949. He also holds a degree in Business Administration from the Washington University School of Business. He is a member of the Missouri Bar and the Federal Bar.

Since March 1966 he has been a member of the Federal Power Commission Regional Advisory Committee for South Central Region of the National Power Survey.



DONAL D. GUFFEY
Commissioner

Missouri from 1951 until 1960. In 1960 he became engaged in the general practice of law in Kansas City, Missouri, where he was associated with, and a member of the firm of Hillix, Hall, Hasburgh, Brown and Hoffhaus.

He was appointed to the Public Service Commission by Governor John M. Dalton, and was sworn in on July 1, 1963.

He has served as a member of the National Association of Railroad and Utilities Commissioners Committee on Training of Commission personnel and is presently a member of the Associations Committee on Service of Public Utilities.

Donal D. Guffey, a Democrat, was born April 11, 1926 in Kingston, Missouri, where he attended public schools.

He studied civil engineering in undergraduate school, attending Park College and Northwestern University where he received his B. S. degree in 1947.

He served in the United States Navy from 1944 until 1946. He taught in the Mirabile Consolidated High School in 1948.

Commissioner Guffey was graduated from the Law School of the University of Missouri with an LL. B. degree in 1951.

Commissioner Guffey served as an Assistant Attorney General of Missouri



CHARLES J. FAIN

Commissioner

Hoover Commission Act in the 67th General Assembly and later served as a member of that first Little Hoover Commission in Missouri. He attended the School of the Ozarks at Branson, Missouri, Westminster College, Fulton, Missouri, Drury College, Springfield, Missouri and holds an LL. B degree from the University of Missouri, School of Law and a masters degree in law from George Washington University, Washington, D.C. He served as City Attorney, Branson, Missouri, for two terms and is a former president of the Branson, Missouri, Chamber of Commerce. He was a combat navigator, U.S. Air Force in World War II in the Central Pacific Theater of Action.

Commissioner Charles J. Fain was appointed to the Public Service Commission on October 1, 1965, by Governor Warren E. Hearnes for a six-year term.

A Republican from Branson, Missouri, he has practiced law since 1951 when he was admitted to The Missouri Bar, except for a three-year period in Washington, D. C., as Assistant to the Administrator, R.E.A. He was a partner in the firm of Fain and Rea, Attorneys at Law, Branson, Missouri, engaged in the general practice, and is a member of the Missouri Bar, Taney County Bar and the Bar Association of St. Louis.

He served two terms in the Missouri Legislature as a Representative from Taney County, serving as Speaker Pro Tem his second term. He was the author of the original Legislation creating Missouri's first Little

COMMISSIONER'S SECRETARIES

Wanda L. Tipton
Administrative Secretary to
Chairman Clark

Marjorie H. Horn
Administrative Secretary to
Commissioner McClintock

Elsie Dunwiddie
Administrative Secretary to
Commissioner May

Sue L. Cobble
Administrative Secretary to
Commissioner Guffey

Marie Colvin
Administrative Secretary to
Commissioner Fain

FORMER COMMISSIONERS AND CHAIRMEN

William Barton		1957-1965
Tyre W. Burton	* Served as Chief Counsel of the Commission 1949-1952	1952-1965
Frank J. Iuen		1959-1963
D. D. McDonald		1955-1961
M. J. McQueen		1954-1956
Charles L. Henson		1942-1959
Maurice W. Covert		1952-1953
Frank Collier		1953-1954
Henry McKay Cary		1950-1955
John P. Randolph		1949-1951
Morris E. Osburn	Chairman	1945-1952
Agnes Mae Wilson		1943-1949
Kyle Williams	Chairman	1944-1945
Kyle Williams		1941-1952
Richard Arens		1944-1945
Albert Miller	Chairman	1943-1944
John A. Ferguson		1936-1944
Frederick Stueck	Chairman	1941-1943
Paul Van Osdol		1941-1943
J. D. James	Chairman	1941-1942
J. D. James		1938-1941
Marion S. Francis		1938-1941
John S. Boyer		1935-1941
Sam O. Hargus	Chairman	1935-1938
Scott Wilson		1938-1941

Roster of Commissioners continued -

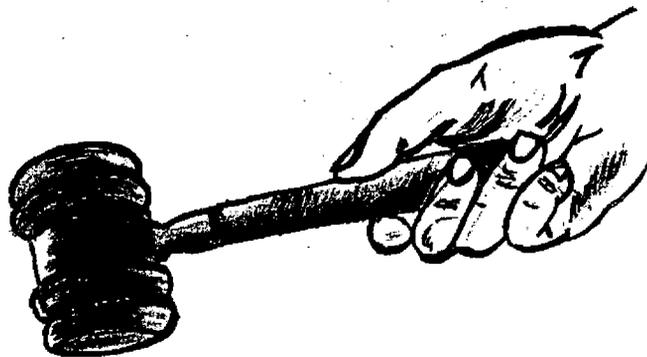
William M. Anderson		1933-1938
Albert D. Nortoni		1936-1938
William Stoecker		1933-1936
George H. English		1931-1936
J. H. Porter		1925-1933
Harry E. McPherson		1934-1935
J. C. Collett	Chairman	1933-1935
J. Fred Hull		1929-1934
Milton R. Stahl	Chairman	1929-1933
S. M. Hutchison		1925-1931
Almon Ing		1925-1933
Almon Ing	Chairman	1928-1929
J. P. Painter		1928-1929
Thomas J. Brown	Chairman	1924-1928
Thomas J. Brown		1923-1924
D. F. Calfee		1925-1929
Merrill E. Otis	Chairman	1923-1924
Richard H. Musser		1923-1925
A. J. O'Reilly		1921-1925
Hugh McIndoe		1921-1923
John A. Kurtz	Chairman	1921-1923
John A. Kurtz		1920-1921
Edward Flad		1917-1921
Noah W. Simpson		1917-1923
David E. Blair		1917-1920

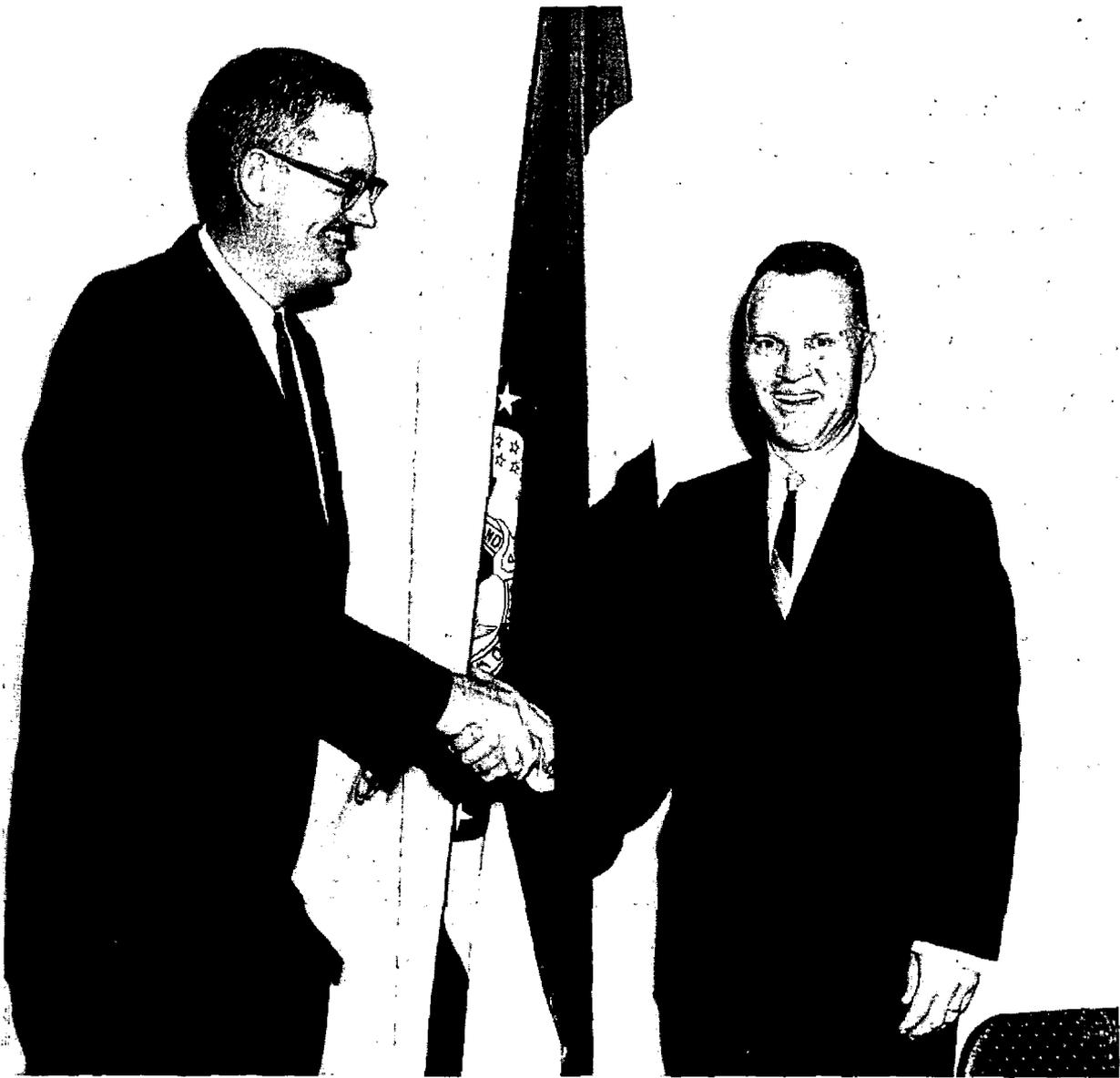
Roster of Commissioners continued -

William G. Busby	Chairman	1916-1921
Eugene McQuillin		1915-1921
Edwin J. Bean		1914-1925
Howard B. Shaw		1913-1917*
Frank A. Wrightman		1913-1916*
John Kennish		1920-
John Kennish		1913-1917*
William F. Woerner		1913-1914*
John M. Atkinson	Chairman	1913-1916**

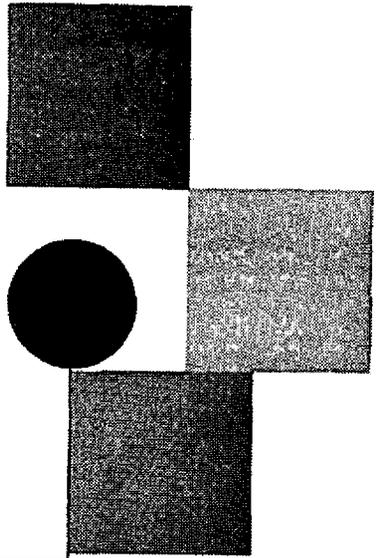
* First Commissioners of the Public Service Commission

** First Chairman

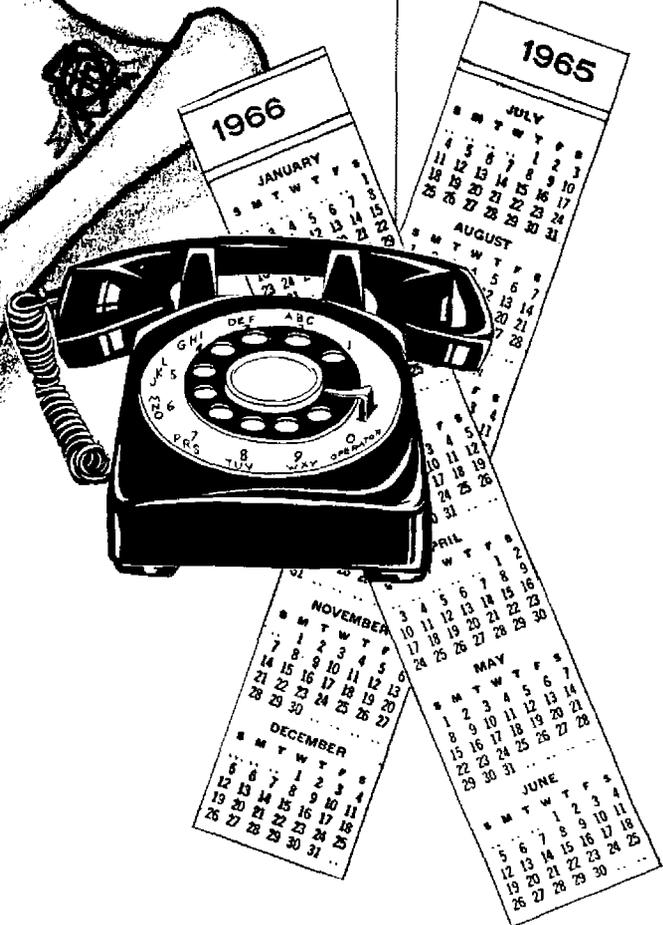




Charles J. Fain, former Branson attorney, on October 15, 1965 was sworn in as Commissioner of the Public Service Commission. The Honorable Robert True Donnelly, Judge of the Missouri Supreme Court, is shown congratulating the newly appointed Commissioner after administering the Oath of Office. Governor Warren E. Hearnes appointed Commissioner Fain to the position.



Office
of the
Secretary



OFFICE OF THE SECRETARY

The Public Service Commission Act provides that the five Commissioners appoint a Commission Secretary. The Secretary's duty is to keep a true and complete record of all Commission proceedings and to issue all notifications, motions, reports, and orders of the Commission.

The Office of the Secretary has grown with the growth of the Commission. Under the present reorganization program, the Office of the Secretary carries out Commission policies and directs its general and fiscal activities.

The Office of the Secretary may well be called the "hub" of the Commission. It is through this office that all the regulatory duties of the Commission begin and are concluded. The vast amount of mail directed to the Commission is sorted and distributed by the Office of the Secretary. Each item, with the exception of personally directed mail, is opened, a record card is made of its receipt, and it is channelled to the correct department for action.



Chairman Clark is shown as he administers the Oath of Office to Mr. Sam L. Manley

Utility and transportation applications are received and filed by the Secretary along with annual and quarterly reports, required of companies under Public Service Commission jurisdiction. Each notice of hearing, change of hearing date, final Report and Order, and the various other official documents of the Commission are signed by the Secretary. It is his responsibility to forward these official Commission communications to the parties of interest.

The Secretary is the keeper of the Official Seal of the Commission that is affixed to documents issued by the Commission. He is authorized to administer the Oath of Office to Commission employees. (The Oath is a pledge of support to the Constitution of the United States and to the Constitution of the State of Missouri.)

The Secretary also acts as personnel agent for the Commission. He is in charge of the handling of applications for employment, interviews of prospective employees and keeping of a complete personnel record of each employee.

Public relations are also within the scope of responsibility of the Secretary. Under his direction is the public information department through which the various news media, newspapers, television and radio stations, regularly receive releases concerning the activities of the Commission.

Part of the Secretary's Office is a print shop that prepares the forms needed by the Commission. The weekly docket schedules of Commission hearings, the monthly register of motor carrier cases, the official transcripts of the cases heard by the Commission, the newly-instituted PSC REPORTS advance sheet service, the daily Reports and Orders, notices of hearing dates, changes of hearing dates, the Annual Report and other documents are printed within the Commission.

It is also the duty of the Secretary and his staff to preserve a true and complete copy of all the records and proceedings of the Commission. These records are filed in their original typewritten form for five years. After five years, they are then transferred to microfilm for permanent storage.

The permanent records of Commission cases are open to the interested public at any time during office hours. These records date back to April 25, 1913, when "Case No. 1" was concluded and became a matter of history.

In addition to his other duties, the Secretary is property manager for the Commission. He maintains a complete inventory of Commission properties. The Secretary is also responsible for the purchase of new supplies

and equipment for all divisions of the Public Service Commission.

Sam L. Manley is Secretary to the Commission and Mrs. Elizabeth Hughes is the Assistant Secretary.



Chairman William R. Clark administers the Oath of Office to Mrs. Elizabeth Hughes, former Chief License Clerk, as she assumes the position of Assistant Secretary to the Commission.

During the fiscal year covered by this Annual Report, the Office of the Secretary filed 1,371 new cases pertaining to regulation of companies under its jurisdiction. It issued and delivered to all parties of interest 4,673 Reports and Orders. A total of 342 motions were filed and 772 cases were set for hearing with 598 cases heard. A total of 292 transcripts of cases were filed.

The monthly Bus and Truck Registry is compiled, printed and mailed to the authorized trucking industry by the Office of the Secretary. This publication fee of \$12 as a special service of the Commission. Some 1,800 copies are distributed monthly.



Sam L. Manley,
Secretary

Advance Sheet Service

Earlier this year, the Commission initiated an Advance Sheet Service to supplement its regular publication of selected cases in bound-volume form which is required of the Commission by statute. Publication of PSC REPORTS in bound editions had necessarily been delayed pending selection of a sufficient number of cases to merit publication. The PSC REPORTS Advance Sheets bridge the gap between editions.

The Advance Sheet service is available monthly for an annual subscription fee of \$15. There are currently 156 subscribers to this service. Most of that number are attorneys for industries under Commission jurisdiction.

The Reporter of Opinions headnotes cases for publication and digests the cases selected each month. Advance sheets are then printed in the Secretary's print shop in looseleaf form. The Public Information Officer does a brief resume of the cases in a wrap-up sheet which also features matters of current interest written by Commissioners and staff. The bound editions are professionally compiled and printed.

Vast Amount of Printing

The print shop under the supervision of the Secretary does a huge volume of printing for office use as well as the numerous reports, orders, special writs and other documents pertaining to regulatory matters. Individual departments within the Commission use many forms in perform-

ing their duties. All forms and all Commission letterhead stationary is printed within the Commission. Transcripts of cases are printed and bound in the print shop. Copies of all official documents are available at 30-cents per page. These may be purchased on request to the Office of the Secretary.

A weekly docket, prepared by the Secretary, is published each Friday by the Secretary's staff. Cases to be heard are set in advance of hearing date and the Secretary sends notification of hearings at least ten days prior to the date.

Setting of Hearings

The Secretary continually strives to consider all parties of interest in setting of hearing dates. In the interests of all concerned he endeavors to have the hearing date agreeable to both plaintiff and respondent to avoid unnecessary travel to Jefferson City only to find a case must be reset because a counselor is not ready to present his case or cross examine witnesses.

In many instances, the Commission has set hearings out of town rather than in its own hearing rooms at the Capital City. This is done for the convenience of parties involved in proceedings when it is deemed that a trip to Jefferson City would be a hardship to a number of witnesses. The Commission has one or more cases slated for hearing in its hearing rooms on the tenth floor of the Jefferson Building daily.

Applications Filed

The numerous regular utility cases filed with the Commission including the filing of applications for new authority or applications for Commission permission to alter operating practices, extend areas of service, curtail certain services, change rates and the various and sundry other matters of regulatory concern are handled by the Chief Clerk under the Office of the Secretary.

Motions of protest, motions of intervention, continuance of cases and the filing of briefs is a portion of the responsibility delegated to the Chief Clerk. A regular resume of cases and listing of applications is compiled by the Chief Clerk and distributed to members of the Commission for their information.

The secretary to the Commission Secretary is a Notary Public and is authorized to issue summons and petitions and subpoenas when so directed by the Commission.

A staff of 14 including the necessary clerical personnel and technical assistants are assigned to the Office of the Secretary.

Public Information Display

The Secretary last year arranged for a display at the 1965 Missouri State Fair, Sedalia. All utility and transportation industries under Commission jurisdiction participated. The purpose was to illustrate the contributions made by investor-owned, regulated utilities and railroad, bus and truck operations to the economic growth of Missouri. An estimated 11,000 persons visited the display in the Varied Industries Building.

The Secretary's office has arranged for a number of speaking engagements at civic, educational and other public meetings to explain the obligations of this Commission. The Commission has a 15-minute, documentary film concerning its operations as a regulatory agency of State Government which is often used by school and civic organizations. Many thousands of Missourians have viewed this film and it has been borrowed for viewing by other regulatory commissions in other states. The film, at this writing, is in the process of being upgraded to include reorganization changes and changes of personnel.

OFFICE OF THE SECRETARY

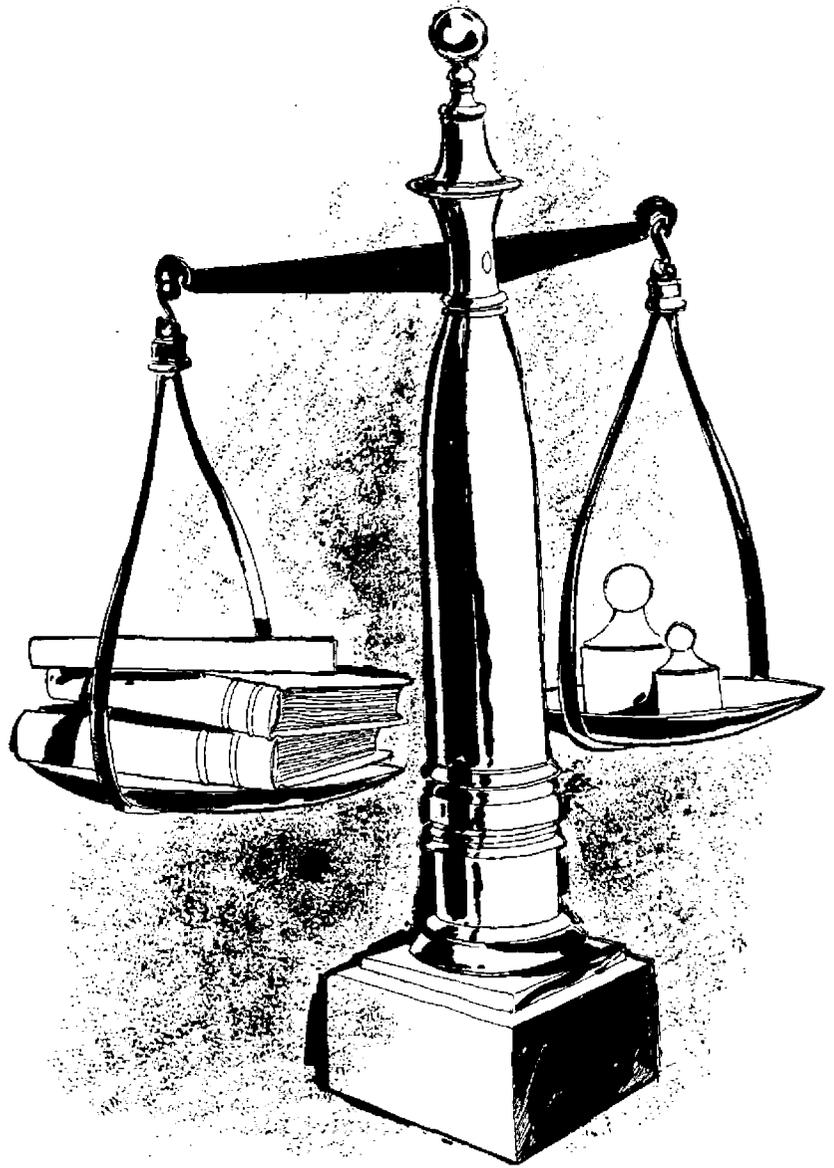
Sam L. Manley
Secretary to the Commission

Elizabeth C. Hughes	Assistant Secretary
Gilbert J. Bax	Duplicating Equip. Operator
Earl J. Bolton	Machine Operator & Mail Clerk
Paula K. Bryan	Receptionist
Anna M. Craig	Secretary
Eugene B. Jefferson	Custodial Worker
Jane Larm	Receptionist
Julius Mulkey	Clerk III - Librarian
Judith E. Oliver	Hearing Notice Clerk
Leola A. Parker	Chief Clerk
Mary C. Potts	Report and Order Clerk
Wallace L. Powell	Custodial Worker
Helen Sitton	Clerk III
Irene E. Ulstad	Clerk III

PUBLIC INFORMATION OFFICE.

Jane A. Erickson	Public Information Officer
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OFFICE
of the
GENERAL COUNSEL



OFFICE OF THE GENERAL COUNSEL

The Public Service Commission Act provides that the General Counsel shall represent and appear for the Commission in actions and at proceedings involving any question under the Act or under any order or act of the Commission. He is authorized to commence action and to prosecute in the name of the State of Missouri to enforce Commission rulings or decisions.

In addition to acting as the Commission's own attorney and its legal advisor, the General Counsel is obligated by law to represent and appear for the people of Missouri before this Commission at rate hearings. He and his staff must offer advice to individuals or municipalities concerning their rights under the Commission Act and to outline legal procedures for protecting or obtaining those rights.

RESPONSIBILITIES IN LEGAL PROCEEDINGS

Any party who is in disagreement with a Commission decision may petition for a rehearing. This is the first step in a judicial review of such a decision. The Office of the General Counsel may be asked to review such petitions and advise the Commission of its recommendations as to whether or not a new hearing is to be scheduled.

If rehearing is denied, the party may then appeal to the courts. A member of the General Counsel's staff is assigned to analyze the legal problems involved and to prepare briefs and arguments to be presented in support of the decision.

The General Counsel, when directed by the Commission, intervenes in the name of the Commission and the State of Missouri in all court actions and at all levels when public interest is involved. He may also appear before various Federal agencies in behalf of the interests of Missouri and the Commission.

PROCEEDINGS ATTENDED

During the period covered by this annual report, the General Counsel and personnel from the Legal Department have appeared for the Commission at 11 Circuit Court hearings. The Commission has been represented by the Office of the General Counsel at eight cases before the Missouri Supreme Court and Courts of Appeal. The Commission has been represented by this Office at 15 hearings before the Federal Power Commission, the Federal Communications Commission and the Interstate Commerce Commission. The Office of

the General Counsel has represented the Commission at 18 Interstate Commerce Commission Joint Board hearings during the past fiscal year.

SCOPE OF DUTIES

The duties of the Office of the General Counsel are vast and the demands made on this Office are increasingly pressing. Part of the added work load is due to the constant increase in the number of cases before the Commission as utility and transportation industries expand and grow in Missouri and regulatory need keeps pace with the upsurge.



The General Counsel and his Assistant General Counsel go over prints pertaining to a proposed railroad-highway grade crossing. Left to right are Robert E. Dorr, Railroad Safety Supervisor; Jeremiah D. Finnegan, Assistant General Counsel; and Wayne W. Waldo, General Counsel.

Personnel in the Office of the General Counsel must have the ability to understand and analyze complicated proceedings to determine the impact on individual citizens and companies. Such qualifications are mandatory to ef-



Wayne W. Waldo
is the General Counsel

effectively present evidence and to facilitate the determination of a proper rate base, fair rate of return, and the feasibility of proposed projects involved in public utility operations under Commission jurisdiction. The Office also handles much of the Commission's correspondence because of the numerous legal questions involved in letters to this State agency.

The Attorney-Examiners assist the Commission by acting as hearing examiners in cases before the Commission. The examiners prepare suggested reports and orders which are submitted to the Commission for consideration, editing and final decision.

STAFF OF ATTORNEYS

The Reporter of Opinions is responsible for analyzing all reports and orders and preparing headnotes for each case published in the PSC Reports and the newly-instituted advance sheet service which supplements this publication. It is also the duty of this attorney to prepare an appropriate index for all principles of law and legal rulings involved in the published reports.

An attorney for reciprocity matters coordinates legal activities with the Office of Transportation. Changes in Missouri law have occasioned a review of all reciprocity agreements. This has resulted in modification of reciprocity policy and the cancellation of some agreements.

The necessary stenographic work for the entire legal department is performed by four legal secretaries.

REPORTING DEPARTMENT

Also under the Office of the General Counsel is the Reporting Department. This department includes a staff responsible for the preparation of all transcripts of hearings.

During the period of this report, July 1, 1965 through June 30, 1966, the Reporting Department heard 430 cases. It transcribed 340 cases and there were 90 cases not requiring transcripts. A total of 20,693 master pages were transcribed by this department and 15,223 pages of transcript were sold. A total of 728 hours was spent in the hearing room by personnel

of this department.

APPOINTED BY THE GOVERNOR

The General Counsel is responsible for work assignments, schedules, personnel problems and must supervise the entire legal department. There are nine attorneys, including five hearing examiners, two assistant counsels, a Reporter of Opinions, an attorney for reciprocity matters, five court reporters and four legal secretaries in the Office of the General Counsel.

The Governor appoints the General Counsel to the Public Service Commission. Wayne W. Waldo is General Counsel; Jeremiah D. Finnegan is Assistant General Counsel and Bill J. Evans is Second Assistant General Counsel.

OFFICE OF THE GENERAL COUNSEL
LEGAL DEPARTMENT

Wayne W. Waldo
General Counsel

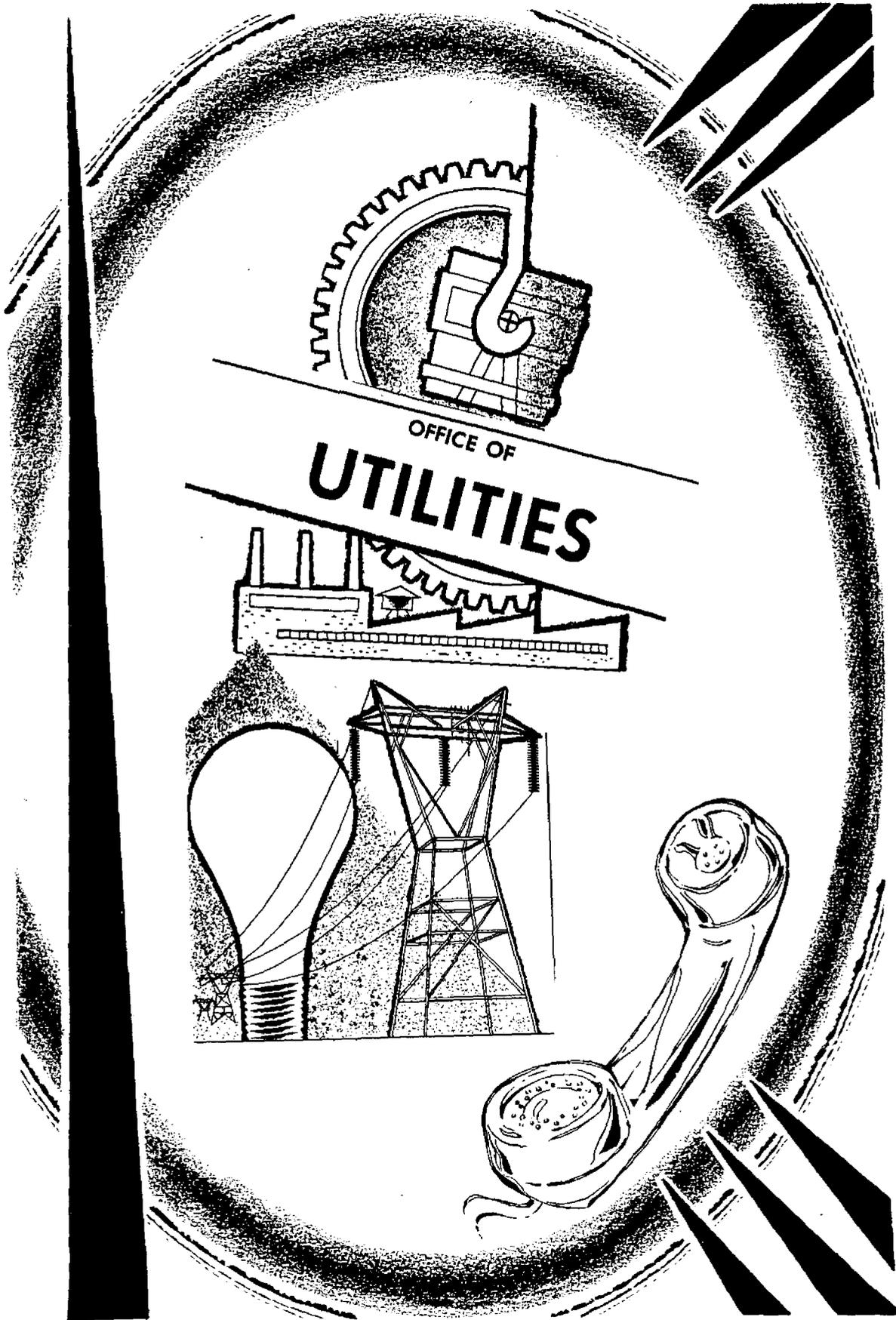
Jeremiah D. Finnegan
Assistant General Counsel

Bill J. Evans
2nd Assistant General Counsel

Linda S. Clardy	Secretary to the General Counsel
H. Burks Davis	Chief Hearing Examiner
Robert B. Johnson	Hearing Examiner
James R. Maret	Hearing Examiner
Ann Moreland	Legal Secretary
Karolyn E. Pond	Reporter of Opinions
Paul H. Reis	Hearing Examiner
Vera M. Smith	Legal Secretary
Errol D. Taylor	Co-ordinator of Reciprocity
Judy K. Zwayer	Legal Secretary

Reporting Department

Lillian M. Cunningham	Chief Official Reporter
Robert L. Stratman, Jr.	Asst. Chief Official Reporter
Irene O. McVay	Official Reporter
Marilea Stadler	Hearing Reporter
Dorotha L. Sullivan	Hearing Reporter



OFFICE OF THE DIRECTOR OF UTILITIES

The Director of Utilities is an intermediary official of the Commission. He acts in the interests of Missourians, the utilities under Public Service Commission regulation, and the Commission itself. He is directly responsible to the Commission for actions of the Accounting, Engineering, Rates and Research Departments and for many activities of the Railroad Safety Department, although matters pertaining to railroad passenger fares and freight charges are handled through the Office of Transportation.

The Director of Utilities position was established to better coordinate activities of personnel involved in the procedures of utility regulation. This coordination was mandatory since the three departments are often involved in a complete review of the same utility at the same time. Prior to the reorganization of the Commission, the investigations, reviews, studies and analyses overlapped. There was confusion as to which department should do or had done which task.

Through the reorganization plan, it is possible to view the overall picture from a much more objective vantage point. The Director of Utilities can use his judgment, which reflects the judgment of the entire Commission, to assign and evaluate areas of study with no unnecessary duplication.

The Chief Accountant of the Public Service Commission heads the Accounting Department and is responsible to the Director of Utilities. The Accounting Department prepares the Commission budget and keeps records of disbursements and balances of Public Service Commission appropriations. A record of the activities of that department is included in this section of the Commission's annual report.

The Chief Engineer heads the Engineering Department in a similar capacity to that of the Chief Accountant. A detailed report from that division is included in this report and may be found in this section.

A section dedicated to the activities of the Railroad Safety division will also be found in this section. That department is headed by the Railroad Safety Supervisor.

The handling of complaints pertaining to public utilities operating in Missouri is illustrative of how the reorganization plan will benefit Missourians and the Commission. The Director of Utilities can request the Chief Accountant or Chief Engineer to investigate all facets of the physical properties and financial structure of any utility under Public Service Commission jurisdiction.

An investor wishing to begin operations as a public utility company in the State of Missouri must meet the requirements of the Public Service

Commission. Those requirements, set out by Missouri law, must be met to the satisfaction of this Commission before a new company is authorized to operate. It is the duty of the Accounting and Engineering Departments to investigate, analyze and determine if Commission requirements have been completely fulfilled and to report its findings to the Commissioners.

Another area of vital concern to regulation is the original cost studies conducted by the Engineering Department. These studies are basic in determining if utility rates are just and reasonable. Original cost studies help the Commission determine fair value, which is the root of rate making.

During the fiscal year of this report, the Commission has become greatly concerned with the regulation of water and sewer companies in this State. There is a reflection of the growth of the State in the growth of the public utility industry. That growth has caused an influx of small water and sewer utility companies operating in new housing developments. Many of these companies are unauthorized, inadequate, unstable, and unsafe. Some are not even aware that they are under Public Service Commission jurisdiction.



F. D. Hequembourg is Director of the Office of Utilities.

The reorganization plan calls for a Rates and Research Department to be included in the Office of the Director of Utilities. This department is being organized at the writing of this annual report. It will be expanded to perform the following functions: Investigate and recommend rates and rules and analyze cost of telephone, electric, gas, steam heat, sewer and water utilities. It will prepare technical reports and recommendations for the examining section and the Commissioners in connection with formal utility cases. The department will handle complaints involving utility rates and rules and extension of service to prospective customers in the existing territory of utilities. The department will investigate application of utilities to extend distribution lines. It will collect, analyze and furnish information and data on the utility industry and make investigations of economic conditions affecting the utility industry. It will maintain a file of electric, telephone, gas and water rates in Missouri.



PSC Chairman W. R. Clark; Director of Utilities, F. D. Hequembourg, and Chief Engineer, Richard Kieselbach, are shown conferring on regulatory matters involving water and sewer utilities in the State of Missouri.

OFFICE OF
UTILITIES

F. D. HEQUEMBOURG, Director

Janie Millard, Secretary

ENGINEERING DEPARTMENT

Problems coming before the Commission in connection with the regulation of electric, gas, steam heating, telegraph, telephone, water and sewer utilities in the State of Missouri often require the attention of the Engineering Department. The work of this Department requires the employment of trained and experienced personnel, a number of whom are registered professional engineers. The staff of this Department receives and files tariffs of the above referred to utilities, makes original cost appraisals and related studies of the physical properties of the regulated utilities, and determines and recommends depreciated accrual rates.

During the period covered by this report, seven Depreciation Orders were written for telephone companies, and one for a gas company. It makes depreciation reserve requirement studies to determine if the recorded depreciation reserve is adequate. The Engineering Department also makes investigations relative to complaints coming before the Commission and it investigates service and safety problems. Several thousand complaints are handled by the Department each year and considerable time has been devoted to small water and sewer utilities in an effort to force them to properly comply with Commission rules and regulations.

Several members of the Engineering Department serve on the Governor's Emergency Resources Plan.

Electric Rates and Service

The electric utilities in the State continue to grow at what appears to be an accelerating rate and it is not possible, at this time to foresee how long that acceleration may continue.

Following the year 1921, electric rates in Missouri had continued to decline until about the middle of the year 1958. The need for additional generating and transmission capacity has grown so rapidly that utilities have been under continuous stress to provide the capacity to take care of the needs of the public for the service. They have done so, for the most part, in a remarkable way and by the construction of new generating facilities have had the advantage of having available modern generating stations which will produce electric energy at a lower fuel cost per kilowatt hour than the older stations.

Furthermore, as their systems grow, utilities have been able to operate the new generating plants near capacity, thereby generating the base load of the system at high thermal efficiencies.

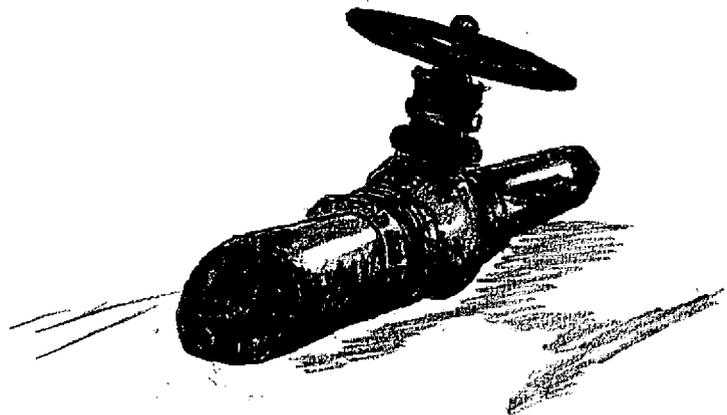
Due to decreased production and/or purchased power costs and technological advances, it has been possible for electric distribution utilities to reduce their charges to consumers by approximately \$1,681,995.00 during the year 1965, which affected the following classes of service: re-

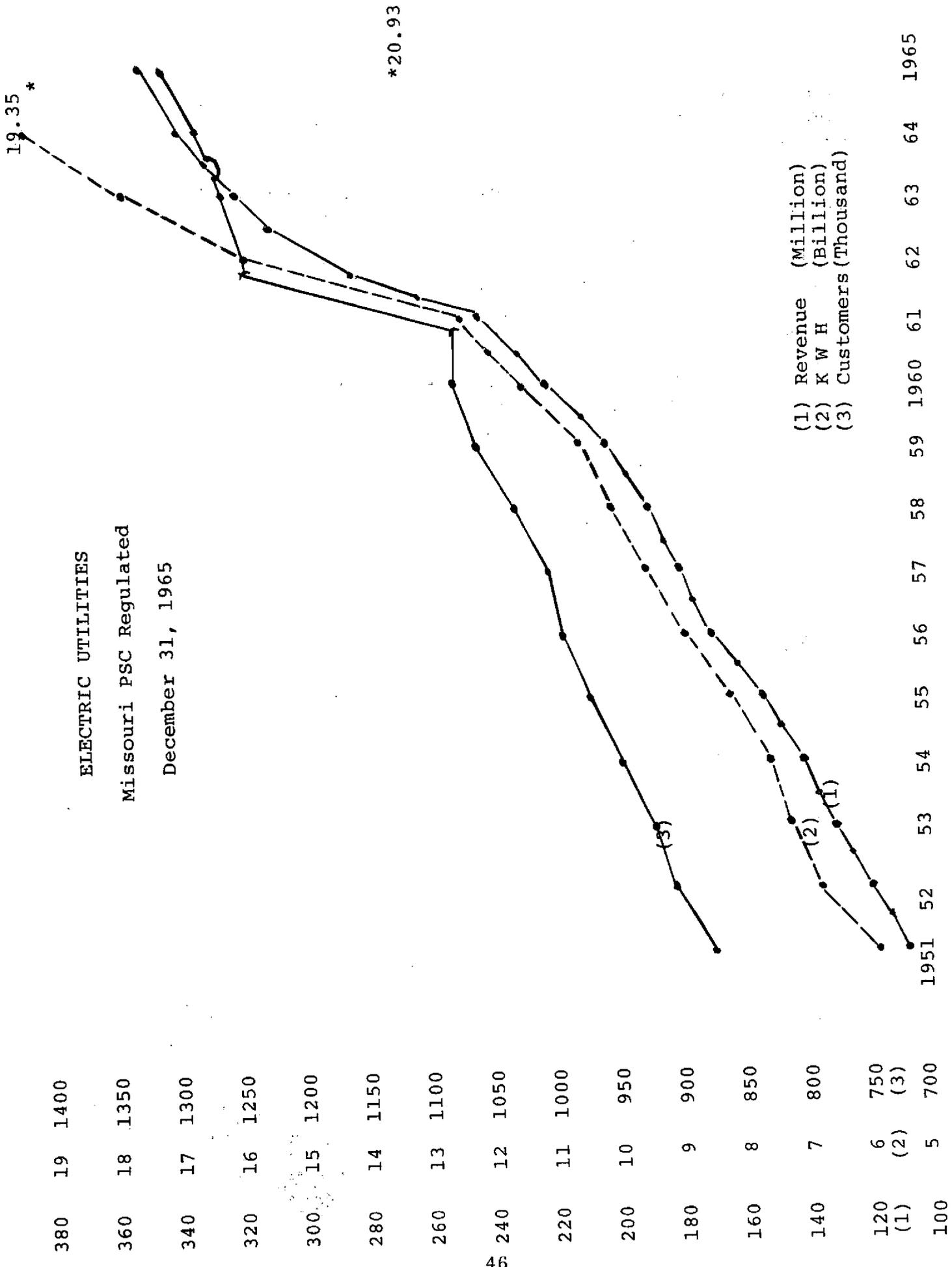
removal of penalty clause relating to delinquent payment, primary service, commercial service, space heating, reclassification of communities and miscellaneous rates.

During the past year, at the request of the Governor, the Department and the electric utilities participated in a joint study to determine (a) the probabilities of a large scale power failure in Missouri; (b) steps that could be taken to avert a complete power failure in Missouri; and (c) a correction plan with appropriate action to be taken if a complete power failure does occur. The final report was not complete as of the date of this report.

The growth in the regulated electric utilities in Missouri during the period 1951 through 1965, inclusive, is indicated by the chart on the following page.

(see chart on next page)





Gas Supply in Missouri

The sources of supply for the natural gas consumed are interstate transmission line companies with lines extending from natural gas fields located in states to the south and to the west of Missouri, through Missouri and into other states in the northeastern part of the United States. Allocations of additional natural gas from the transmission line companies are under the jurisdiction of the Federal Power Commission and the problems of securing sufficient allocations of natural gas to meet the peak demand of the consuming public of Missouri are still unsolved, but have shown substantial betterment.

The need continues for additional gas for space heating in new residences as well as to provide for conversion to gas homes previously heated by other means. The availability of sufficient gas to meet the demand of the consuming public has improved to some extent. Some utilities have found that the installation of auxiliary liquefied petroleum gas plants was necessary and such plants have been provided in order to supply service to customers during extreme cold weather.

Additional Rate Problem

The use of auxiliary liquefied petroleum gas for supplementing the natural gas in the distribution systems creates additional rate problems which are in addition to increases that are allowed from time to time by the Federal Power Commission to the interstate pipeline companies which supply natural gas to the distributing utilities. For many years it has been the practice of electric utilities to file and apply a fuel clause to electric energy furnished to large industrial consumers because the rates filed with the Commission are relatively low and electric energy is sold in large quantities, so that there would be small compensating cost varying with the fluctuating cost of fuel. Similarly, gas for space heating is consumed in large quantities and at a justifiably low unit cost. This low unit cost is sensitive to the increased cost of the use of auxiliary liquefied petroleum gas.

One company has partially alleviated its gas peak demand problem by successfully establishing an underground storage facility whereby it stores gas during the non-heating season for the winter peak load.

From the year 1951 to the year 1966, gas utilities expanded materially. MCF sold increased by 134 percent. Income from gas sales increased 187 percent. Investment in plant physical property increased 201 percent and the number of consumers increased by 49 percent. Statistics on the 1951-1965 expansion are shown in Table No. E-1. Table No. E-2 provides comparable data for the 1964-1965 period. Pertinent data by year (1951 through 1965) is contained in graphs on following pages.

TABLE NO. E-1

MISSOURI NATURAL GAS UTILITIES *

1951 - 1965

	1951	1965	% Increase
Investment Dollars	\$109,800,195	\$330,813,691	201
Number of Consumers	597,328	887,735	49
Av. Inv. Dollars per Consumer	184	373	103
Gas Sold - MCF			
Residential	66,781,247	124,865,129	87
Commercial	8,752,883	43,005,157	391
Industrial	37,071,240	96,057,031	159
Total	112,605,370	263,927,317	134
Gas Sold (\$)			
Residential	43,389,191	105,390,408	143
Commercial	5,357,527	28,249,220	427
Industrial	8,134,041	29,672,398	265
Total	56,880,759	163,312,026	187
Av. Rate per MCF Sold (\$)			
Residential	0.650	0.844	30
Commercial	0.612	0.657	7
Industrial	0.219	0.309	41
Total	0.505	0.619	23

* Does not include Municipal Utilities

TABLE NO. E-2
MISSOURI NATURAL GAS UTILITIES *
1964-1965

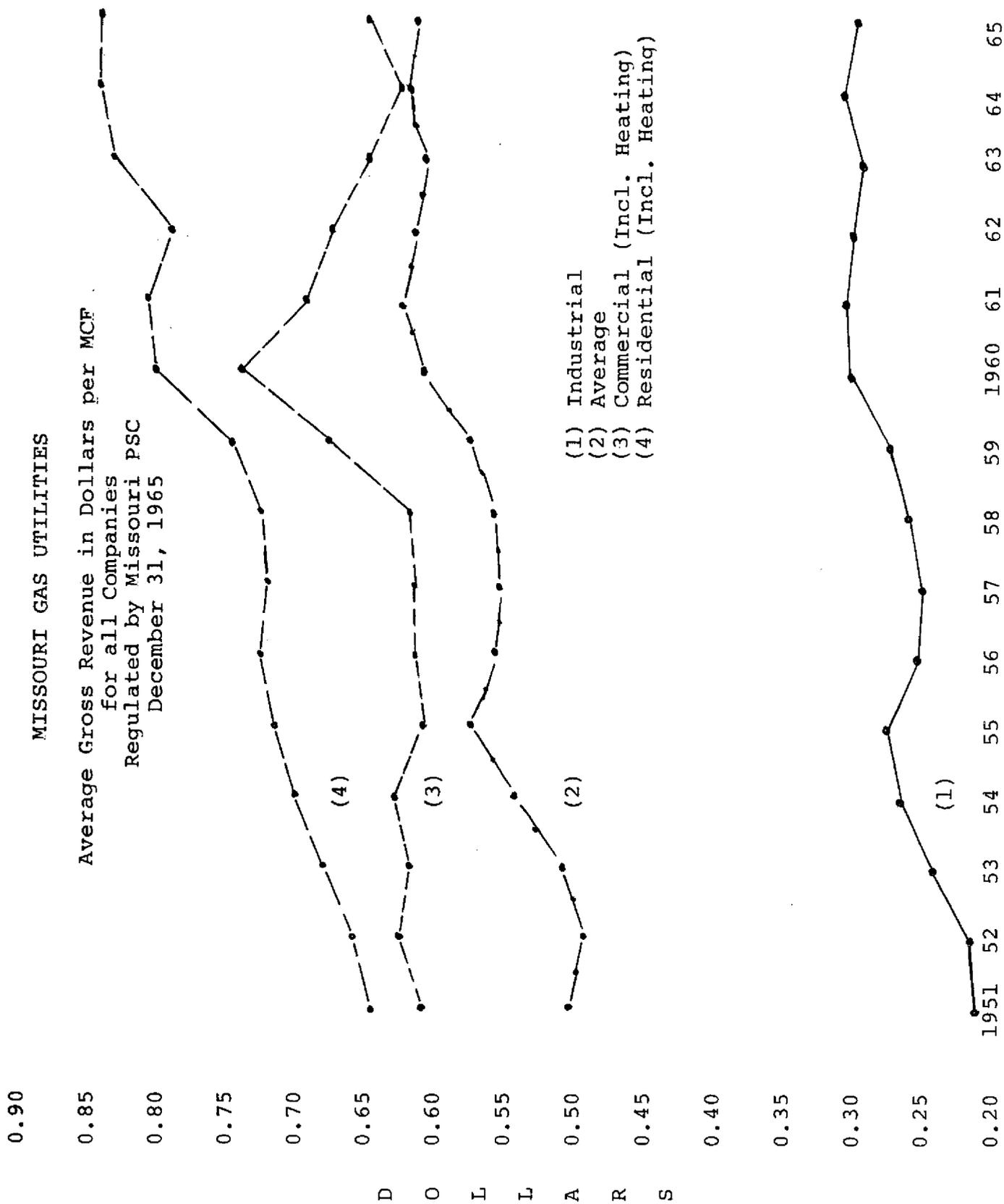
	1964	1965	% Increase
Investment Dollars	313,325,923	330,813,691	6
Number of Consumers	862,131	887,735	3
Av. Inv. Dollars per Consumer	363	373	3
Gas Sold - MCF			
Residential	117,602,897	124,865,129	6
Commercial	42,907,561	43,005,157	1
Industrial	86,209,290	96,057,031	11
Total	246,719,748	263,927,317	7
Gas Sold - (\$)			
Residential	99,709,013	105,390,408	5
Commercial	27,038,410	28,249,220	4
Industrial	27,388,206	29,672,398	8
Total	154,135,629	163,312,026	6
Av. Rate per MCF Sold (\$)			
Residential	0.848	0.844	(1)
Commercial	0.630	0.657	4
Industrial	0.318	0.309	(1)
Total	0.625	0.619	(1)

* Does not include Municipal Utilities

() Denotes decrease

MISSOURI GAS UTILITIES

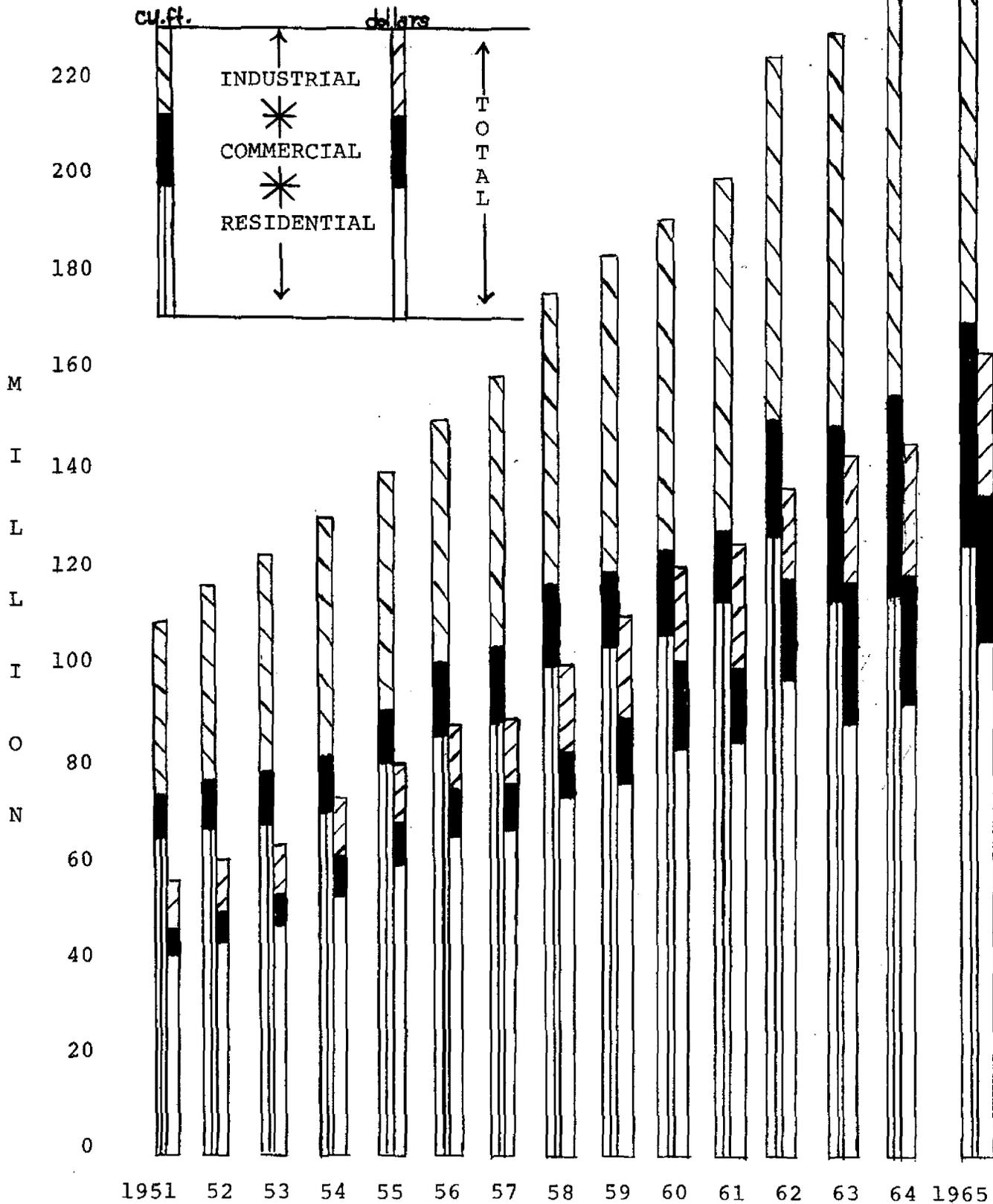
Average Gross Revenue in Dollars per MCF
 for all Companies
 Regulated by Missouri PSC
 December 31, 1965



MISSOURI GAS UTILITIES*

Total yearly consumption of Gas
and charges paid by Consumers

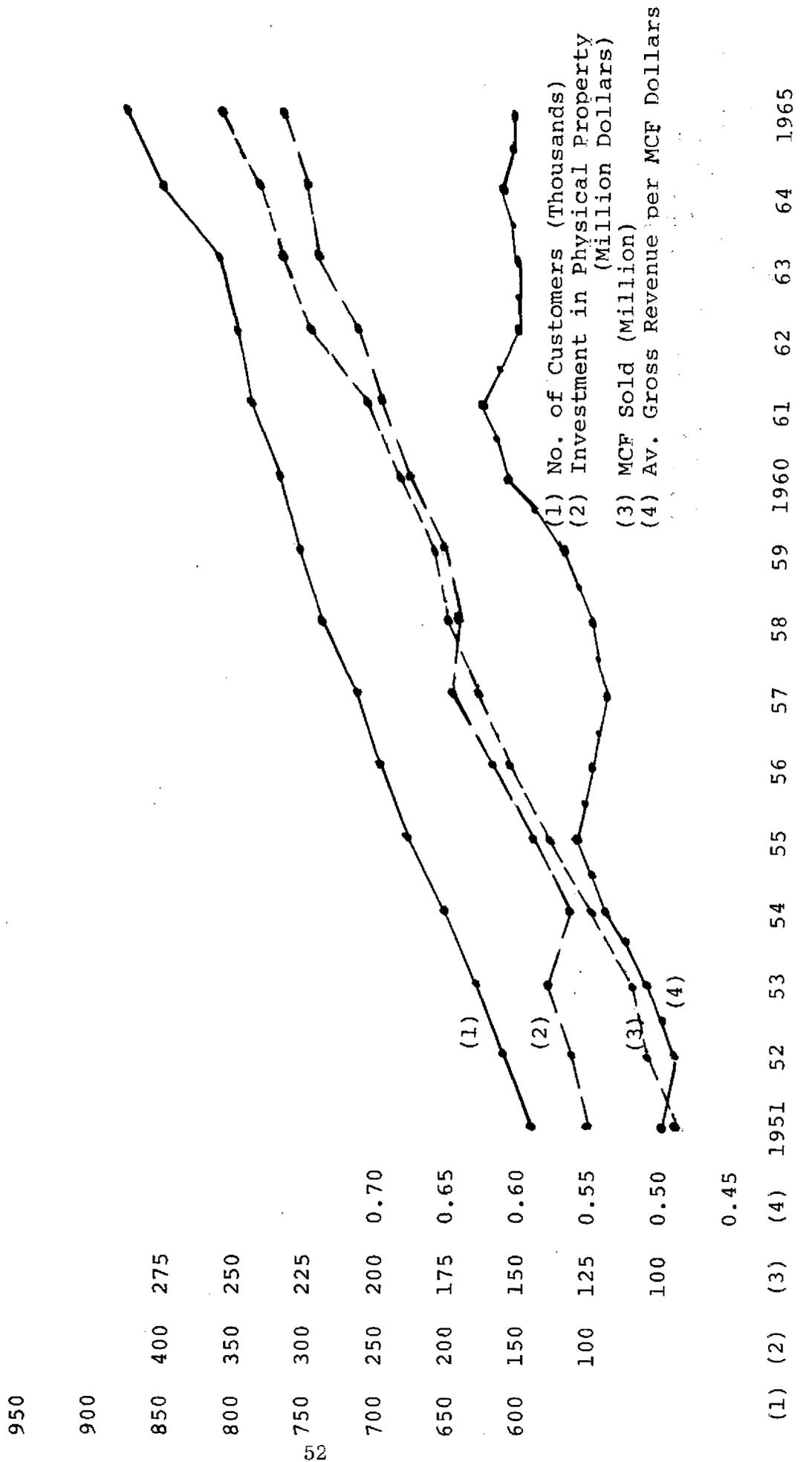
December 31, 1965



*Does not include Municipal Utilities
51

MISSOURI GAS UTILITIES
Missouri PSC Regulated

December 31, 1965



Missouri Water Utilities

Water utilities throughout the State have found it necessary to continue to expand their properties. However, during the current period, their expansion problems have not been so severe as previously experienced.

During the current period there have been four new water utilities and one new sewer utility certificated. Most of these subdivision developments have occurred in areas in the State where ground water is available by the drilling of wells. It has been necessary to allow the developers to establish the systems as public utilities, and in order to conform with the law they have been granted certificates of convenience and necessity to operate such systems as public utilities.

During the period of 1951 to 1966 there has been a continuous growth shown in records on file with companies regulated by the Commission in the number of customers served, the gallons of water sold, the revenues received and the investment in plant required to render satisfactory water service, except for the year 1958. The decline shown that year was caused by increased rainfall during 1958 and by the fact that one of the larger regulated water utilities was sold to the municipality then being served. No report was forthcoming from that municipality. The chart on the following page shows the expansion in water service throughout the State during the period of 1951 to 1966.

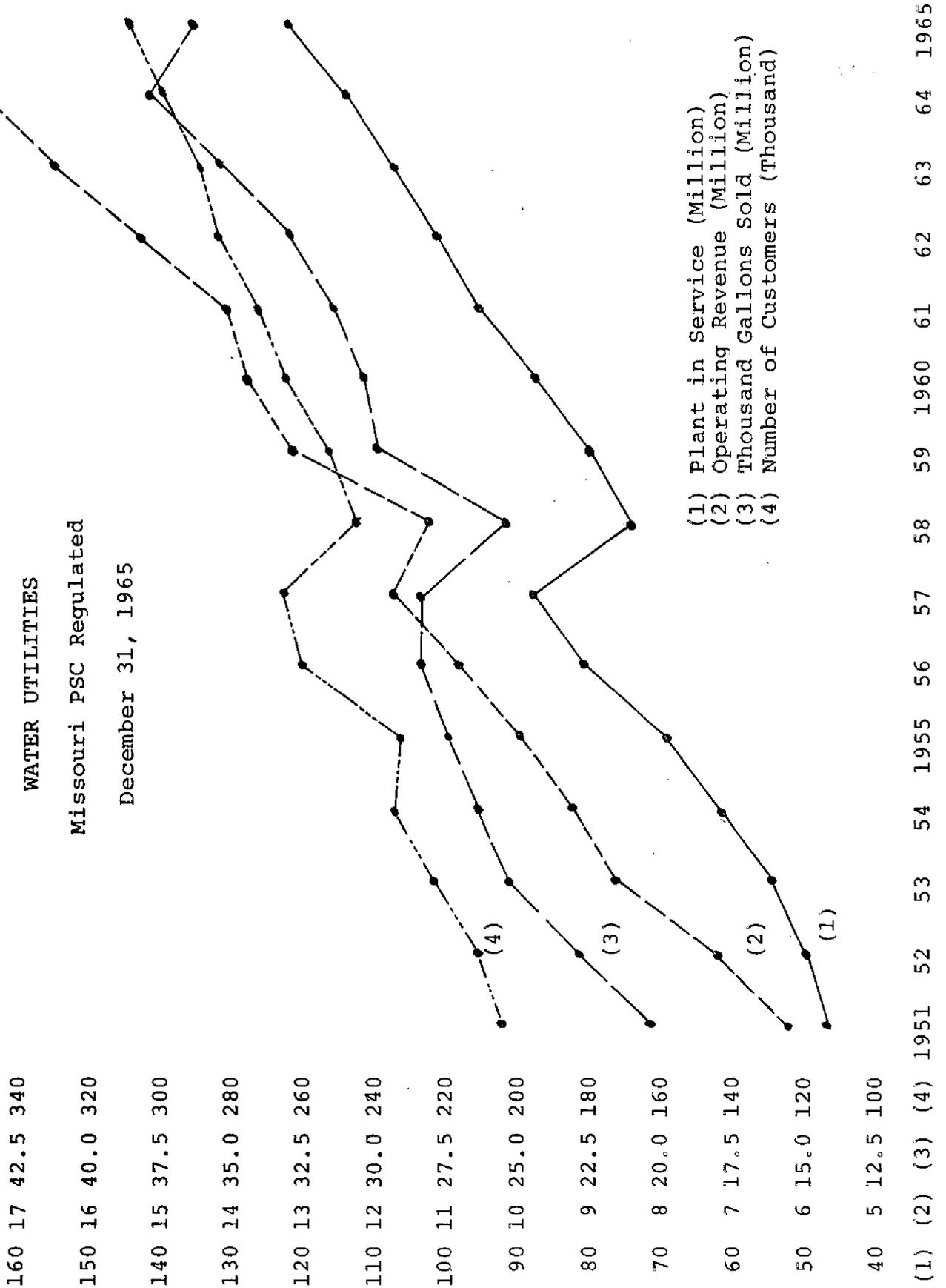
(See Chart on Water Utilities)

Steam Heat

Three steam heating plants in Missouri continue without much change or expansion. Those systems are used to supply steam for space heating in the heavy business districts of our largest cities and since the advent of natural gas throughout the State, there is not much to encourage steam heating utilities to attempt to extend their facilities to new areas.

During the year 1965, the hot water heating facilities in Kirksville discontinued operations completely.

WATER UTILITIES
Missouri PSC Regulated
December 31, 1965



Western Union

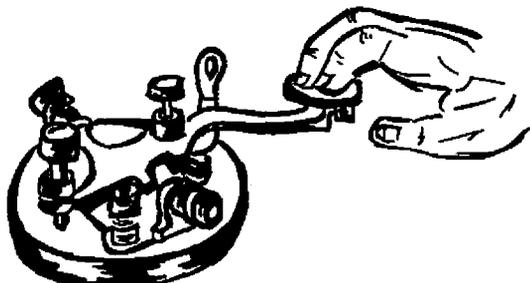
Western Union is perhaps the oldest communication utility and has undergone many changes in recent years. It is encouraging to note that many new services are being offered to customers, largely on an interstate basis. Most of the regulations governing the company's activities are under Federal Communications Commission jurisdiction, but there still are many problems involved in intrastate matters.

Telegraphic services are continuing to be discontinued with the closing of smaller railroad stations and many local offices have been closed in large cities, but new services have offset much of the revenue loss in such instances. Broadband Exchange Service was introduced during the prior year and is still in the early stages of development. It is a service which, like TELEX, is going to take a reasonable time to develop.

Western Union furnishes private wire record, voice, and alternate record - voice communication systems, the recently introduced AUTODIN system for the military services, and the planning for such important projects as a transcontinental microwave system to better serve the public. TELEX, the dial communications subscriber-to-subscriber project, has expanded to a nationwide basis, and PATS, the first private automatic telephone system, is in operation.

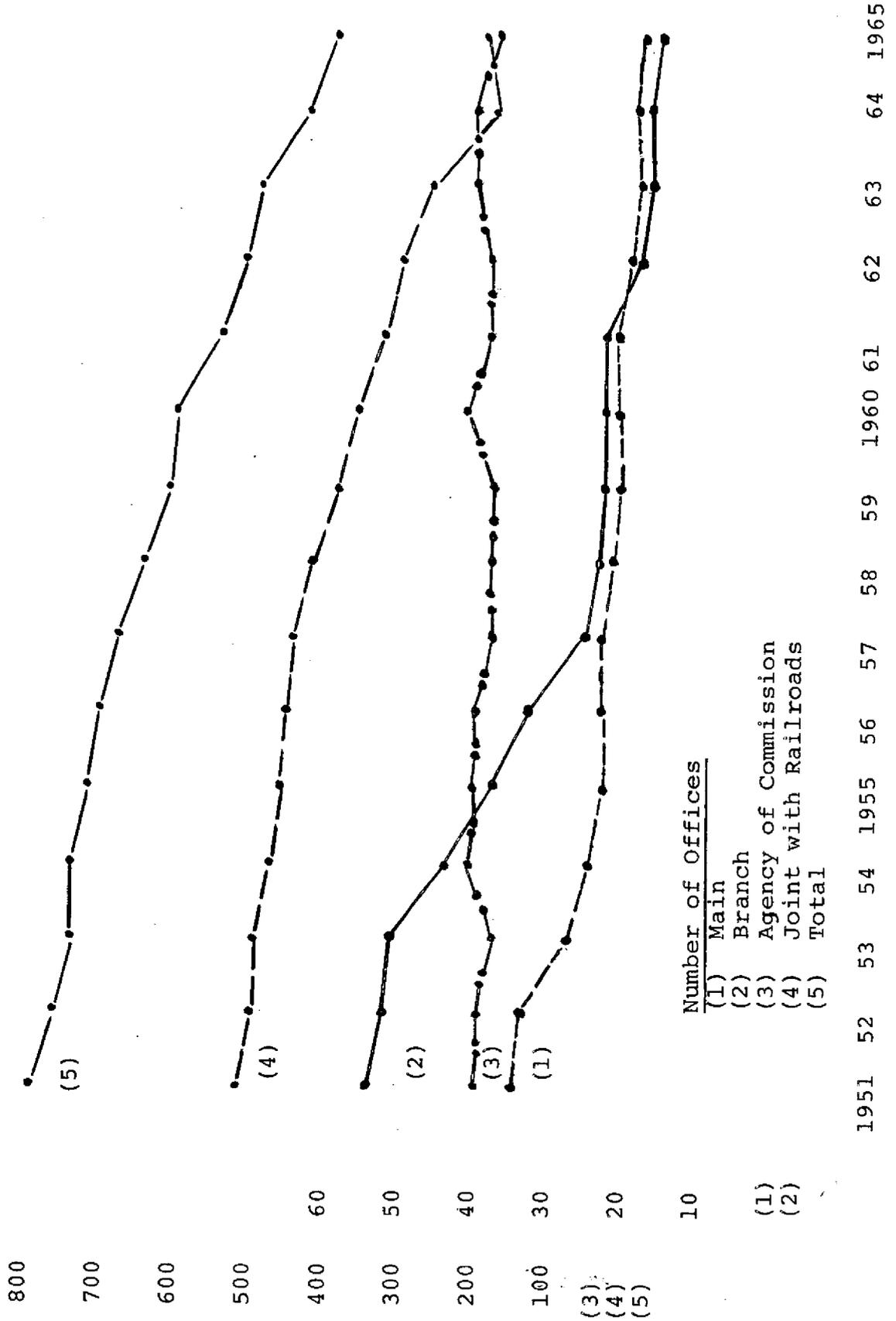
The company has modernized many public offices in recent years and is now testing new special services, including telephone answering service, which has proven successful during an experimental period and is now being made a permanent offering. Personal Opinion Message (POM) is also a permanent service which has been made available on an intrastate basis.

In 1951, Western Union had 34 main offices; in 1963 there were 17, a decrease of 50%, with no change noted during 1964. In 1965 there were 15, a decrease of 56%. In 1951 there were 53 branch offices; in 1963 there were 16, a decrease of 70%, and this remained constant during 1965. In 1951 Western Union had 505 joint offices with railroad companies; in 1965 it had 176, a decrease of 65%. In 1951 it had 187 agency and commission offices; in 1965 it had 159, a decrease of slightly under 9%. The total of offices operated in 1951 was 779; in 1965 it was 366, a decrease of 54%. This information is shown graphically on the following page.



WESTERN UNION TELEGRAPH

December 31, 1965



Telephone Service in Missouri

Unparalleled expansion of customer services and continued technological advances highlighted the telephone industry's activities in Missouri during 1965.

With an additional 111,127 telephones installed during the year, the total number of telephones in service in Missouri as of December 31, 1965, reached 2,177,228 with 99.7 percent being dial. There are 98 telephone companies serving the 706 exchanges in the State.

Over the past ten-year period, July 1, 1956, through June 30, 1966, the State gained 903,000 telephones, with 82 percent of all Missouri families now having service. This compares to 71 percent a decade ago. By 1975, this is expected to increase to 90 percent.

To meet demands for new and improved service, the telephone industry invested \$104 million for new and additional facilities in 1965. This was an increase of nearly \$12 million over 1964.

Projected expenditures for improved service facilities indicate a total of \$125 million in 1966 and approximately \$130 million in 1967. The telephone industry makes an important contribution to the overall State economy.

Of the more than two million telephones in service in Missouri, 99.8 percent are equipped for receiving direct dialed long distance calls, while 74 percent are equipped for direct outward dialing of long distance calls. The latter represents an 11 percent increase over the previous year.

Missourians are using telephone service more for social and business purposes. They made about three percent more local calls and ten percent more long distance calls in 1965 than in 1964.

Along with the substantial expansion and use of telephone service there have been rate reductions totaling more than \$4 million annually to Missouri users. Intra state long distance rates were reduced \$1.4 million early this year. This reduction applied to calls over 40 miles and lower evening and Saturday rates were introduced. A year earlier, in April 1965, long distance rates were reduced by \$294,000.

Other rate reductions made during the past 12 months by some companies include lower charges for installing and moving telephones, lower charges for color sets and special types of sets, reduced mileage charges and other items. These latter reductions total more than \$2.6 million annually.

The industry supplies important facilities for the National Defense Communication Services. These services include network systems for Semi-Automatic Ground Environment (SAGE), Automatic Voice Network (AUTOVON), a Back-Up Interceptor Control System (BUIC), as well as many special equipment arrangements.

The telephone industry is aggressive in developing and marketing new services and special purpose services to meet the wide range of customer demand for service. Expanded Direct Distance Dialing of person-to-person, collect and third-number is being introduced in St. Louis this fall and in Kansas City in 1967. An Electronic Switching System is scheduled to be put into service in 1967.

Attractive new telephone sets, Touch Tone dialing, Console switchboards and many other new service offerings are or will be offered in the near future. Thus, the telephone industry, during the past 10 years, has made real progress in providing up-to-date telephone service to meet the wide range of customer needs in the State.

A new Metropolitan Plan for the St. Louis and Kansas City metropolitan areas is presently under review.

Pertinent Data About the Telephone Industry in Missouri

<u>Telephones in State</u>	Telephones (Main and Extensions) 6-30-65		
	<u>Southwestern Bell</u>	<u>Ind.</u>	<u>Total</u>
Business	499,044	61,591	560,595
Residence	1,262,662	284,426	1,547,088
Total	<u>1,761,666</u>	<u>346,017</u>	<u>2,107,683</u>
		6-30-66	
Business	524,975	82,127	607,102
Residence	1,339,465	281,990	1,621,455
Total	<u>1,864,440</u>	<u>364,117</u>	<u>2,228,557</u>
Gain	102,774	18,100	120,874
Number of Telephone Companies	1	97	98
Number of Telephone Exchanges & Zones	194	512	706
Per Cent of Dial of Total Telephones	100.0	98.4	99.7
Per Cent of Telephones with DDD			
Inward Dialing	100.0	98.6	99.8
Outward Dialing	86.0	12.7	74.0
Number of Dial Conversions in Period 6-30-65 to 6-30-66	1	32	33
Number Scheduled for Next 12 Months	0	34	34

(See Graph on Next Page)

2100

2000

1900

1800

1700

1600

1500

1400

1300

1200

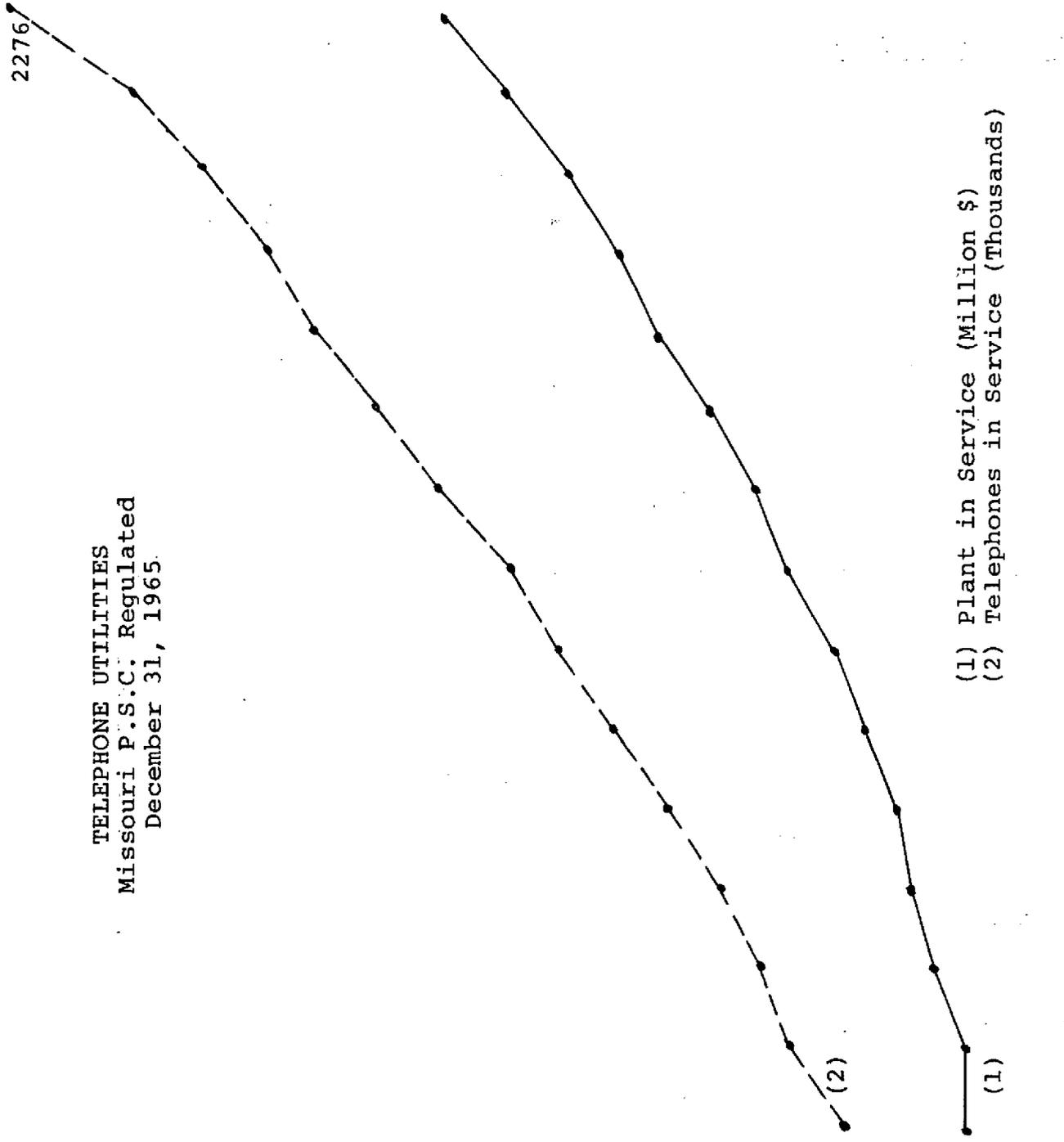
1100

1000

900

(1)
(2)

TELEPHONE UTILITIES
Missouri P.S.C. Regulated
December 31, 1965.



(1) Plant in Service (Million \$)
(2) Telephones in Service (Thousands)

1951 52 53 54 55 56 57 58 59 1960 61 62 63 64 1965

2276

RAILROAD SAFETY DEPARTMENT

Safe operation on railroads throughout the State of Missouri is the prime concern of the Public Service Commission Railroad Safety Division. Personnel of this department spend much of their time inspecting railroad equipment and installations such as tracks, railroad crossings, substandard clearances and guard rails.

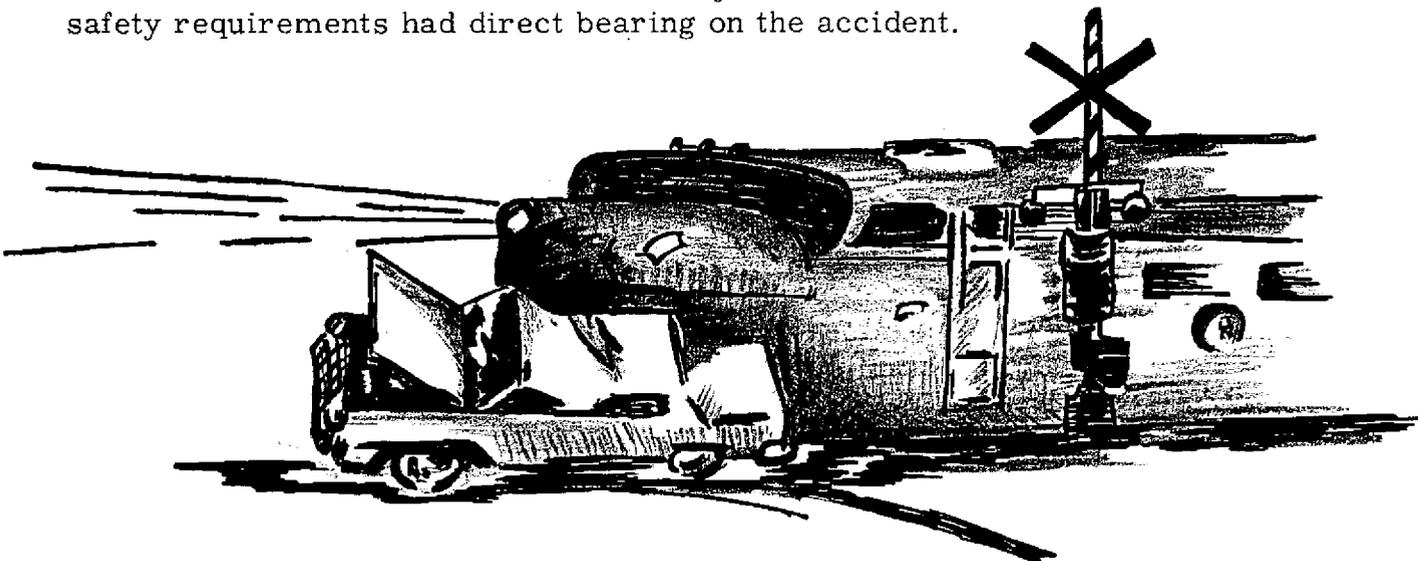
Inspectors are also alert to factors involving the personal safety of railroad employees. Inspection of shelter houses, yard offices, sanitation facilities, locker rooms and work areas are under surveillance by the Railroad Safety Supervisor and field investigators in this department.

Any railroad operation found detrimental to safety and in violation of the Commission's safety code is reported to the Commission by the railroad safety investigators. The condition is first called to the attention of the railroad found in error for voluntary correction. Generally, this is done through correspondence with officials of the company.

When, after a reasonable time has elapsed, the condition is found not to have been corrected on a return inspection by a field investigator, the matter is brought before the Commission with recommendations from the Railroad Safety Department and the Engineering Department. If after hearing, the Commission finds that there was a violation of its safety regulations, the Commission may order the company to correct the condition and direct its General Counsel to seek statutory penalties in a court of law.

Must Report Accidents

Railroad companies are required by law to report any accident involving injury or death to the Railroad Safety Supervisor of the Commission. The supervisor or field investigator then inspects the area where the accident occurred to determine if any violation of the Commission's safety requirements had direct bearing on the accident.



Railroad Safety personnel find photographs useful tools of their trade. Each carries a camera and records conditions at the scene of accidents, unsanitary or hazardous conditions caused by careless loading operations, weeds and debris along tracks or at grade crossings and substandard clearance dangers found in the course of their inspections. Often photographs are helpful as evidence when a hearing is called to correct some matter pertaining to railroad safety.

Governor's Concern

Governor Warren E. Hearnes, because of his concern with the increasing number of grade crossing accidents in 1966, named a special committee to investigate causes of the upsurge and to list recommendations and/or proposed Legislation to reduce these accidents in Missouri. The Governor requested the Public Service Commission and its staff to assist with the committee's investigations.

The Governor's Railroad-Highway Grade Crossing Committee includes: PSC Chairman William R. Clark, who also serves as Chairman of the grade crossing committee; D. M. Schmitt, Vice-Chairman; Judge Charles Stock; Col. E. I. Hockaday; Harold Harvey; Jack Stapleton, Sr.; Eugene Walsh and R. Dale Findlay. The committee held its initial meeting in May.

Since its organization, a concentrated program of public information has been conducted through newspaper, television and radio news media. Under the sponsorship of Mr. Stapleton, a member of the Missouri State Highway Board, all State highways were painted with warning signs at the approach to grade crossings. At the writing of this report, other projects are underway under the immediate guidance of this committee.

From January 1, 1966 through June 30, 1966 grade crossing accidents involving motorized traffic and railroad transportation have resulted in 57 persons killed or injured in Missouri. This is an increase over that same period in 1965.

Statistics of Work Load

The Railroad Safety Department made 77 grade crossing inspections during the fiscal year covered by this report. Flashing lights, and flashing lights and gates ordered installed totalled 30 during this period. These and other safety factors were the result of inspections by the safety department and a number were ordered installed in cooperation with the Missouri Highway Department on new road or highway improvement sites.

The Railroad Safety Supervisor represents the Commission at civic gatherings and meetings related to railroad safety. This year, the Supervisor met with Missouri Highway officials, railroad employees, county courts, city officials, the Road District Commission, school superintendents and women's clubs.

A large volume of correspondence is received by the Supervisor. He answers all mail involving railroad safety complaints and works closely with the various railroad brotherhoods in matters of safety.

Robert E. Dorr is Railroad Safety Supervisor for the Commission. John M. Lucas is field inspector.

Engineering Department Personnel

* Richard A. Kieselbach
Chief Engineer

Engineer V	* John O. Richey
Engineer IV	* J. C. Alexander
Engineer IV	* Grover R. Wicker
Engineer IV	Gordon L. Persinger
Rate Expert	A. R. Hamilton
Engineer III	I. A. Chester
Engineer II	William E. Kreisel
Engineer Aide	Billy M. Nickle
Engineer Aide	Arlie E. Smith
Clerk II	Jimmy L. Walker
Clerk-Stenographer III	Dorothy Lee Miller
Clerk-Stenographer III	Rose Mary Ekstam
Clerk-Typist II	Flora Parsons

* Registered Professional Engineer

Railroad Safety Department Personnel

Railroad Safety Supervisor	Robert E. Dorr
Field Investigator	John M. Lucas

ACCOUNTING DEPARTMENT

The department is charged with the responsibility of assisting the Commission in matters regarding valuations of utility properties for rate-making purposes, security issues, reorganization, consolidations, and property acquisitions, and provides evidence at hearings in which these matters are involved. The department conducts audits and examinations of the various utilities, in order to develop and present information which enables the Commission to evaluate the actual condition of utilities when considering cases involving any of the matters mentioned above.

Other functions consist of the supervision of the accounting methods of all utilities operating in the State which are subject to the jurisdiction of the Commission, including annual reports covering the operation of each utility which are filed with the Commission as public records. The department also prepares the annual budget, maintains current records of expenditures, and periodically advises the Commission as to the current status of each appropriation.

By application of provisions of Section 386.370, Missouri Revised Statutes 1959, which set forth the method of assessing the various classes of public utility companies by the Commission to cover the expenses incurred each fiscal year in exercising its regulatory power, the department calculates the exact amount of each assessment against each public utility company.

Audit and Special Duties

With the exception of the Chief Accountant and office staff, the personnel of the department primarily perform their duties in the field, auditing and examining the books and records of the various utilities. The purpose of these audits and examinations is to determine the original cost of property, operating revenues and expenses, net operating income and the utilities' capitalization, for use in any valuation or rate case which may come before the Commission and for any other purpose the Commission might deem proper.

During the fiscal year six members of the department staff were in the field on audits and examinations of various utilities. These audits and examinations were conducted in order to determine if the accounting was being maintained in conformity with the Uniform Classification of Accounts and Rules and Regulations as promulgated by the Federal Communications Commission, the Federal Power Commission, the Interstate Commerce Commission, and the Missouri Public Service Commission.

Numerous deviations were found, and exceptions were taken to the account distribution of specific entries in the records. These deviations and exceptions in most cases necessitated adjustments to the accounts,

and the adjusting entries were included in the audit report furnished each utility involved.

The following utilities were involved in the above audits and examinations:

Capital City Water Company
Chariton Valley Telephone Company
Conway-Niangua Telephone Company
Hartville Telephone Company
K. L. M. Telephone Company
Liberal Telephone Company
Mark Twain Rural Telephone Company
Missouri Cities Water Company
Missouri Union Telephone Company
Modern Telephone Company
Northeast Missouri Rural Telephone Company
St. Charles County Water Company
Steelville Telephone Company
Urbana Telephone Company
West Belton Service Company, Inc.

The staff also furnished accounting guidance where such assistance had been requested, or where the department deemed such guidance necessary.

When not in the field, these members of the staff from time to time made special studies for the purpose of inquiring as to the adequacy, or inadequacy, of the rate of return of the various utilities. The staff has also prepared statements on various utilities in regard to current costs for use of the Commission in determining a fair value rate base.

Security Issues

During the fiscal year the amount of security issues authorized by the Commission was \$323,047,552.50, which was 90.95% more than the amount authorized during the preceding fiscal year. Of this amount \$26,019,000.00 was for the purpose of refunding outstanding securities and debts, as compared with none for the preceding year. \$297,028,552.50 of this year's issues was for new money for use in the acquisition, construction, completion, extension and improvement of property and services of the various utility companies.

The fact that Missouri public utility companies were able to obtain their capital requirements during the past year reflects to a high degree the sound financial condition of these companies and their high credit rating. This is further justification for the continuance by the Commis-

sion of its policy of careful scrutiny of all proposed security issues, with the view toward improving corporate structures and increasing the margin of safety to investors.

The following table shows the securities authorized during the period July 1, 1965, to June 30, 1966:

Gilbert Hoffman of the Accounting Department checks figures on a routine examination of a utility company's annual report.



SECURITIES AUTHORIZED JULY 1, 1965 TO JUNE 30, 1966

<u>DATE OF AUTHORITY</u>	<u>CASE NO.</u>	<u>COMPANY</u>	<u>KIND OF SECURITIES</u>	<u>REFUNDING</u>	<u>TOTAL VALUE</u>
July 14, 1965	15,370	Greenfield Telephone Company	Note	\$	\$ 124,000.00
July 16, 1965	15,781	Grand River Mutual Telephone Company	Note		175,000.00
July 23, 1965	15,776	Modern Telephone Company	Note		395,000.00
July 26, 1965	15,775	Reeds Spring Telephone Company	Note		100,000.00
Aug. 20, 1965	15,745	Suburban Gas Company	Note		27,000.00
Aug. 25, 1965	15,785	Lincoln Telephone Company	Preferred Stock	300,000.00	400,000.00
Sept. 8, 1965	15,820	Kansas City Power & Light Company	Bonds		15,000,000.00
Sept. 27, 1965	15,819	St. Thomas Dial, Inc.	Common Stock		16,000.00
Oct. 13, 1965	15,830	Western Power & Gas Company, Inc.	Common Stock		125,000.00
Oct. 14, 1965	15,832	Union Electric Company	Common Stock		5,790,280.00
Oct. 19, 1965	15,836	Panhandle Eastern Pipeline Company	Debentures.		40,000,000.00
Oct. 29, 1965	15,854	Capital City Telephone Company	Preferred Stock		300,000.00
Nov. 9, 1965	15,831	Granby Telephone Company	Notes		150,000.00
Dec. 9, 1965	15,873	United Telephone Company of Missouri	Common Stock		1,750,000.00
Dec. 9, 1965	15,873	United Telephone Company of Missouri	Bonds		3,000,000.00
Dec. 17, 1965	15,477	St. Thomas Dial, Inc.	Note		10,000.00
Dec. 29, 1965	15,878	Western Power & Gas Company, Inc.	Bonds	25,108,000.00	25,108,000.00
Dec. 29, 1965	15,878	Western Power & Gas Company, Inc.	Notes		10,000,000.00
Dec. 29, 1965	15,810	Rock Port Telephone Company	Common Stock		30,000.00
Jan. 21, 1966	15,886	Capital City Water Company	Common Stock		300,000.00
Jan. 21, 1966	15,886	Capital City Water Company	Notes	505,000.00	1,472,000.00
Feb. 3, 1966	15,880	Northeast Missouri Rural Telephone Company	Notes		264,000.00
Feb. 4, 1966	15,879	Steelville Telephone Exchange, Inc.	Note		122,000.00
Feb. 8, 1966	15,853	Fidelity Telephone Company	Note		200,000.00
Feb. 8, 1966	15,855	B. & M. Telephone Company	Note		90,000.00
Feb. 21, 1966	15,925	Missouri Power & Light Company	Bonds		5,000,000.00
Mar. 7, 1966	15,919	Seneca Telephone Company	Note		164,000.00
Mar. 9, 1966	15,927	Western Power & Gas Company, Inc.	Bonds		7,000,000.00
Mar. 11, 1966	15,850	Mark Twain Rural Telephone Company	Note		231,000.00

Mar.	16, 1966	15,932	Laclede Gas Company	Bonds	11,000,000.00
Mar.	21, 1966	15,945	Missouri Natural Gas Company	Common Stock	26,000.00
Mar.	25, 1966	15,926	Rock Port Telephone Company	Notes	798,000.00
Mar.	30, 1966	15,958	Pea Ridge Telephone Company	Common Stock	68,000.00
Apr.	11, 1966	15,906	B. & M. Telephone Company	Common Stock	20,000.00
Apr.	28, 1966	15,974	Union Electric Company	Bonds	30,000,000.00
May	3, 1966	15,968	Western Power & Gas Company, Inc.	Common Stock	9,100,850.00
May	20, 1966	16,000	Missouri Utilities Company	Bonds	3,500,000.00
May	24, 1966	15,999	Southwestern Bell Telephone Company	Debentures	150,000,000.00
May	27, 1966	15,957	Carter County Telephone Company	Common Stock	100,000.00
June	8, 1966	16,009	Arkansas-Missouri Power Company	Common Stock	1,091,422.50
			TOTAL		\$26,019,000.00
					\$323,047,552.50

RECAPITULATION

Bonds	\$ 99,608,000.00
Debentures	190,000,000.00
Notes	14,322,000.00
Common Stock	18,417,552.50
Preferred Stock	700,000.00
TOTAL	\$323,047,552.50

Approximately 209 annual reports of electric, gas, water, sewer, heating, street transit, telephone, telegraph and railroad companies were filed with this department. These reports show each reporting company's financial condition and operating results for the year 1965. They are available for public inspection, and information contained in them is used extensively by security holders, investment brokers, municipal and county officials, interested public utilities and individuals.

The department uses these reports in developing estimated rates of return and earnings of the various companies. From time to time statistical studies pertaining to various matters under review are also developed for the use of the Commission.

Many times in the past some small utilities have been remiss in filing their annual reports and the department has been compelled, by various means, to procure them. For the year 1965 the department's persuasive efforts culminated in the filing of reports by all utilities so obligated. While the Public Service Commission law grants power to assess a penalty for failure to file, the Commission has never exercised this prerogative, preferring instead by less severe methods to impress upon all utilities the importance of compliance.

Assessments

The department advises the Commission as to the status of each appropriation under which it operates. Current records are maintained in the department regarding the expenditures under the various appropriations and showing the unencumbered balance in each fund. All proposed expenditures are referred to the department to determine if money is available for such expenditure within the particular appropriation.

In accordance with the provision of Section 386.370, Missouri Revised Statutes 1959, the Commission on June 21, 1966, entered its Order in Case No. 11,110, Supplemental Order No. 20, in which it estimated the amount of its expenses for the 1966-67 fiscal year, payable under this Section, as \$574,353.00.

After crediting the various utilities with the estimated unexpended amount of \$69,823.45 from the preceding fiscal year, the Commission assessed each group, in addition to said estimated sum, as follows:

(a) Railroad Companies	\$80,000.00
(b) Street Railroad Corporations	2,210.00
(c) Other Common Carriers	2,715.00
(Railway Express Company)	

(d) Electric Corporations, Gas Corporations, Water Corporations, Heating Companies, Telephone Corporations and Sewer Companies.	417,604.55
(e) Telegraph Corporations	<u>2,000.00</u>
Total	<u>\$504,529.55</u>

The department, in the same Order, was directed to calculate the amount of assessment against each public utility in each group in proportion to its gross intrastate revenues for the preceding calendar year in relationship to the total for the group. The assessment so calculated was presented to the Secretary of the Commission, who thereafter notified each utility of the amount assessed and the method by which payment should be made.

Fees

During the fiscal year the fees collected, exclusive of the Bus and Truck Department, were as follows:

Authority Fees	\$83,867.75
Miscellaneous Earnings	<u>7,423.60</u>
Total	<u>\$91,291.35</u>

The fees amounting to \$91,291.35 collected during the fiscal year compare with \$39,288.89 collected in the preceding fiscal year. All authority fees and miscellaneous earnings are credited directly to the State General Revenue Fund.

Cooperation With Other Regulatory Commissions

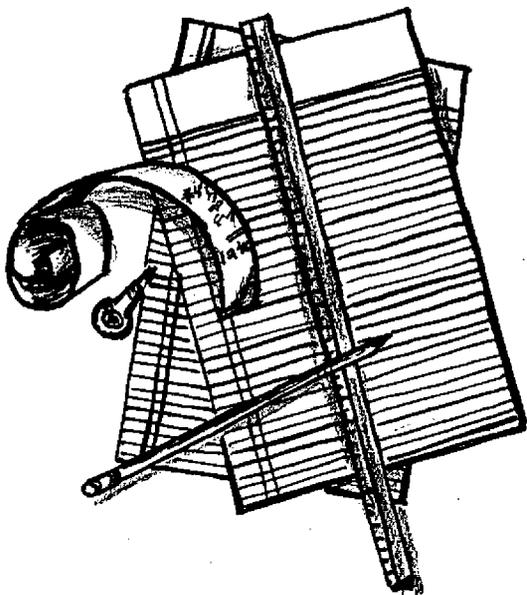
During the fiscal year cooperation was maintained with the Federal Power Commission in connection with joint problems relative to Missouri electric and gas utilities, with the Federal Communications Commission in connection with joint problems relative to Missouri telephone and telegraph companies, and with the Securities and Exchange Commission and the Rural Electrification Administration in matters of mutual interest. The department, when called upon, has furnished information, engaged in conferences, and cooperated with personnel of the Rural Electrification Administration in connection with applications for Government loans for rural telephone companies.

General

In addition to previously outlined functions, the department is constantly called upon for assistance and information by those regulated, as well as the general public, and, when not in conflict with Commission policy, such assistance and information is furnished. The department

works in close cooperation with other departments within the Commission, and many of the results achieved have been through the cooperation and assistance from these other departments.

The department is faced with ever-increasing demands for the service of its personnel. Because of increasing operating costs, various utilities frequently petition the Commission for authority to file schedules of increased rates, which usually necessitates field work by department accountants. Usually in these cases the petitioner stresses the urgency of the situation and requests immediate remedial action. The department will, considering its limited personnel, continue to make the necessary studies and examinations as rapidly as physically possible.



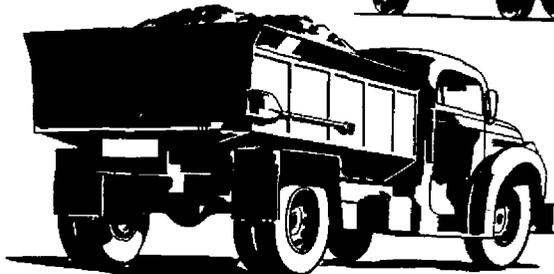
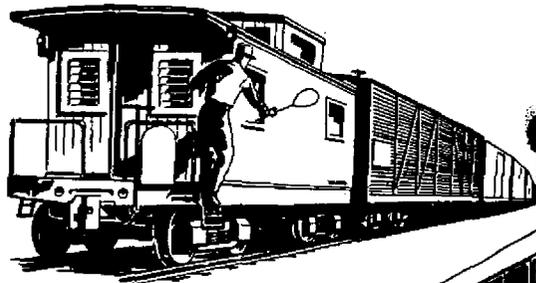
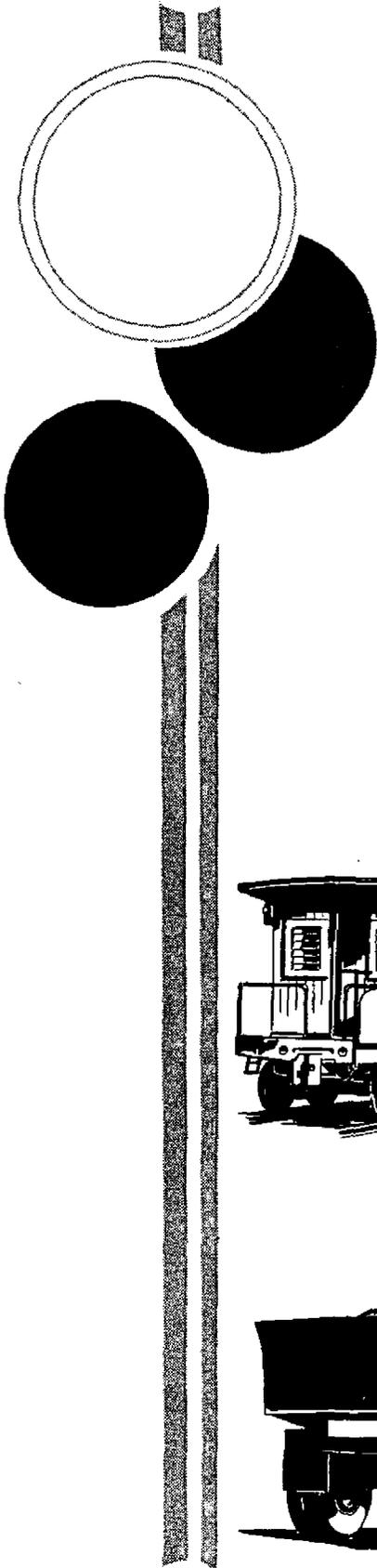


Chief Accountant James England and Commissioner Charles Fain confer on an audit of a Missouri public utility company prior to meeting with company officials at an informal conference.

PERSONNEL
ACCOUNTING DEPARTMENT

James M. England	Chief Accountant
Paul W. Christian	Assistant Chief Accountant
Irma P. Faris	Secretary & Accounts Clerk
George L. Goedde	Utility Field Examiner II
Sarah C. Goedde	Clerk-Stenographer II
Sidney M. Graf	Utility Field Examiner III
Gilbert E. Hoffman	Public Utility Accountant II
A. R. Hudgins	Utility Field Examiner III
J. Frank Mauney	Public Utility Accountant I
Gerald J. Pleus	Utility Field Examiner I
Elmer J. Schlueter	Utility Field Examiner III
James M. Stuart	Accountant - Statistical

Office of Transportation



OFFICE OF THE DIRECTOR
OF TRANSPORTATION

It is the duty of the Director Transportation to coordinate all activities of the Commission which are related to the transportation of persons and properties, for hire, over highways of Missouri. He is directly responsible to the Commission for all matters previously assigned to the Bus and Truck Department and the Transportation Rate Department.



George Fox is the
Director of Transportation

Prior to the reorganization program of the Commission, duties related to the sale of motor vehicle licenses, maintenance of insurance records and other records pertaining to motor carrier cases, enforcement of the Bus and Truck Act and other phases of regulation of motor vehicles on the highways had been assigned to the Bus and Truck Department. Matters related to rates and services of transportation agencies, both rail and motor, operating rights of motor carriers have previously been assigned to the Transportation Rate Department.

With the reorganization of the Commission, responsibility in those respective areas are specifically assigned to an appropriate section. Through the coordination of all the functions under the Director of Transportation, it is anticipated that duplication of effort will be avoided and increased efficiency will result.

The Chief Enforcement Officer, the Chief License Clerk, the Chief Insurance Clerk and the Chief of the Rates and Services Section will report to the Director of Transportation. The Director is responsible to the Commission for the actions of the respective sections.

The principal duties and responsibilities for each section are included under appropriate section headings in this portion of the Annual Report.

ENFORCEMENT SECTION

It is the duty of the Enforcement Section to safeguard the rules and

regulations of the Public Service Commission pertaining to motorized transportation, for hire, on the highways of Missouri. Personnel from this section investigate all complaints against illegal operators and complaints concerning carriers exceeding operating authorities and other irregularities of authorized motor carriers.



George Fox, Director of Transportation, and J. Sidney Schanbacher, Chief Enforcement Officer, go over examination papers following a training school. Mr. Fox, prior to the reorganization of the Commission, was its Chief Rate Expert. He joined the staff in 1946 as rate expert and held that position until 1952 when he was named Chief Rate Expert. Mr. Schanbacher was formerly head of the Bus & Truck department and has been with the Commission since 1958.

The Enforcement Section assists certificated carriers, and those interested in filing applications for Public Service Commission authority to operate, by explaining the Missouri Bus and Truck Law and the rules and regulations of the Commission. The Section is also charged with the obligation to promote safety through application of those regulations.

Enforcement Officers of the Public Service Commission have no power of arrest. The Missouri State Highway Patrol enforces the Bus and Truck Law. A copy of each report prepared by the Missouri State Highway Patrol related to commercial motor vehicle violations or suspected violations of the law of Commission rules and regulations is forwarded to the offices of the Public Service Commission. These reports are carefully screened and are assigned to the field staff, Enforcement Officers, and/or members of the Transportation Rate Department, for further investigation.

Many times the certificated motor carrier does not realize that he is in violation. Often he does not know how to comply with Public Service Commission requirements. A field inspector calls on the owner or operator of the vehicle. In most cases he is able to prevent future violations. If this procedure fails and continued violations or failure to comply with Commission requirements are evident, a Citation Order can be issued requiring the carrier to appear before the Commission to show cause as to why the carrier's operating authority should not be revoked, suspended or other penalties assessed.

Inspectors Work in Teams

Prior to June 1, 1966, all inspectors were domiciled in their respective home territories. They were reassigned on June 1 to headquarters in Jefferson City in order to insure closer supervision, to keep them current on changes in policy and that they could be constantly advised of changes in authority of all carriers in their areas. Assignments for the field men are made directly by the Chief Enforcement Officer. The inspectors generally work in teams of two men.

Field inspectors are constantly contacting certificated carriers in their assigned territories. This is done not only to investigate violations, but to assist in any way possible in the prevention of violations of Public Service Commission rules. This is especially important since much of the Bus and Truck Law deals with matters of safety.

From December 1, 1965 until June 30, 1966 there were 498 certificated carriers contacted by personnel from the Enforcement Section. This figure does not include the numerous investigations of private car-

riers or firms which do not hold authority from this Commission. Most contacts are to advise truck operators that they are in violation of one or more Public Service Commission rules and regulations. Truckers are told to cease illegal operations or to apply for proper authority from this Commission.

Public Service Commission inspectors are continually checking equipment on the roads and highways of Missouri as safety precautions. At weight stations and with the weight inspectors operating portable scale trucks throughout the State, the Public Service Commission inspectors assist with motor carrier inspections. From July 1, 1965 through June 30, 1966, a total of 1,535 vehicles were inspected to determine if they were in complete compliance with safety rules and regulations and to determine if all safety equipment was carried in compliance with regulations and if said equipment was in adequate operating condition.

Safety A Prime Goal

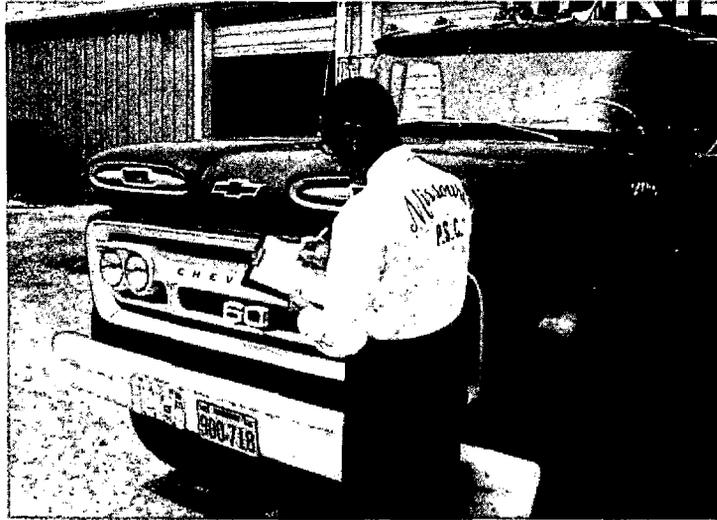
One principal objective of the inspections of motor carriers is that of accident prevention. Public Service Commission field inspectors are trained and qualified to make rigid safety inspections of the motor equipment to see that it is in safe operating order. Steering, lighting devices, tires, horns, windshield wipers, coupling devices and brake systems are closely inspected.

During these inspections, the field inspector also checks for any possible defective equipment which could result in accidents. Defective brake chambers, worn air hoses and defective low air warning devices are examples of such defects inspectors are on the alert to detect. An inspector also investigates any serious accident which involves a certificated motor carrier to determine the cause of the accident, whether it be driver fatigue or the driver operating under the influence of amphetamine or "bennies" or due to faulty or defective equipment. Motor carriers are to report accidents to the Public Service Commission, according to its rules.

Periodically, spot road checks are made throughout the State by the Enforcement Section in cooperation with the State Highway Patrol and the Interstate Commerce Commission Bureau of Operations and Compliance. These checks promote safety and eliminate the consistent wildcatter or illegal carrier.

Annually, around-the-clock checks are held at strategic spots in the State. Such checks generally cover a period of from three to seven days and are in participation with 42 other States. The checks are made in order to make necessary traffic survey analysis of the type carrier

operating on the road and to ascertain percentage of illegal trucking throughout the nation.



Enforcement Officer Ralph Toalson is shown checking an authorized motor carrier for safety equipment at a weight station.

Commission inspectors, in addition to the above, completed 175 investigations - several of which resulted in Citation Orders being issued.

Training Sessions

Two training schools for the Field Staff were held during the past fiscal year. The first school was of one week duration and was held in September 1965, Instructors included Commission personnel, the Missouri Highway Patrol, and the Interstate Commerce Commission. An advanced training school was held in June 1966 for a period of 2 1/2 weeks. During this training school instructors from State regulatory Commissions in Kentucky, Florida, and Arkansas, transportation experts from Washington, D. C. in addition to the Commission personnel, the Missouri Highway Patrol and the Interstate Commerce Commission participated.

The School had a two-fold purpose. The staff was given a more advanced knowledge of laws of Missouri as well as those of other States. Preparation of evidence and techniques for gathering evidence was presented by attorneys from the American Trucking Association and the Commission's legal staff. Proper interpretation of authorities both from the State and Federal level was also a part of the training.

The School served as a pilot project for future training schools which will be held on a nationwide basis. Those future programs will be sponsored by the National Conference of State Transportation Specialists, the American Trucking Association and the Committee on Transportation Practices. This school proved most successful. It afforded the Enforcement Section staff invaluable training toward becoming specialists in the field of transportation.

The Enforcement Section works closely with, gives and receives fine cooperation from other Departments of the State such as the Highway Patrol, Highway Reciprocity Commission, Interstate Commerce Commission and the Missouri Bus and Truck Association.

The Enforcement Division, headed by J. Sidney Schanbacher, is striving to combat illegal transportation in order to protect the certificated carrier who is making every effort to comply with our rules and regulations.

LICENSE AND RECORDS

This section is responsible for the issuance of the annual license stickers and all money collected for such stickers is remitted by the Chief License Clerk to the State Treasurer.

From July 1, 1964 through June 30, 1965 there were approximately 24,000 license stickers issued. From July 1, 1965 through June 30, 1966 there were 30,912 license stickers issued for an increase of approximately 7,000 license stickers.

In addition to this there were 92 emergency licenses issued in December, 1965 in order that army personnel could be furnished transportation to and from Fort Leonard Wood for their Christmas Vacation. This was done in order that additional busses could be brought into Missouri so that more personnel could be transported in a shorter period of time to allow more time at home for the personnel. These licenses were issued for a fee of \$5.00 each - or \$460. In order to accomplish this it was necessary that three members of our Field Staff work a total of 72 additional hours.

The grand total of revenue received during the period of time the 1964-1965 Annual Report covered was \$639,923.00. Grand total for the period of time covered by this report is \$767,173.00. The rate of increase is 19.9%

The following chart shows a breakdown of the revenue collected from motor carriers under the jurisdiction of this Commission.

	TRUCK	BUS	GRAND TOTAL
July, 1965	\$ 20,950.00	\$ 600.00	\$ 21,550.00
August, 1965	19,698.00	100.00	19,798.00
September, 1965	14,999.00	75.00	15,074.00
October, 1965	10,869.00	200.00	11,069.00
November, 1965	8,265.00	125.00	8,390.00
December, 1965	2,016.00	460.00	2,476.00
January, 1966	497,800.00	46,320.00	544,120.00
February, 1966	27,779.00	1,775.00	29,554.00
March, 1966	35,739.00	575.00	36,314.00
April, 1966	24,138.00	350.00	24,488.00
May, 1966	22,975.00	2,650.00	25,625.00
June, 1966	27,680.00	1,025.00	28,705.00
TOTALS	\$712,908.00	\$54,255.00	\$767,163.00

The license and Records Section is also responsible for maintaining all Commission files relating to bus and truck matters. Mrs. Judith Kolb is Chief License Clerk.

INSURANCE SECTION

It is the responsibility of the Insurance Section to make certain that all motor carriers holding operating authority to transport passengers and property over Missouri highways have filed evidence of insurance for protection of the public. All intrastate common carriers are required to file with the Commission evidence of both bodily injury and property damage liability and cargo damage insurance or evidence that they are qualified to act as self-insurers. Under special circumstances the Commission can waive the requirement of cargo insurance, but it is normally done only if the cargo is of relatively low value. Contract carriers are also required to file evidence of liability and cargo insurance but shippers may waive cargo insurance requirements. Interstate carriers are not required to file evidence of cargo insurance but must carry bodily injury and property damage insurance.

The Commission's rules require that at least 30 days' notice of cancellation of insurance policies be given. Carriers are advised at least ten days in advance that their insurance coverage is being cancelled along with advice that if new coverage is not provided their authority will be suspended. If new insurance has not been provided by the cancellation date of existing policy, the operating authority of the carrier is suspended. Miss Marguerite Smith is Chief Insurance Clerk.

Suspension Results

During the first six months of 1966 the operating rights of 559 carriers were suspended because of insurance cancellation. Normally new insurance is soon provided and the suspensions are of short duration. In the same six months period of 1966 the operating authority of 360 carriers was reinstated. The suspension and reinstatement of operating rights requires daily contact with the Highway Patrol in order to keep it advised with respect to the carriers whose operating authorities are under suspension.



Henry Reinhardt, who heads the rates and services section, and Gus Havens of that division go over tariffs of a motor carrier operating within the jurisdiction of the Public Service Commission.

RATES AND SERVICES

The responsibility for advising and assisting the Commission in the administration of the law providing for the regulation of rates and services of railroads, motor carriers, street railways, express and Pullman car companies, which heretofore has been assigned to the Transportation Rate Department, is now assigned to the Rates and Services Section. This Section is headed by Henry O. Reinhardt, who has been a rate expert for the Commission since 1947.

Common carriers are required to publish, post and file with the Commission schedules of rates and charges for all services which they perform. The Rates and Services Section receives and examines all rate and fare schedules filed by the various transportation agencies to determine the reasonableness of any proposed changes in rates and charges within the State and makes suggestions and recommendations to the Commission as to whether the rate changes should be permitted to become effective without hearing or whether such changes should be suspended and investigated to determine their reasonableness and propriety.

Increased Work Load

During the past year, the Section received and examined 6,308 rate schedules. The railroads and their tariff agents filed 3,651 new or amended freight rate schedules and 239 passenger fare schedules. The common carrier truck companies and their tariff agents filed 1,829 rate schedules and the motor bus companies filed 551 fare schedules. The Railway Express Agency filed 38 new or amended tariff schedules.

Each of the tariff schedules is examined to determine if it provides proper notice to the public and if it otherwise complies with the Commission's rules of publication. These rules of publication are important to insure some degree of uniformity in the tariff schedules filed with the Commission and during the year it was necessary to reject ten schedules for the reason that they did not provide statutory notice of changes or otherwise disregarded the rules of publication.

There are, at the present time, 128 contract motor carriers operating between points in Missouri, each of which is required to file a bilateral contract with each shipper served. These contracts must show the rates and charges and other provisions of the agreement between the shipper and carrier. Each new or amended contract is examined to determine whether the charges and other provisions are just and reasonable and not contrary to the public interest.

Public Interest

When it appears from the examination of the rate and fare schedules that any changes in rates and charges or other provisions might adversely affect the public interest, or if complaints are made as to any such changes, the Commission is advised of the changes, along with the Section's recommendation as to whether the new rates and provisions should be suspended and assigned for hearing for the purpose of determining whether they are just and reasonable. Six such investigation and suspension proceedings were initiated during the past year.

Carriers have the right under the law to initiate changes in rates and charges by the filing of new or amended tariff schedules with the Commission and posting them at their stations and terminals on not less than 30 days' notice. Frequently, however, emergency situations develop which necessitate changes in rates or the establishment of new rates and provisions to serve new industries or new movements of traffic on less than statutory notice. Emergency situations also make it necessary occasionally to depart from the Commission's tariff circular requirements. During the year, the Section received and disposed of 123 applications for permission to establish tariff changes on less than statutory notice or other tariff rule relief.

Any obvious errors and departures from the tariff publishing rules are called to the attention of the carriers or their tariff agents so that corrections can be made before the schedules become effective. While every effort is made through correspondence and personal contact to obtain compliance with the statutory requirements, it is sometimes possible to obtain compliance only by suspending the carrier's operating authority until compliance is effected.

During the past year operating authorities of 31 motor carriers were suspended because of failure to post and file proper tariffs or to establish rates prescribed by the Commission. By the end of the period covered by this report, 24 of the suspended authorities had been reinstated.

Aid Other Agencies

The Commission is authorized by law to participate in interstate transportation proceedings when the public interest of Missouri citizens is affected. To this end the Rates and Services Section keeps itself informed on interstate rate matters and maintains an extensive file of motor carrier and railroad interstate tariffs.

The various files of tariffs are useful for rate comparisons and

rate quotations, not only by Commission staff, but for other State agencies and departments and the general public. The interstate tariff files have been of considerable use in developing rate information for the Department of Commerce and Industrial Development in its efforts to attract new commerce and industry to Missouri.

Bus Services

Motor bus companies which provide service on regular routes are required to post in their stations and file with the Commission, time schedules showing arrival and departure times for all regular trips. These schedules are received and examined to determine whether any proposed changes are likely to adversely affect the public interest. During the past year, 90 new or amended bus time schedules were filed. Schedules which propose any substantial changes are called to the attention of the officials of the communities involved, with the request that they advise the Commission as to whether a hearing is desired.

Since bus patronage depends to a large extent on the convenience of its schedules and good will of the communities served, carriers will often withdraw a proposed time schedule or change it to conform to the desires of the community when they are made aware there is a justified complaint. Needless to say, there are occasions when schedules that are particularly suitable in one locality are not convenient for a community farther down the line. If there are protests against schedule changes which cannot be resolved informally, the matter is referred to the Commission with the recommendation of the Rates and Services Section as to whether the changes should be suspended and a hearing held to determine if the changes should be permitted.

All inquiries or complaints concerning proposals to discontinue or abandon passenger or freight service and the consolidation, dualization or abandonment of agency stations are first referred to this Section. All such inquiries or complaints are acknowledged and every effort is made to supply any requested information or to satisfy the complaints informally. Many such complaints originate simply because the public is not sufficiently advised as to changes and the reasons for the changes. Any complaint that cannot be resolved informally is set for hearing. To discharge its responsibility of advising the Commission of all the facts necessary for proper decision, the Section seeks to keep informed of all service changes and to obtain all the information necessary to determine whether any such changes should be assigned for public hearing.

Participate in Hearings

Rates and Services personnel participate in all hearings before the Commission involving rates and charges of transportation agencies or

which relate to the adequacy of service of transportation companies. Evidence is offered by the Section personnel when public interest is involved and when the Commission may not otherwise be advised of all the pertinent facts. Personnel of the Section also participate in proceedings before the Interstate Commerce Commission involving rates and services of carriers operating within Missouri.

Under Missouri law, the Commission is authorized to grant, without hearing, temporary authority to fill an immediate and urgent need for motor carrier service for which no other carrier service is available. The Section has been assigned the responsibility of making the initial recommendation with respect to whether such temporary authority applications should be granted or denied. During the past year, the Section prepared 65 recommended Orders to grant or deny temporary operating rights.

The Rates and Services Section maintains extensive card records which indicate completely and accurately the operating rights of motor carriers. These records are extremely valuable in the case of transfers of operating rights and in the processing of applications for additional and extended authorities. By the use of these records, the Section during the past year, provided 145 restatements of motor carrier authorities for use in transfer Orders or Orders granting additional authority.

Assist With Publication

The responsibility for summarizing the rights sought by motor carrier applicants for publication in the Commission's monthly Register of Motor Carrier Cases has been assigned to the Rates and Services Section. During the past year, 192 such summaries were prepared.

During the period covered by this report, the Section prepared a list of all carriers by counties, showing in addition to the name of the carrier, its place of business and a brief description of the authority held by the carrier. This list is used by Commission personnel, particularly the field inspectors, and has been made available to other interested persons. Periodical revisions are made in the list of carriers to maintain a current status.

In order to keep itself fully informed and to keep the Commission informed with respect to transportation conditions in Missouri and throughout the country, the Rates and Services Section accumulates and compiles statistical information of rail and motor carrier operations. It receives and analyses the statistical data received from other state commissions, the Interstate Commerce Commission, the Association of American Railroads, American Trucking Association and various other transportation associations.

All inquiries or informal complaints relating to transportation rate and service matters are first referred to this Section. All complaints are

investigated and many are disposed of by correspondence, however, some require extensive investigation. These investigations are generally made by a field investigator assigned to the Section, although it is frequently necessary that he seek assistance from members of other departments.

Railroad Operations

For the fourth straight year the nations' railroads experienced a moderate gain in freight traffic and net earnings. Freight traffic volume in 1965, as measured by ton miles, reached a new high for the period since World War II. Longer rail hauls and increased freight car capacity combined with an increase of 1.8 per cent in carloadings to establish the new volume high. The 695 billion ton miles in 1965 was 6.1 per cent more than the previous post war record of 655 billion in 1947, a period in which the national industrial production doubled.

Increased carloadings were reported for each of the commodity groups except ore and livestock, for which there were declines of 2.2 per cent and 18.3 per cent respectively. There was also a decrease of 27.2 per cent in less-car-load traffic, occasioned no doubt by the discontinuance of L. C. L. service by many of the larger railroads.

In 1965 rail "piggyback" traffic set a new annual record of 1,031,210 flat cars loaded with one or more highway trailers. This was an increase of 15.8 per cent over the 890,216 cars in 1964. Trailer-on-flat-car service has experienced a steady and continuous growth since separate statistics were first commenced for this service in 1955.

The freight car per diem bill (s.1098) which sponsors hope will result in an end to chronic freight car shortages, was passed by Congress and signed into law by the President on May 26, 1966. As Public Law 89-430, it will become effective September 1, 1966 and will amend the Interstate Commerce Act to provide, in effect, that in fixing the per diem rate which one railroad pays to another for use of its freight cars, the Interstate Commerce Commission may consider in addition to other reasonable cost factors an incentive element to encourage freight car ownership. A report of the Interstate Commerce Commission issued in June 1964 in Ex parte 241, noted a "substantial inadequacy in ownership in more than one category of freight cars throughout the United States with the exception of the Pocahontas District".

Rail Passenger Service

Despite efforts to reduce the loss in their passenger service, railroads in 1965 experienced a deficit of 410 million dollars in this part of

their service. The loss was just about the same as it was for 1964. By the elimination of the most unprofitable service and by increasing passenger fares, the railroads have succeeded in reducing their passenger service deficit from a high of 723 million dollars in 1957. The deficit reached a low of 394 million dollars in 1962 and since then the trend is again upward. The high loss reflects the continued decline in passenger, mail and express revenues of the railroads. Last year the railroads took in \$1,035,000,000 for these services, but this was \$50,000,000, or 4.6 per cent less than in 1964. The Missouri Pacific Railroad, which operates more passenger service than any of the other Missouri railroads, lost \$14,500,000 last year on its passenger operations, which was \$900,000 more than the 1964 loss. The St. Louis-San Francisco Railway Company, which has heretofore operated a considerable number of passenger trains in Missouri, lost \$5,780,000 last year on its passenger operations as compared with a deficit of \$6,351,000 in 1964. The reduced deficit in 1965 was due to the fact that the Frisco was authorized by the Interstate Commerce Commission to discontinue six of its remaining passenger trains in Missouri effective September 13, 1965. This action resulted in the total discontinuance of passenger service on the line extending from St. Louis through Cape Girardeau and Sikeston to Memphis, Tennessee.

The Missouri Pacific Railroad Company was authorized by the Interstate Commerce Commission, effective April 3, 1966, to discontinue Trains 11 and 12, its last through trains between St. Louis and Pueblo, Colorado, a route at one time served by the well-known Colorado Eagle.

Railway Express Operations

Railway Express operations are affected by the discontinuance of passenger trains and the Express Company was compelled to abandon service at many small points in the rural areas formerly served by the Frisco. On a temporary basis, it inaugurated over-the-road service to numerous points having convenient highway access and shortly thereafter it applied for permanent authority over numerous regular routes across the State. Under its highway operations it has developed a new "key point" method of operation in which a central city becomes a distribution center for traffic moving to small communities in the area. For example, Columbia has become the "key point" distribution center for express traffic to and from cities in the central part of Missouri.

REA increased its class rates October 30, 1965 in amounts ranging from 36 per cent on smaller shipments to approximately 8 per cent at 100 pounds and shortly thereafter filed new tariffs containing increased commodity rates on the lower weight shipments.

Truck Operations

Tonnage of intercity freight transported by truck during 1965 was

up 9.5 per cent compared with 1964 and was up 19.3 per cent over 1963. This comparison is based on the operations of 2440 Class I and II intercity common and contract motor carriers of property throughout the United States which reported 502,698,601 tons of intercity freight in 1965 as compared with 459,218,136 tons in 1964. The following table, taken from a recent release of the American Trucking Association, illustrates the substantial increase in truck tonnage by relating the annual tonnage for each year since 1940 to the average for 1957-59 as Index 100:

<u>Year</u>	<u>Tonnage Index</u>	<u>Year</u>	<u>Tonnage Index</u>
1940	23	1953	84
1941	26	1954	81
1942	33	1955	93
1943	35	1956	96
1944	39	1957	97
1945	39	1958	95
1946	42	1959	108
1947	49	1960	109
1948	56	1961	111
1949	58	1962	120
1950	72	1963	126
1951	77	1964	138
1952	78	1965	151

Reports filed with the Commission by 29 Class A motor carriers having operations in Missouri show a decrease of 2.5 per cent in tonnage having origin and destination in Missouri in 1965 as compared to 1964 but an increase in intrastate revenue of 0.6 per cent. For the year 1965, the 29 Class A carriers reported total intrastate revenues of \$14,817,989 for transporting 778,676 tons of freight, as compared to total intrastate revenues in 1964 of \$14,722,768 for transporting 798,906 tons of freight.

Request Denied

In last year's report, it was indicated that the Commission had pending a request of Missouri motor carriers for an interim order authorizing an immediate increase in rates pending final decision on the carriers increase petition filed on March 4, 1965. It appearing to the Commission that there was no emergency which made such an increase necessary, the request for an interim increase was denied. The petition for a permanent increase was also subsequently denied by Report and Order dated September 10, 1965 in Case T-23, 815.

On April 27, 1966 Missouri motor carriers filed a new petition for increased rates and charges and the matter was assigned for hearing on

July 6, 1966.

By an order issued on March 15, 1966, 227 motor carriers were cited to appear before the Commission on May 10 and 11, 1966 for failure to meet the Commission's requirements with respect to annual reports, insurance, or rate schedules. The authorities of 180 of the carriers were revoked.

"Use or Lose" Authority

As an indication of the Commission's attitude that carriers should "use or lose" their operating rights is the proceeding instituted by order of July 20, 1965 requiring Arkansas Best Freight System, Inc. to show cause why the authority granted to it should not be revoked and cancelled for failure to give service consistent with the public need. A hearing was held on September 20, 1965 and by a Report and Order dated February 15, 1966, all of the carrier's authority, except a regular route authority between Kansas City, and St. Louis, was cancelled and revoked. The evidence showed the carrier held authority to render service to and from seventy-three regular route points and that it had not provided any transportation service to and from such points.

Intercity Bus Operations

Buslines with operating authorities in areas crossed by completed interstate highways have increased their use of the limited access roadways wherever possible. Use of these high speed roadways has reduced the running times of express buses between the larger cities thereby providing an improved service to a majority of the public but there is increased evidence that persons at the smaller communities, without agency stations, are finding it more difficult to use common carrier service.

The Commission noted with interest Greyhound's experiment of operating nonstop buses over Interstate Highway 70 between St. Louis and Kansas City on a four-hour, 15 minute schedule, but shortly thereafter instituted an investigation into the adequacy of service between St. Louis and Springfield where portions of U. S. Highway No. 66 have or will be replaced by Interstate Highway 44. This investigation is continuing.

As the result of hearings held late in 1964 and 1965, the bus lines, effective August 10, 1965, were authorized to revise their fare structure for sales to patrons moving wholly within the State. Tariffs were completely refigured by multiplying mileage by a graduated scale of rates prescribed by the Commission which resulted in numerous decreases in existing fares for shorter distances and an increase in fares for longer

distances. The maximum increase was 10 percent but the average realized by the carriers was estimated to be about 7 per cent.

Transit Operations

During the past year, Kansas City Transit, Inc. continued to experience a decline in riding on the order of 4 per cent, which, with the increased operating costs, has further reduced the margin between its revenue and expenses. In an effort to reduce its operating costs without increasing fares, it sought to eliminate service on several of its lines where patronage was the lightest and the Commission authorized it to reduce service on many of its lines where patronage was insufficient to justify the cost. At the present time, the fare structure in Kansas City includes a 30-cent cash adult fare, a children's fare of 10 cents and a transfer charge of 2 cents. However, the company has filed with the Commission new tariff schedules which it proposed to make effective July 1, 1966, and in which it proposed to increase its transfer charge from 2 cents to 5 cents, to increase the children's fare from 10 cents to 15 cents, to increase zone rates on the Independence-Intercity line from 10 cents, to 15 cents, and to discontinue the sale of tokens. It appearing that the public interest required an investigation of the proposed fares, an Order was entered on June 8, 1966 instituting an investigation and assigning a hearing for the determination of the lawfulness and propriety of the proposed fares. The hearing was assigned for July 25, 1966.

The St. Joseph Light and Power Company provided transit service in St. Joseph throughout the year on a fare structure that has been in effect since July 26, 1964. The adult cash fare is 20 cents with six tokens for \$1.00. There is a student rate of eight tokens for \$1.00 and the children's fare is 10 cents.

Railroad Mileage

The total track mileage reported by Class 1 railroads in Missouri was 10,854 on December 31, 1965, as compared to 10,965 miles on December 31, 1964. Except for minor changes in way and yard switching tracks and passing tracks, the principal difference in the reported mileages for the two years resulted from two abandonment proceedings. The Missouri Pacific Railroad Company was authorized by the Interstate Commerce Commission in Finance Docket 22767 to abandon 19.64 miles of main line track from Rich Hill, Missouri to the Kansas State Line. The main line track of the St. Louis-San Francisco Railway Company was reduced by about 82 miles, representing that portion of its track in Missouri on its line from Nash, Missouri to Pocahontas, Arkansas, which the Interstate Commerce Commission authorized to be abandoned in Finance Docket 22369.

Track mileage reported by the smaller railroads was 0.9 miles less than reported a year ago as a result of abandonment and dismantling of certain switching tracks of the Hannibal Connecting Railroad Company. Mileage of this line will not be included in our report because by Order of the Interstate Commerce Commission dated November 16, 1965 in Finance Docket 23759, it was found that public convenience and necessity no longer required operation of the railroad and it was authorized to abandon its entire operation. A similar conclusion was reached by this Commission by Order dated December 15, 1965 in Case 15,808.

The following table shows track mileage in Missouri operated by the various railroads as of December 31, 1965.

RAILROAD MILEAGE OPERATED IN MISSOURI AS OF DECEMBER 31, 1965

Class 1 Railroads	Main Line Tracks	Second Main Tracks	Other Main Tracks	Passing Tracks, Crossovers, Turnouts	Way & Yard Switching Tracks	TOTALS
A.T. & S.F. Ry. Co.	308.17	197.85	26.54	38.83	63.90	635.29
C.B. & Q. RR. Co.	1,283.61	31.80	-	140.48	342.61	1,798.50
C.G.W. Ry. Co.	101.22	3.61	-	9.11	20.24	134.18
C.M. St. P. P. RR. Co.	155.81	57.47	12.45	30.29	104.83	360.85
C.R.I. & P. RR. Co.	509.88	69.60	27.60	51.55	125.67	784.30
G.M. & O. RR. Co.	245.07	11.64	-	46.96	50.50	354.17
I.T. RR. Co.	2.54	-	-	.41	9.45	12.40
K.C.S. Ry. Co.	202.29	10.33	-	48.64	119.58	380.84
M-I RR. Co.	245.86	24.56	-	26.60	24.97	321.99
M-K-T RR. Co.	391.26	18.84	-	36.36	81.12	527.58
Mo. Pac. RR. Co.	1,381.99	196.71	3.29	170.64	538.73	2,291.36
St. L. -S. F. Ry. Co.	1,346.53	31.10	-	162.37	384.85	1,924.85
St. L.S.W. Ry. Co.	219.09	14.79	-	20.12	29.18	283.18
U.P. RR. Co.	1.98	1.54	-	5.96	12.16	21.64
N. & W. Ry. Co.	627.61	62.80	13.31	99.59	219.55	1,022.86
TOTALS	7,022.91	732.64	83.19	887.91	2,127.34	10,853.99
Small Railroads						
Bevier & Southern Railroad Co.	-----	-----	-----	-----	-----	15.33
Hannibal Connecting Railroad Co.	-----	-----	-----	-----	-----	2.53
Kansas City Connecting Railroad Co.	-----	-----	-----	-----	-----	4.65
Missouri & Illinois Bridge & Belt Railroad Co.	-----	-----	-----	-----	-----	3.48
TOTALS						25.99

OFFICE OF TRANSPORTATION PERSONNEL

George G. Fox
Director of Transportation

Loretta Fitzpatrick Secretary to Director

Enforcement Section

J. Sidney Schanbacher	Chief Enforcement Officer
Joan Dale	Clerk Stenographer
Jesse L. Bledsoe	Field Inspector I
Jimmy F. Brackett	Field Inspector I
Joe H. Keaster	Field Inspector I
Lewis B. Swiney	Field Inspector I
Ralph M. Toalson	Field Inspector I
Walter C. Walton	Field Inspector I
Perrin A. Cooper	Field Inspector II
Phillip M. Hodge	Field Inspector II
George Phipps	Field Inspector II
Bernard J. Scheve	Field Inspector II
Ed S. Ramsey	Field Investigator

License and Records Section

Judith A. Kolb	Chief License Clerk
Lucille DeBroeck	Clerk Typist III
Judith A. Pierce	Clerk Typist III

Trans. Pers. continued

Insurance Section

Marguerite Smith

Chief Insurance Clerk

Carol J. Bloebaum

Clerk Typist II

Rate and Services Section

Henry O. Reinhardt

Rate Expert (Chief)

Robert F. Hencey

Rate Expert

G. H. Havens

Rate Expert

Robert L. Witthar

Rate Expert

Edward Fritsch

Accountant Analyst

Paula J. Musick

Clerk Stenographer II

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