



**THE ANNUAL REPORT
OF THE
MISSOURI
PUBLIC SERVICE COMMISSION
1983-84**



Missouri Public Service Commission

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January 11, 1985

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Chairman

CHARLOTTE MUSGRAVE

ALLAN G. MUELLER

CONNIE B. HENDREN

JAMES M. FISCHER

ROBERT J. SCRIBNER

Staff Director

HARVEY G. HUBBS

Secretary

KENT M. RAGSDALE

General Counsel

TO: The Honorable Christopher S. Bond
Governor of the State of Missouri
and
The General Assembly of the State of Missouri

Pursuant to section 386.380 of the Missouri Revised Statutes 1978, the Missouri Public Service Commission hereby submits its annual report for the fiscal year of July 1, 1983 through June 30, 1984.

Respectfully submitted,

William D. Steinmeier
Chairman

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INTRODUCTION

The Missouri Public Service Commission has the responsibility of ensuring that consumers receive adequate amounts of safely delivered and reasonably priced utility and transportation services at rates that also will provide the companies' shareholders the opportunity to earn a reasonable return on their investments.

The Commission regulates utility and transportation rates, service and safety. Investor-owned electric, gas, telephone, telegraph, mobile telephone, sewer, water, bus, truck and railroad companies are under the Commission's jurisdiction. The Commission also monitors the construction of mobile and modular homes and recreational vehicles.

Although rates charged by electric cooperatives are determined by their governing boards, the Commission has jurisdiction over the safety of services provided by the cooperatives. Utility and transportation services provided by city and state governments are exempt from Commission regulation.

The Commission is both quasi-judicial and quasi-legislative. It decides cases based on testimony presented in a courtroom proceeding and also makes the rules by which the companies must operate.

The rate increase cases handled by the Commission are without a doubt those that are the most important to consumers. The number of requests for increases made by the state's utilities in the last few years has prompted questions from many persons about how the process works.

The process begins when a utility files with the Commission new tariffs for authority to increase its rates. The Commission, then, except in unusual or emergency situations, sets a schedule for hearing the case. It has 11 months from the date the proposal is submitted to reach a decision.

Prior to the hearing being held, the Commission's staff conducts an independent on-site investigation into the company's records to provide the Commission with a recommendation as to what amount of the proposed increase, if any, should be allowed. This investigation can take weeks or months. Other parties, such as the Office of the Public Counsel, (which represents consumers before the Commission), consumer groups, industries and cities also are given an opportunity to present evidence on the proposed increase and take part in the proceedings.

Once the participants in the case file their prepared evidence, a prehearing conference is held. The parties in the case meet at the prehearing conference to determine which issues are contested and on which ones they agree.

Sometimes during a prehearing conference, the company, Commission's staff and other parties will come to an agreement on the amount of increase that should be allowed. That agreement, a stipulated settlement, is then presented to the Commission for adoption.

Prior to the actual hearing, the Commission also many times holds local hearings in the company's service area to give customers an opportunity to express their views on the proposed increase and also bring to the Commission's attention any service-related problems they might have.

At the formal evidentiary hearing, the participants in the case present evidence to the Commission regarding their various recommendations and cross-examine the other parties' witnesses.

Once the hearing is completed, the Commission deliberates and then issues a decision. That decision is subject to appeal to the courts by any of the participants with the exception of the Commission's staff.

MISSOURI PSC STRUCTURE

The Missouri Public Service Commission is organized into five functional divisions, Executive, Office of the Secretary, General Counsel, Utilities and Transportation. One support division, Electronic Data Processing, is organizationally located within the Department of Economic Development-Management Information System Unit.

EXECUTIVE DIVISION

This division is made up of the Commissioners, Staff Director, Hearing Examiners and support staff.

THE COMMISSIONERS

The Commission is comprised of five commissioners who are appointed by the Governor, with the advise and consent of the Senate, for six-year terms. The terms are staggered so that no more than two expire in any one year. The Chairman of the Commission is designated by the Governor. Traditionally, no more than three members of the Commission are from the same political party as the Governor. The Commissioners function as the appointing authority for the organization and therefore are ultimately accountable for the hiring and firing of employees plus the management of the Commission.

Those Commissioners presently serving and those who served during the past fiscal year appear on the following pages.

William D. Steinmeier

William Dann Steinmeier was appointed Chairman of the Missouri Public Service Commission by Governor Christopher S. Bond on January 26, 1984. Steinmeier was appointed to replace John Shapleigh who resigned in late January, 1984. Prior to that appointment, Mr. Steinmeier had served for four years as a Hearing Examiner for the Missouri Commission. As a Hearing Examiner, Mr. Steinmeier had primary responsibility for a number of major utility rate cases, including the 1982 and 1983 Southwestern Bell Telephone rate cases in Missouri and the 1981 Kansas City Power & Light Company case. Steinmeier presided over the hearings and authored the bulk of the Commission's decisions in those cases.

Prior to joining the PSC Staff in February of 1980, Mr. Steinmeier was a law clerk for the 22nd Judicial Circuit of Missouri in St. Louis and an Assistant Counsel for the Missouri Highway and Transportation Commission. He received his JD degree from the University of Missouri - Columbia Law School in 1975, and his BA in Political Science from Wheaton College, Wheaton, Illinois in 1972.

Mr. Steinmeier and his wife, Rebecca, have three children: David, Jonathan and Rachel. The Steinmeiers make their home in Jefferson City, Missouri. Mr. Steinmeier is a former resident of St. Louis.

Chairman Steinmeier is a Republican and his term expires April 15, 1985.

Charlotte Musgrave

Charlotte Musgrave, on October 7, 1981, was appointed to the Commission by Governor Christopher S. Bond.

Mrs. Musgrave is a Republican from Kansas City who served on the Jackson County Legislature from 1978 until her appointment to the Public Service Commission in 1981. Mrs. Musgrave is currently the PSC Vice-Chairman.

Her community service, especially to the Westport area of Kansas City, has been recognized by awards from Westport Tomorrow, Penn Valley Community College and The Sheperd Center.

She has served on the Truman Medical Center board of directors, George Washington Carver Neighborhood Center and Jackson County Economic Development Commission.

Mrs. Musgrave has an A.A. degree from Christian College in Columbia, Missouri and a B.S. degree in education from the University of Missouri in Columbia.

Her term will expire on April 15, 1987.

Allan G. Mueller

Allan G. Mueller joined the Missouri Public Service Commission on July 11, 1983 following his appointment by Governor Christopher S. Bond.

Mueller is a Democrat from the City of St. Louis and previously served in the Missouri Senate from 1977 to 1982, and served in the Missouri House of Representatives from 1971 to 1977. While in the Legislature, Mueller served on the National Council of State Legislators Energy Committee. Prior to being elected to the Legislature, Mueller served three years in the U.S. Marine Corps as a combat engineering officer, attaining the rank of Captain. His tour of duty included thirteen months in Vietnam.

Allan Mueller graduated from St. Mary's University in San Antonio, Texas in 1965 with a bachelor's degree in business administration and has been a licensed real estate broker in the State of Missouri and Illinois since 1970. He is married and has three children. Mueller's term will expire on April 15, 1989.

Connie B. Hendren

Connie B. Hendren, a Certified Public Accountant, joined the Missouri Public Service Commission on July 11, 1983, following her appointment by Governor Christopher S. Bond. Commissioner Hendren was confirmed by the Missouri Senate on October 21, 1983.

Prior to joining the Commission, she was tax manager for the certified public accounting firm of Williams-Keepers. She was with the accounting firm's Columbia office.

She received her elementary and secondary education in Moberly, Missouri. She graduated from the University of Missouri-Columbia in May 1976, with a B.S. degree in business administration with a major in accounting.

She is currently a licensed CPA in the State of Missouri and is serving as treasurer to the Central Chapter of the Missouri Society of CPAs, is a member of the American Institute of CPAs, serves on the Governmental and Membership Committees of the Missouri Society of CPAs, is a member of the National Association of Regulatory Utility Commissioners and serves on the Administration Committee of that organization, is a member of the Mid-America Association of Regulatory Commissioners and serves as a member of the audit committee for that organization.

She is married and has three sons: Andrew, Brett and Luke.

She is a Democrat. Her term expires on April 15, 1989.

James M. Fischer

James M. Fischer was appointed to the Missouri Public Service Commission on January 3, 1984. Commissioner Fischer replaced Larry Dority, who resigned in October, 1983.

Prior to his appointment to the Public Service Commission by Governor Bond, Fischer served as Public Counsel of the State of Missouri. He had occupied that position since September 1981 and had been with the Office of Public Counsel and the Department of Economic Development since June of 1976.

Mr. Fischer received his elementary and secondary education in Raytown, Missouri. In 1972, he graduated from the University of Kansas, majoring in economics and political science. He received his law degree from the University of Kansas in 1976, where he was an associate editor of the Law Review. He is a member of the Missouri Bar, Cole County Bar Association, National Association of Regulatory Utility Commissioners and Mid-America Association of Regulatory Commissioners.

Commissioner Fischer and his wife, Hannelore, have two sons: Michael and Jeremy. The Fischers make their home in Jefferson City, Missouri.

Fischer's term expires on April 15, 1985.

John C. Shapleigh

John C. Shapleigh, 34, of St. Louis, was appointed Chairman of the Missouri Public Service Commission by Governor Christopher S. Bond on February 10, 1983. He joined the Commission on February 17, 1981 after being confirmed by the Missouri Senate. Prior to joining the Commission, Shapleigh was an attorney with the St. Louis law firm of Lewis and Rice, counsel to the Governor of Missouri, and a law clerk for the Consumer Protection division of the Missouri Attorney General's Office. He graduated with senior year honors from Dartmouth College in 1972 and received his law degree from the Washington University School of Law in 1976, where he was an editor for the Washington University Law Quarterly. While practicing law in St. Louis, he also taught at the Washington University School of Law as an Instructor in Law.

Shapleigh has served on the Committee on Administration and the Committee on Electricity of the National Association of Regulatory Utility Commissioners (NARUC). He also served as the chairman of the Ninth Annual Rate Symposium in Kansas City that is sponsored by the University of Missouri-Columbia, American University, and the Missouri Public Service Commission.

Shapleigh is a Republican. John Shapleigh resigned from the Public Service Commission on January 31, 1984.

Larry Wayne Dority

Larry Dority was appointed to the Missouri Public Service Commission by Governor Joseph Teasdale on April 4, 1979. The Springfield native was confirmed by the State Senate in the spring of 1979.

Dority received a B.A. degree, cum laude, in 1973 from Drury College, graduating with departmental distinction in Business Administration and Economics.

Dority received his law degree from the University of Missouri-Columbia School of Law in December 1975 and was a member of the Springfield law firm of Bussell, Hough and O'Neal prior to joining the Commission.

A member of the National Association of Regulatory Utility Commissioners, Dority served on NARUC's Committee on Communications.

Dority is a Republican. Commissioner Dority resigned from the Public Service Commission effective October 1, 1983.

STAFF DIRECTOR

This position serves at the pleasure of the Commission and is the chief administrative officer of the Commission. The Staff Director is delegated line authority to be exercised in accordance with policies and guidelines established by the Commission and the statutes of the State of Missouri.

Some general duties and responsibilities are: (1) Provides efficient direction and coordination of all divisions of the Commission through an ongoing review of the operation and the use of sound management practices, (2) works closely with the Commission, the Division Directors and other members of the Staff to assure cooperation throughout the Commission, (3) furnishes the Commission with information and overall assistance, either directly or through delegation, relative to issues, policies, procedures and/or other matters affecting the Commission and (4) ensures consistent and uniform applications by divisions of the various rules, regulations, procedures and policies adopted or approved by the Commission.

HEARING EXAMINERS

A staff of full-time hearing examiners is utilized to meet the procedural demands of the large volume of contested cases filed with the Commission as authorized by Chapters 386 through 393 of the Revised Statutes of Missouri. Each case filed is assigned to a hearing examiner on a rotational basis. The examiner prepares the necessary orders for the Commission's issuance which are required to comply with notice and procedural due process requirements to afford a full and fair hearing to the parties on the matters properly before the Commission.

The present volume of cases makes it impossible for members of the Commission to participate in all hearings. It is the duty of the hearing examiner to take a case through the hearing and post-hearing process and prepare a recommended order or decision based on the evidence of record.

Due to the complex issues and subject matter, the length of hearings may vary from a part of a day to as much as eight weeks. Disposition of procedural matters and preparation of a proposed decision will frequently account for five to eight times the amount of the time required for hearing.

In fiscal year 1984 the Commission received for filing 277 utility cases and 163 transportation cases requiring handling by a hearing examiner. Hearings before the Commission required 729 hours and resulted in 24,407 pages of transcript in addition to the hundreds of exhibits offered by the parties.

OFFICE OF THE SECRETARY

The Office of the Secretary is responsible for providing the Commission with the administrative coordination needed to operate the various divisions in a proper fashion.

In addition to being the place where all cases and testimony are filed, the office also functions as the distributor of all Commission orders and aides in setting the schedule, or docket, for hearing the cases.

Since the legal record of the Commission must be maintained, the files on all cases are kept up-to-date by the office's personnel. Those files are open to public inspection, and copies of records can be obtained for a copying fee.

The Commission's Information Department, which ensures the news media is aware of the Commission's activities that might affect consumers in their reading or listening area, also is part of this office. The number of news releases issued by the department decreased from 364 in fiscal 1982-83 to 350 in 1983-84. In the last fiscal year, the Information Department also provided information sheets for local hearings, answered inquiries from the public and the media, continued work on an overall information program and setup the Public Service Commission's monthly calendar which describes the hearing schedule for that month plus an article about a particular facet of the PSC. The Information Department also sets up speaking engagements for interested groups regarding the Missouri Public Service Commission and works on consumer information type programs.

The Hearing Reporters Department ensures a clear, concise record is kept of all formal proceedings before the Commission. In the last year, 729 hours were spent in hearings and 24,407 pages of transcripts were filed.

Through the Internal Accounting Department, the office prepares the budget that is presented to the legislature and handles the financial business of the

Commission. The department also prepares and receives the assessments on regulated Missouri utilities, prepares the payroll, handles purchases of equipment and supplies, keeps records of all expenditures and does an annual audit of the Transportation Division, License Section and Mobile Homes Department.

PUBLIC SERVICE COMMISSION EXPENDITURES

Public Service Commission Fund

	<u>Fiscal Year 1983</u>	<u>Fiscal Year 1984</u>
Personal service	\$3,326,061	\$3,707,753
Expense and equipment	<u>1,204,441</u>	<u>1,603,897</u>
Total PSC Fund	\$4,530,502	\$5,311,650

State Highway Fund

Personal service	\$1,516,441	\$1,507,499
Expense and equipment	<u>439,913</u>	<u>612,341</u>
Total Highway Fund	\$1,956,354	\$2,119,840

General Revenue

Personal service	\$ 115,768	\$ 107,684
Expense and equipment	<u>19,692</u>	<u>25,545</u>
Total General Revenue	\$ 135,460	\$ 133,229

Other Expenditures

License refund	\$ 14,980	\$ 34,955
Grade Crossing Fund	207,483	238,298
Federal Funds*	<u>3,485</u>	<u>-0-</u>
Total Expenditures	<u>\$6,848,264</u>	<u>\$7,837,972</u>

*Fiscal Year 1983 expenditure was to close out the Public Utility Regulatory Policies Act grant.

Authorized number of employees	245.66	261.66
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PUBLIC SERVICE COMMISSION RECEIPTS

Public Service Commission Fund

	<u>Fiscal Year 1983</u>	<u>Fiscal Year 1984</u>
Utility assessment (A)	\$5,109,340	\$6,298,155
Out-of-state audit reimbursement	12,050	25,473
Department of Transportation reimbursement		
Railroad track safety program	60,593	61,985
Natural gas pipeline safety program	21,547	73,965
Miscellaneous reimbursements	369	191
*SHMED	-0-	1,414
Sale of surplus property	<u>2,000</u>	<u>2,115</u>
Total PSC Fund	\$5,205,899	\$6,463,298

STATE HIGHWAY FUND

Sale of bus and truck licenses	\$2,759,175	\$3,093,398
Sale of surplus property	2,532	3,699
Miscellaneous reimbursements	5	10
*SHMED	-0-	5,323
Out-of-state audit reimbursement	<u>14,575</u>	<u>17,369</u>
Total State Highway Fund	\$2,776,287	\$3,119,799

GENERAL REVENUE FUND

Mobile Homes Division's Receipts:

Sale of recreational vehicle seals	\$ 50,888	\$ 86,740
Sale of modular home seals	1,396	2,580
Payment for mobile home manufacturer construction monitoring	6,629	7,867
Payment for mobile home units shipped to Missouri	49,749	61,428
Dealer registration fees	1,120	9,850
Manufacturer registration fees	18,830	31,500
Plan approvals	20,475	32,900
Postage assessment	<u>412</u>	<u>504</u>
Total Mobile Homes Division	\$ 149,499	\$ 233,369

Miscellaneous receipts

Miscellaneous refund	\$ 407	\$ -0-
Authority fees	53,896	42,542
Fees for copies of PSC documents	<u>25,078</u>	<u>35,202</u>
Total Miscellaneous Receipts	\$ 79,381	\$ 77,744
Total General Revenue Fund	<u>\$ 228,880</u>	<u>\$ 311,113</u>
Grade Crossing Fund		
Tax on car rentals by freight-line companies	\$ 523,377	\$ 604,958
TOTAL RECEIPTS	<u>\$8,734,443</u>	<u>\$10,499,168</u>

(A) Section 386.370 RSMo 1978 authorizes the Public Service Commission to make an annual assessment against the regulated utility companies operating in the State of Missouri of up to 25 hundredths of one percent of the total intrastate operating revenue. For fiscal year 1984 the overall assessment factor was 15 hundredths of one percent.

OFFICE OF THE GENERAL COUNSEL

The Office of General Counsel is required by state law to provide the Commissioners with legal advice and to present the staff's position in the various cases.

As part of the hearing process, the legal staff also reviews the testimony presented by the other parties and cross-examines their witnesses to help ensure the Commission reaches a reasonable decision.

The General Counsel's staff also represents the Commission in the courts and before federal agencies.

The formal rules and procedures by which the Commission operates also are drafted by the legal staff as is any legislation that is presented by the Commission to the legislature.

If the Commission decides to seek penalties against a company for a rules violation, it is the legal staff's responsibility to take action in the appropriate court.

The Office of the General Counsel's workload over the last two fiscal years is detailed below:

	<u>FY 1982-83</u>	<u>FY 1983-84</u>
Cases filed (utility filing and tariff cases)	995	808
Cases on appeal in Missouri courts (Circuit, Appeals, Supreme Court)	25	26
Penalty cases	10	10
Federal Court Cases and Federal Regulatory Cases (FCC, DOE, ICC, FERC, NRC)	39	53

UTILITIES

The work performed by the Utilities Division staff of the Public Service Commission deals with regulated electric, gas, telephone, water and sewer companies. The activities of the various groups that work with the regulated utilities are coordinated by the director of the Utility Division.

TELECOMMUNICATIONS DEPARTMENT

"The Year of Change - 1984"

January 1, 1984, brought the implementation of the biggest antitrust settlement in history, the divestiture by AT&T of its regional Bell Operating Companies (BOCs). The overall effects of the divestiture are not totally known and probably will not be for some time. However, these comments will address some of the changes that have taken place, along with some of the Commission's concerns.

January 1, 1984, was also the effective date of the Missouri Public Service Commission decision in Southwestern Bell Telephone Company's (S.W. Bell's) most recent rate case, Case No. TR-83-253. S.W. Bell was requesting an annual increase of \$254.8 million, the largest Missouri telephone increase proposal in subscriber rates to date. The Commission granted S.W. Bell an annual revenue increase of \$181.6 million and granted American Telephone and Telegraph-Communications Company (AT&T-C) the authority to provide intrastate interLATA (Local Access Transport Area) toll services to conform with the mandates of the federal court.

Senate Bill 596 was passed during the past legislative session. This bill deregulates mobile, paging and cellular telephone service effective January 1, 1986. The Commission presently regulates 20 mobile companies, 6 paging companies and 2 cellular companies.

The Missouri Public Service Commission had already started to move in that direction under an order issued in September, 1983. In that order the Commission stated ... "movement toward the detariffing of both equipment and service for radio paging and mobile telephone operations is appropriate on a case-by-case basis, particularly given the fact that the resulting competition may lead to lower rates. To this end the Commission is hereby announcing its intent to permit pricing flexibility where it can be established that the level of competition is sufficient to ensure that the market will set just and reasonable rates."

"Access Charges"

One subject which is still generating considerable debate in both national and state jurisdictions is the effects of access charges imposed by the FCC on local telephone customers. The Missouri Public Service Commission, in Case No. TR-83-253, decided not to impose an intrastate end user access charge. However, the FCC to date has implemented an end user access charge on all business customers, with more than one business line, and announced a \$1.00/month residential and business end user charge effective June, 1985, for single line customers.

This situation is aggravated by the fact that the access charge decision of the FCC occurred at a time when the telephone industry was experiencing unprecedented changes in other areas, including deregulation of customer premises equipment (CPE), the FCC's desire to develop competition in the long-distance markets and the changes which have resulted from the divestiture.

"De-averaging and Restructure of Telephone Rates"

All of these activities in the industry are placing pressure on regulators to de-average and restructure rates. While some may benefit from these changes, one major concern continues to be whether or not telephone service will be available to most customers at affordable rates. It has been the testimony of

the Commission and Staff in proceedings before the U. S. Congress, FCC and U. S. Courts that prices that are implemented at the federal and state level should continue to meet the public interest standards of the Communications Act of 1934, which recognized that a primary objective for telephone utilities is universal service at affordable rates. Statistics show that 95% of the U. S. population has telephone service today.

At the heart of the matter is the procedure used by the FCC to allocate costs of common plant between state and federal jurisdictions, commonly known as "separations" (i.e., separating a telephone company's plant investment, expenses, taxes and reserves between interstate and state jurisdictions for ratemaking and revenue settlement purposes). Prior to divestiture, AT&T provided both Message Telecommunications Service (MTS) and local exchange service. Separations was the tool used to assign plant, expenses, taxes and reserves to each jurisdiction. The basis for the assignment to the jurisdiction was the use of plant needed to provide that service to that jurisdiction.

The pair of wires between a customer's premises and the Company's central office is considered to be a shared facility and therefore has a shared cost. In the past, the telephone companies have been reimbursed for this plant on a usage basis through long distance toll rates. The FCC has stated its intention to replace this usage charge by a flat rate charge, essentially the end user access charge. By doing so, rates are shifted from the toll user to the end user, thus creating the concern about whether universal affordable telephone service can be maintained.

The Missouri Public Service Commission, in denying an intrastate end user access charge, created two intrastate separations procedures to lessen the impact of divestiture. The PSC ruled that two revenue pools be created, one for intrastate/intraLATA toll revenues and another for intrastate/interLATA carrier access charges. The LATAs created by the U. S. District Court basically have

the same boundaries as the three area codes in Missouri, except that Columbia and Jefferson City are part of a separate market area which is essentially a fourth LATA. The pre-divestiture separations process allocation procedure is basically the process used in allocating revenues in the two intrastate revenue pools.

Pressure on the industry to de-average and restructure rates also is heightened by changes in technology. The installation of digital switching, microwave and fiber optics transmission facilities have greatly reduced the cost per call for many of the higher volume routes. Average rates which have been used by the telephone industry for many years, combined with the FCC's actions to "deload" toll rates at the interstate level, have created fertile ground for competitive communications operations, but have also created concerns and problems for regulators and local exchange telephone companies. The crux of this concern stems from the fact that as competition increases for services on the toll networks, the rates for those services will be forced toward costs and less revenue will be available to cover the common costs associated with the provision of telephone service.

Though technological developments have mushroomed in toll service facilities, and acknowledging that technology has improved the quality of the facilities being used, local exchange service is being provided in much the same manner today as it was 15 or 20 years ago. This means that the average customer is still receiving service over a pair of wires extending on a circuit from the local exchange company office to the business or residence location (i.e. a "local loop") and does not perceive any "enhanced" telephone service that seems to justify higher local exchange rates.

Independent telephone companies (AT&T-C or Bell Operating Companies) have two basic sources of revenues, local service and toll service. If the current trend toward de-averaging of rates continues, we can expect that both local

exchange rates and toll rates for the small and rural companies will increase because these areas generally have considerably higher costs per customer for the fixed facilities required to provide service of any kind, while the customers within an urban area would benefit from lower toll rates, especially the heavy toll users. At the present time, Missouri has 47 telephone companies, of which 37 have less than 5,000 access lines. Even though Missouri has several major metropolitan areas, much of our territory is rural in nature with low subscriber density and few large businesses or industries. There is no technology yet evident which will make a substantial downward difference in the cost of providing telephone service to customers in rural Missouri.

"Competition"

The effect of competition in the toll area is evident at the Missouri Public Service Commission. In Case No. TR-83-253, the Missouri PSC ordered:

"That the Commission's General Counsel shall immediately notify all OCC's and WATS (Wide Area Telephone Service) resellers believed to be doing intrastate business in Missouri and advise them to file an application for certification with this Commission no later than January 31, 1984."

As a result of the Commission's order, 32 applications have been received since January 1, 1984. These applications are basically divided into three categories, (1) WATS resellers, excluding hotels and motels; (2) hotel and motel WATS resellers; and (3) Other Common Carriers (OCCs), e.g. Sprint, MCI, U. S. Telephone and Western Union. Since the Bell Operating Companies, including Southwestern Bell, have been restricted by Judge Green from operating in the interLATA long distance toll arena, virtually all state commissions, including Missouri, are involved in confronting these new problems and working out solutions in this new environment.

Another facet of competition is demonstrated by S.W. Bell's motion that the Commission investigate the sharing of telephone services within the local

exchange. This may include telephone users sharing a customer-owned PBX or simply an entrepreneur placing coin-operated telephones in public places. In the past, there has been no question that telephone service was monopolistic and therefore only one provider of service was certified within a geographic area. S.W. Bell is concerned that revenues could be at risk by allowing the sharing of telephone services from the local exchange company, thus creating a revenue shortfall that must be collected from another group of customers, possibly the residential end user. The Commission has established an investigatory docket to address these issues.

Charts regarding telephone rate cases decided during fiscal 1984 and telephone company size appear in the back of this publication (pages 51-52).

ELECTRIC DEPARTMENT

The Public Service Commission is responsible for regulating the safety, service and rates of privately owned utilities within the state. Staff personnel specializing in all utility management disciplines, from forecasting future demand to the fine details of nuclear power plant construction, contribute in the effort to meet the public's need for electric power and to ensure adequate amounts of that power are safely delivered at a reasonable price.

In 1983, the state's 11 regulated electric utilities provided over 32 billion kilowatt-hours of electricity to their customers.

The Public Service Commission is currently involved with three electric rate cases, Union Electric Company, Kansas City Power & Light Company, and Arkansas Power & Light Company at the time of this report.

On February 15, 1984, Union Electric Company filed a \$639 million rate case to reflect the completion of construction of the company's Callaway Nuclear Power Plant. On a one-time basis, this increase would be approximately 65%. To

ease the impact on its customers, Union Electric proposed a "phase-in" plan with a first year increase of 25% followed by four annual increases of 8%. (The Commission has concluded all scheduled hearings regarding this case.)

On November 26, 1984, Kansas City Power & Light Company filed a \$194.7 million rate case. On a one-time basis, this increase would be approximately 52%. The company proposed a "phase-in" plan with a 25% increase the first year, followed by annual increases of 14%, 8% and 5%. This rate case reflects the completion of the Wolf Creek Nuclear Power Plant, of which KCPL is a 47% owner.

On July 18, 1984, Arkansas Power & Light Company (AP&L) filed for an 18% increase or \$6.9 million in rate relief, plus an additional 25.5% increase or \$11.2 million to be paid only if AP&L is required by the Federal Energy Regulatory Commission (FERC) to pay for 36% of the Grand Gulf Nuclear Power Plant. The Commission and several other parties are appealing that decision to the FERC. The Commission is also active at the FERC in another docket which threatens AP&L with paying for portions of another nuclear power plant. AP&L has proposed a phase-in in its Missouri rate case if it must pay for portions of the Grand Gulf plant.

During the last fiscal year, the Missouri Public Service Commission determined that the costs associated with the cancellation of Union Electric's Callaway Two nuclear power plant may not be included in the company's cost of service. The Commission's decision, dated October 21, 1983, was based upon Proposition I barring recovery. Proposition I was passed by Missouri voters in 1976. In part, that law states that any rate which reflects "the cost associated with owning, operating, maintaining, or financing any property before it becomes fully operational and used for service, is unjust and unreasonable and is prohibited."

The Public Service Commission on December 15, 1983, reached a decision on the merger of Missouri Power and Light, Missouri Edison and Missouri Utilities

into Union Electric. The Commission approved the merger but postponed a majority of Union Electric's proposed major increases for municipal governments to bring them into line with Union Electric's overall rate structure. Those residential customers of Missouri Power and Light, Missouri Edison and Missouri Utilities Company saw a slight rate reduction as a result of the merger.

The Public Service Commission staff was involved during much of fiscal year 1984 in auditing the construction activities associated with the Callaway and Wolf Creek nuclear power plants.

The Research and Planning Department is responsible for cost of service studies and rate design cases. The goal of these investigations is to assure rates that properly cover the cost which that particular class of customer has imposed on the Company. Updated cost of service studies and rate design dockets are typically presented in succeeding rate cases to reflect any changes in costs since the last rate case.

The Electric Rate Department monitors tariff filings and reviews any tariff filed as a result of a rate case order to ensure that those tariffs generate the revenue level allowed by the Commission. Technical complaints and jurisdictional allocations of plant are also handled by this department.

The Nuclear Regulatory Commission has jurisdiction over the safety aspects of these two plants. This Commission has the responsibility to see that the rates to Missouri customers are just and reasonable, and that the plant is used and useful for Missouri customers.

Charts regarding electric rate cases decided during fiscal year 1984 along with individual company revenues and number of customers appears in the back of this publication (pages 53-54).

NATURAL GAS DEPARTMENT

The Missouri Public Service Commission is responsible for regulating the safety, service and rates of 12 investor-owned gas utilities operating in the state. The PSC also has safety jurisdiction over 34 municipal gas systems serving the state.

Even though the cost of purchased gas continues to increase, recent changes have not been as large or disruptive as those which occurred between January 1979 and November 1982. The primary cause of escalating price changes can be attributed to Title I of the Natural Gas Policy Act of 1978. Essentially this act provides for the phased de-control of prices on certain categories of gas with final deregulation of scheduled gas categories taking place on January 1, 1985.

Changes in rates to Missouri consumers can be traced to two sources: the Missouri Public Service Commission (PSC) and the Federal Energy Regulatory Commission (FERC). The FERC regulates the gas pipeline suppliers which serve Missouri utilities.

Increases in wholesale prices can be traced to two factors to a large degree: increases granted by the FERC to pipeline suppliers as a result of the Natural Gas Policy Act of 1978 and general rate increases granted by FERC to pipeline suppliers reflected in the Purchased Gas Adjustment (PGA) portion of the customer's bill.

Since the Natural Gas Policy Act of 1978 took effect in Missouri in January of 1979, gas customers in Missouri have seen their rates go up by approximately 123 percent. Increases of approximately 103 percent were the result of increases granted to pipeline suppliers by FERC. Actions taken by the Missouri Public Service Commission since January of 1979 have resulted in general rate increases of approximately 20 percent.

Increases granted by FERC do not add to the profits of the local gas company.

The impact of natural gas policies on Missouri are seen below:

Impact of natural gas policies on Missouri January 1979 - June 1984

<u>Company Name</u>	<u>Mo PSC actions</u>	<u>F.E.R.C. actions</u>	<u>Total</u>	<u>Percentage increase</u>
Associated Natural Gas Co.	\$ 3,857,677 (23.6%)	\$ 16,602,406 (101.6%)	\$ 20,460,083	125.2%
Bowling Green Gas Co.	83,671 (16.1%)	683,313 (131.8%)	766,984	147.9%
The Gas Service Co.	39,019,720 (19.7%)	278,113,719 (140.2%)	317,133,439	159.9%
Great River Gas Co.	1,475,100 (28.9%)	6,671,792 (130.6%)	8,146,892	159.5%
Laclede Gas Co.	66,117,471 (19.2%)	258,749,724 (75.0%)	324,867,195	94.2%
Missouri Public Service Co.	3,774,788 (22.5%)	27,668,917 (164.8%)	31,443,705	187.3%
O'Fallon Gas Service, Inc.	268,015 (28.8%)	746,207 (80.1%)	1,014,222	108.9%
Osage Natural Gas Co.	41,957 (16.9%)	163,131 (65.7%)	205,088	82.6%
Peoples Natural Gas Co.	66,399 (8.2%)	1,413,826 (175.5%)	1,480,225	183.7%
Rich Hill-Hume Gas Co., Inc.	67,261 (23.7%)	298,571 (105.3%)	365,832	129.0%
St. Joseph Light & Power Co.	246,285 (8.0%)	2,737,574 (89.0%)	2,983,859	97.0%
Union Electric Co.				
Missouri Edison Co.	881,825 (25.6%)	3,910,027 (113.5%)	4,791,852	139.1%
Missouri Power & Light Co.	2,978,839 (17.9%)	22,365,283 (134.7%)	25,344,122	152.6%
Missouri Utilities Co.	4,109,210 (23.2%)	24,087,096 (136.1%)	28,196,306	159.3%
Total	\$122,988,218 (19.7%)	\$644,211,586 (103.0%)	\$767,199,804	122.7%

"Purchased Gas Adjustments"

The Missouri Public Service Commission currently permits the use of a mechanism which allows gas utilities under its jurisdiction to track wholesale pipeline supplier prices and to flow through the resulting increased cost of gas on to their customers. This mechanism is called the Purchased Gas Adjustment Clause. The PGA clause is tailored to meet the rate design methodologies approved by the Commission and correspond to the unique gas supply requirements exhibited by the individual gas utilities.

This clause is considered imperative in maintaining the financial integrity of the gas utilities. The cost of gas at the first part of 1983, for Missouri utilities, ranged from approximately 70% to 85% of the utilities' total cost of service. Without a timely mechanism for passing on these cost changes considerable loss or overcollection by the utilities would occur.

A utility company, after receiving notification of a FERC wholesale price change, computes a revised PGA factor and submits the proposed tariff to the Commission for approval.

The Gas Rates Section of the PSC reviews the proposed PGA factor changes to assure that the wholesale rate changes are valid and that the company has computed the PGA factor change pursuant to its filed PGA clause.

After review and comment by the Gas Rates Section on the proposed PGA change, the Commission decides whether or not to allow the proposed changes to become effective.

The Gas Rates Section of the PSC is currently incorporating a deferred account tracking mechanism into the companies' PGA clauses to assure that companies do not overcollect or undercollect gas costs from action of their PGA clause.

"Pipeline Safety Program"

The Gas Department's Engineering Section is responsible for administering the Commission's natural gas pipeline safety program, which is conducted under the auspices of the Federal Department of Transportation's Materials Transportation Bureau. The Commission has safety jurisdiction over 46 natural gas distribution operators, 34 municipally-owned systems and 12 investor-owned utilities, which as of December 31, 1983, reported a total of 18,031 miles of mains and 1,124,133 service lines in their systems. Engineering Section staff members are involved in an on-going field inspection program of over 80 inspection units to ensure the design, construction, installation, operating, and maintenance policies, procedures, and practices of the jurisdictional operators meet the requirements of the Commission's pipeline safety rules.

Probable violations of Commission pipeline safety rules discovered during staff inspections are reported to the operators who are then responsible for implementing appropriate corrective actions to achieve compliance. Although

most enforcement is accomplished by the staff on an informal basis with the operators, formal complaints are filed against an operator by the staff when sufficient corrective actions are not taken in a reasonable period of time. In FY 1984 Engineering Section staff members conducted 79 pipeline safety inspections with 285 probable violations of Commission pipeline safety rules being discovered. There were no formal complaints filed against operators in FY 1984.

Accidents, except those resulting from misuse or malfunction of customer facilities, involving an ignition, eruption, or explosion resulting from the escape of natural gas which result in the loss of life, personal injury requiring the services of a physician or hospitalization, or property damage exceeding \$1,000 must be reported to the Engineering Section staff. Based upon the report received from the operator concerning the accident, the staff determines if a formal investigation is necessary. Upon completion of a formal accident investigation, the Engineering Section staff prepares a Staff Accident Report which is filed in a public docket. Follow-up to recommendations contained in the reports is conducted by the staff. Probable violations of Commission pipeline safety rules discovered during staff accident investigations which the staff believes contributed to the accident become the subject of formal complaints. Probable violations not believed to have contributed to the accident are generally handled on an informal basis between the staff and the operator. During FY 1984 the Engineering Section staff conducted 7 formal accident investigations with no probable violations of Commission pipeline safety rules being discovered.

During FY 1984 the Commission initiated a public awareness program pertaining to natural gas safety. On December 9, 1983, the Commission released a statewide press release containing consumer tips for what to do and not to do in the event the odor of natural gas is detected. On April 13, 1984, the

Commission released a statewide press release pertaining to the detection of natural gas leaks. Both press releases were well received and resulted in radio interviews for Engineering Section staff members. Current plans are to repeat these press releases on an annual basis and to expand the awareness program by use of radio and possibly TV public service announcements.

Natural gas charts appear in the back of this publication. These charts indicate the rate cases decided by the Public Service Commission in fiscal year 1984 as well as individual company statistics (pages 55-57).

WATER AND SEWER DEPARTMENT

The Missouri Public Service Commission's Water and Sewer Department is responsible for overseeing the rates and practices of the state's 157 certificated regulated water and sewer companies (79 water and 78 sewer). In addition to their other duties, members of the staff of the Water and Sewer Department also check to ensure water and sewer services are actually needed before allowing the company to be granted a certificate to operate. They also oversee the sale or transfer of ownership of the companies.

In the last fiscal year, the Water and Sewer Department handled 17 small company rate cases and major rate cases for 4 water and 5 sewer companies. The staff of the PSC's Water and Sewer Department also provided assistance with the handling of 8 formal complaints and 172 informal complaints and inquiries.

In order to ensure customers are provided with adequate service, the staff inspected 54 water and 55 sewer companies. The staff also provided recommendations to the Commission on the sale of 3 sewer and 7 water companies, and 5 certificate cases.

While the Public Service Commission is concerned with the quality of the customer's service, the Department of Natural Resources oversees the overall quality of water in the state and problems dealing with pollution.

Since the PSC and the Department of Natural Resources both oversee aspects of the water and sewer industry that affect the quality of the customer's service, a great number of problems are of a concern to both agencies. A cooperative agreement was developed in fiscal year 1981-82 between DNR staff and PSC staff and was approved by the Commission.

Charts regarding water and sewer cases decided in fiscal year 1984 appear in the back of this publication as well as individual company statistics (pages 58-62).

SUPPORT SERVICES

The Utilities Division of the Missouri Public Service Commission has some departments that don't oversee the rates or practices of any one type of utility but provide the Commission with accounting and financial evidence, management studies, data processing and personnel to handle complaints.

FINANCIAL ANALYSIS DEPARTMENT

The Financial Analysis Department of the Missouri Public Service Commission has three primary duties: to prepare rate of return testimony and exhibits on behalf of the staff for rate cases, to monitor the financial condition of certain utilities on a monthly basis and to make recommendations regarding utilities' financing applications. In addition to these duties, it also is available for any financially related analysis requested by the Commission or the staff.

Preparing testimony and exhibits on behalf of the staff is the most important function of Financial Analysis because of the filing deadlines that must be met during a rate case. The office presents a recommended rate of return for the jurisdictional investment of a utility (or, the return which an analyst determines is fair for a utility to be allowed to earn on its rate base).

On a monthly basis, 25 of the larger electric, gas, telephone and water utilities report specified financial data from which various financial ratios are computed. Certain of these ratios are monitored for compliance with decisions rendered in rate cases.

In interim rate case proceedings, one or more of the analysts may be asked to prepare testimony or give their opinion as to the existence of a financial emergency.

This office reviews and makes recommendations regarding all issuances of long-term debt, preferred stock and common stock requested by utilities. Traditional methods of financing are still applied for, but in recent years, innovative financings, such as the use of bankers' acceptances, Eurodollar loan arrangements, nuclear fuel financing and intermediate-term loans that have a floating rate, have been requested.

MANAGEMENT SERVICES DEPARTMENT

The Management Services Department (MSD) was created in 1975 with an overall objective to promote and encourage efficient and effective utility management decisions. Such decisions should help to ensure that customers receive safe and adequate service at just and reasonable rates while enabling utilities to earn a fair return on their investments. MSD strives to achieve this objective by performing the following functions:

- . Providing a source of information to the Missouri Public Service Commission describing the operations and management systems of electric, gas, telephone, water, and sewer utilities (companies) operating within the State of Missouri.
- . Providing the Commission and company with a composite view of the relative strengths and weaknesses of the company's organization, policies, practices and procedures.

. Recommending improvement in those operations, policies, practices and procedures where necessary.

This work is accomplished through the performance of comprehensive management audits, focused audits, implementation reviews and special project assignments.

Thirty-two states have used management audits in utility regulation, with the majority of these audits being performed by consultants under contract. Missouri is one of seven states that has Commission staff which also conduct management audits. The Commission is afforded the flexibility of ordering both staff-conducted and consultant-conducted management audits, depending upon the size of the company, staff resources, etc.

In addition to general management audits, the Management Services Department has also performed customer service audits, and selective audits relating to specific issues in rate cases. However, during the past year the Staff has been primarily involved in the preparation of both oral and written testimony on management efficiency. These efforts have been in response to the Commission's suspension orders relating to eight utility companies' rate cases.

During the past year, the Management Services Department has also been involved in various stages of the management audit process of nine utility companies, including following up on the recommendations made in previously issued reports. While the management audit identifies opportunities for improvements in a company's organization, policies, practices, and procedures; the audit follow-up process determines the degree and extent to which the companies have taken advantage of the previously identified opportunities.

Finally, the Management Services Department has continued its past research and developmental efforts in the area of management efficiency and other special projects.

ACCOUNTING DEPARTMENT

The Accounting Department's role and importance to the Commission derives from the nature of the profession. All modern businesses keep an accounting of their operations, and for regulated businesses in particular, proper accounting of their expenses, revenues, assets, debts and owners' equity is a requirement because such accounting or financial information is usually a basis for justifying a desired change in rates. The accountants are the technical experts that review, examine and reconstruct the accounts kept by the utilities, and interpret the findings to the Commissioners who ultimately set the rates that utilities may charge.

The Accounting Department conducts various audits and investigations of the utilities in the state for the Commission, and is responsible for advising, informing, assisting and testifying before the Commission on various relevant financial matters. In addition, it is also responsible for the supervision of the accounting matters of all utilities operating within the state. By thoroughly auditing any company requesting a rate increase, the Accounting Department helps the Commission ensure that utility rates are fair and reasonable.

The Accounting Department is comprised of a Chief Accountant and 34 regulatory auditors who are assigned to three offices. There are 7 auditors working out of the St. Louis office; 12 out of the Kansas City office; and 15 auditors and the Chief Accountant assigned to the Jefferson City office.

The Accounting Department's priorities during the past year have been the construction audits of the Wolf Creek Nuclear Plant, which is partially owned by Kansas City Power and Light Company, and the Callaway Nuclear Plant, owned by Union Electric Company, along with the rate increases that have been requested by these utilities. The Accounting Department also performed the rate audit of

Southwestern Bell Telephone Company which was filed in conjunction with the court ordered divestiture by AT&T of the Bell Operating Companies.

In addition to the construction and rate case audits, the Accounting Department also has the responsibility of auditing the annual reports submitted to the Commission; analyzing filings by utilities concerning financing, sales or mergers, refunds and requests for specific accounting treatment; and interpretation of the Uniform System of Accounts.

With the assignment of a substantial portion of the Accounting Department to the construction audits, rate cases related to the commercial operation of the nuclear facilities and the Bell divestiture rate case, outside consulting services under Accounting Department guidance were required to provide the resources necessary to meet the demands of continuing rate requests by other regulated utility companies.

CONSUMER SERVICES DEPARTMENT

State law provides for complaints to be made to the Commission. The Utility Consumer Services Department investigates complaints and/or responds to inquiries concerning the utility companies regulated by the Commission. Each complaint is assigned to a specialist who acts as an intermediary between the consumer and the utility in an attempt to reach a resolution or provide the requested information. Through investigations of consumer complaints, the department works to ensure utilities comply with the regulations adopted by the Commission and the application of rates, rules and regulations contained in tariffs filed by the company and approved by the Commission. Consumer Services Staff members analyze consumer complaints to identify problem areas, which analysis may be used as evidence during a formal proceeding before the Commission. Probable violations of Commission regulations, including the utility billing practices, discovered during complaint investigations are

reported to the utility for corrective action. Formal complaints may be filed by the Staff if action is not taken by the utility to correct such violation. It is also the responsibility of the Consumer Services Staff to provide testimony in proceedings as it pertains to complaints, rule changes and investigations. In addition, the department reviews and comments on proposed tariff changes involving rules and regulations. The Consumer Services Department acts as a liaison between the Commission, utilities, news media and the general public.

The Commission has consumer complaint offices in Jefferson City, St. Louis and Kansas City. The Commission also has a toll-free hotline number, 1-800-392-4211.

Consumers may submit complaints by telephone, letter, or in person. Over 95% of the complaints received are resolved in an informal manner through contact with the customer, the utility company, and the PSC staff. However, if these efforts are not satisfactory, a formal complaint, which requires action by the five Commissioners, may be filed. A formal complaint must be in writing. As part of the process of handling a formal complaint, the staff may conduct an investigation, which may include the overseeing of the testing of a meter, and recommend to the Commission how the complaint should be decided. The Commission may hold a formal hearing to let the consumer and the company present their evidence before reaching a decision.

Over the last fiscal year, the number of informal complaints handled by the Consumer Services Department has decreased.

The Consumer Services Department saw the number of complaints fall from 8,441 in 1982-83 to 7,788 in 1983-84.

Below is a chart showing the number of complaints by type of utility and the number from the preceding year.

<u>Utility</u>	<u>1982-83</u>	<u>1983-84</u>
Telephone	3,290	3,158
Gas	2,935	2,267
Electric	1,725	2,022
Water & Sewer	362	287

In the last fiscal year, the Kansas City office received 1,375 complaints as compared to the 1,861 complaints received during fiscal year 1982-83. During the same time, the Jefferson City office's number of complaints decreased from 4,743 to 4,543 and the St. Louis office's number increased from 1,837 to 1,870.

Consumers continued to use the telephone more than writing the Public Service Commission when lodging a complaint.

During the fiscal year 1984, the PSC received 6,481 complaints by telephone and 1,134 complaints through written correspondence. The Commission's toll-free hotline received 2,513 calls this past fiscal year, as compared to 2,479 calls the year before.

"PSC Cold Weather Rule"

The Missouri Public Service Commission's Cold Weather Rule takes effect each year on November 15, running through the following March 31. This rule places restrictions on utility companies when it comes to discontinuing or refusing heat-related residential utility service to a customer during the time the rule is in effect.

The Cold Weather Rule ensures customers are given adequate notification of a proposed discontinuance, encourages customers who can not pay their utility bills to seek financial assistance through available sources, provides special provisions for the state's elderly and handicapped and requires reasonable standards for the reconnection of service during the time the rule is in effect.

Several revisions in the Cold Weather Rule were recently made by the Public Service Commission. The rule now includes reconnection provisions, it requires utility companies to provide additional notice and information to all utility customers prior to termination of service between November 15 and March 31, and it allows a larger class of people to register for the additional special notice prior to disconnection for elderly and handicapped customers. This change reduces the minimum age for elderly customers from 62 to 60.

The Cold Weather Rule contains provisions for those customers who can not pay their utility bill but want to maintain existing service or have service restored when it has been disconnected. Under the rule that customer must: (1) contact the utility company, expressing an inability to pay the bill in full, (2) apply for energy assistance and (3) enter into a payment agreement with the utility company.

Different payment arrangements exist under the Cold Weather Rule for those customers who receive energy assistance funding and those who don't.

While utility companies are required to comply with the requirements of this rule, some companies go beyond what the Cold Weather Rule requires. One should contact their utility company to see what, if any, additional measures the company has taken to provide heat-related services to customers during the winter months.

The Public Service Commission has a brochure available regarding the Cold Weather Rule. It can be obtained by contacting the Public Service Commission Information Office at 751-2452 or write the Public Service Commission, P. O. Box 360, Jefferson City, Missouri 65102.

TRANSPORTATION DIVISION

The Commission's Transportation Division regulates the rates and services of approximately 17,800 trucking companies, 400 bus companies and 14 Class I railroad companies. Of the 18,273 regulated entities, \$142,350,116 was generated from the movement of property and passengers within the State of Missouri and \$21,248,000 from the movement of goods provided by rail service for the year 1983. In addition to the regulation of bus, truck and railroad companies, the division also regulates the construction and sale of mobile homes, recreational vehicles and modular units.

The Commission generally only has authority over the intrastate activities of the companies or the routes they provide with service in Missouri. The interstate activities of the companies are subject to the jurisdiction of the Interstate Commerce Commission. Private carriers, farm-to-market operators, taxicabs, school buses, van pools, tow trucks, and other specific transporters are exempt from Commission regulation.

Through its various sections, the Transportation Division provides to the Commission recommendations on proposed operating authorities and rate relief requested by motor carriers. The division's staff also ensures truckers have adequate insurance coverage, are properly licensed to operate in Missouri and that state truck regulations are enforced. State bus laws also are enforced by the Transportation Division's staff. Staff members oversee bus companies to ensure passengers receive safe and adequate transportation. The Federal Bus Regulatory Reform Act of 1982 pre-empted much of the Commission's jurisdiction in the areas of rate regulation, regular route entry, and the abandonment of routes.

Rail safety also is promoted by the Transportation Division. Through its contributions to Operation Lifesaver, a joint effort by industry, government and public officials, the division has tried to reduce the number of crossing-related deaths in Missouri.

Manufactured home regulation is also a responsibility of the Transportation Division. Division personnel ensure that manufactured homes sold in Missouri meet construction standards adopted by the Commission. These units are periodically inspected at dealer lots to ensure compliance with these standards. In addition, division personnel handle complaints and grievances by owners of manufactured homes regarding the construction of those units.

RATES, AUDITS, FINANCIAL ANALYSIS, AND RESEARCH AND PLANNING DEPARTMENT

The Rates, Audits, Financial Analysis and Research and Planning Department is responsible for inspecting tariffs (rate schedules), auditing the financial reports submitted by the carriers, performing financial analysis of data submitted for rate hearings and application cases, and conducting economic research to identify quantitative needs, to evaluate statistical sampling plans and to design procedures to facilitate necessary research.

The work of this department is detailed below:

<u>Carrier Financial Field Audits:</u>	<u>1982-83</u>	<u>1983-84</u>
<u>Type of Carrier</u>		
Household Goods Carriers	17	25
Dump Trucks	0(A)	33
Passenger Carriers	4	0 (B)
General Commodity Carriers	16	31
TOTAL FIELD AUDITS	37	89

Type of Audit

Rate Compliance Audits	49	42
Rate Case Analysis	12	4
Transfer Financial Reviews	280	50
New and Additional Authority-- Financial Reviews	3864	4158

(A) The staff, because of the number of rate cases, has only been performing audits if the carrier group has a rate case pending.

(B) The Staff has not performed any passenger carrier audits because the recent PSC rate case decisions have been overturned by the ICC.

AUDITS, FINANCIAL ANALYSIS, AND RESEARCH AND PLANNING
MAJOR TRANSPORTATION RATE CASES FOR FISCAL YEAR 1982-83

Cases T-48,056 and T-54,863

These cases finalized the determination of firm bid service by authorizing the Household Goods Carriers to file firm bid/binding estimate provisions in Report and Order effective July 18, 1984.

Case T-52,745

The Commission denied a rate increase in a consolidated case of tariff filings by ten Household Goods Carriers effective December 11, 1983.

Case B-53,447

Upon approval by the Commission of the tariff filing for Richard E. Werning, a 51 percent increase in charter service was granted effective July 20, 1983.

Case B-54,873

The Commission approved a permanent rate increase of 13.48 percent in charter fares and a 16.09 percent increase for regular route passenger fares for Greyhound Lines, Inc. effective December 30, 1983.

RATES DEPARTMENT

The Rates Department reviews all proposed tariffs and schedules filed by rail and motor carriers. The department recommends whether the Commission should allow the request or suspend it pending a hearing to determine if the request is reasonable.

Carriers wishing to change their rates are required to submit any revisions thirty days prior to their effective date to allow the staff time for review. The notice requirement can be waived with approval of the Commission.

Requests are suspended if the Commission believes that more information is needed concerning the rate or schedule change. Objections filed by opponents to the request are also considered.

If suspended, hearings will be scheduled on the request to give interested parties a chance to submit evidence. The Commission uses this information in addition to that supplied by the Rates, Financial Analysis and Research and Planning Department in making its final decision.

Errors and violations of tariff rules are determined through rate compliance audits. These audits indicated the following type of violations which were subsequently corrected by the carriers:

<u>Results of Rate Audits</u>	<u>1982-83</u>	<u>1983-84</u>
Number of rate audits	49	42
Bills of lading violations	297	189
Collection of charges violations	721	0
C.O.D. violations	58	297
Freight bills violations	209	1,364
Delivery receipt violations	106	0
Loss and damage rules violations	9	81
Authority violations	45	191
Tariff posting violations	12	4
Rate undercharges	400	221
Amount of undercharges	\$11,571.42	\$ 6,517.18
Rate overcharges	469	155
Amount of overcharges	\$12,236.58	\$ 7,059.54
Follow-up Investigations	46	42
Hours spent in carriers' offices conducting audits	724	766
Special investigations (other than rate audits)	3	3

Volume of Work Other Than
Rate Audits

Truck tariffs received	3638	3505
Rail tariffs received	7092	7365
Service complaints handled	58	43
Special permission orders issued	67	54
Tariffs suspended	5	2
Tariffs rejected	7	9
Contract carrier rate filings	44	37

LICENSE DEPARTMENT

State law requires motor carriers to purchase licenses which must accompany vehicles operating in Missouri. The License Department handles the sales of those licenses. The funds from the license sales make up a portion of the Commission's budget that is appropriated by the Legislature.

The License Department sells two types of licenses. The annual license is good for one year and cost \$25. A temporary license, for a 72-hour period, sells for \$5. The Commission charges \$1 for replacing damaged stickers.

The activities of the License Department over the past two fiscal years is detailed below:

	<u>1982-83</u>	<u>1983-84</u>
<u>Bus</u>		
Annual licenses	4,629	4,566
72-hour licenses	260	280
<u>Truck</u>		
Annual licenses	94,874	108,760
72-hour licenses	53,968	51,769
Replacements	10	3
TOTAL SALES	\$2,759,175	\$3,093,398

INSURANCE DEPARTMENT

Missouri truckers are required by state law to have cargo and liability insurance. It is the responsibility of the Insurance Department to ensure carriers have the necessary insurance before operating within Missouri.

Below the Insurance Department's work for the last two fiscal years is detailed:

	<u>1982-83</u>	<u>1983-84</u>
New certificates received & filed	16,629	17,396
Cancellation notices received	9,318	10,820
Carriers suspended due to cancellation	3,695	3,787
Carriers reinstated upon renewal	2,154	2,163

OPERATING RIGHTS DEPARTMENT

Missouri truckers are authorized by the Commission to carry certain goods over set routes. The Operating Rights Department handles requests that carriers submit for authority to provide an area with a service. After a request is submitted, other carriers are notified of the request and a hearing is held to allow the Commission to determine if the new service is needed. On the basis of the evidence presented in the hearing, the carrier's request is either approved

or denied. Below is a breakdown of the work performed by this department over the last two fiscal years:

	<u>1982-83</u>	<u>1983-84</u>
Applications for intrastate authority	143	78
Initial grants of authority	128	26
Additional grants of authority	59	98
Grants of temporary authority and extensions	266	230
Transfers of intrastate authority	24	50
Interstate permits issued	3,136	3,315
Interstate permits revoked	2,027	1,062

ENFORCEMENT DEPARTMENT

Through routine inspections and investigations from complaints, the Enforcement Department works to ensure Missouri's bus and truck companies adhere to state law and Commission rules promulgated thereto.

A carrier found in violation of the regulations can be prosecuted in the locality in which the incident occurred or can be called before the Commission, which can have its legal staff seek penalties in court.

A description of the department's work over the last two fiscal years

follows:

	<u>1982-1983</u>	<u>1983-1984</u>
Carriers contacted	6,144	4,867
Compliance surveys	14	39
Vehicles inspected	11,235	7,028
Bus stations inspected	33	6
Transferees investigated	30	8
Investigations conducted	1,304	1,245
New carrier orientation	103	62
Accidents investigated	40	49
Arrests resulting from investigations	1,673	855
Complaints received	487	486
Hours spent traveling	11,674	12,115
	<u>1982-1983</u>	<u>1983-1984</u>
Accident reports received	69	80
Vehicles placed out of service	3,886	1,258
Out of service violations	6,301	1,877
Warnings Issued	15,875	6,497
Cases submitted for prosecution	7	19

During the past legislative session, House Bill 1410 was passed and placed into law by the Governor. That law took away the motor carrier safety vehicle authority previously held by the Missouri Public Service Commission. The Commission's safety inspection responsibility is now limited to terminal inspections of vehicles as well as regulation of rates and routes.

Prior to the legislation's passage, Commission inspectors conducted inspections at weight stations along with the state highway patrol. In the past three years, the Public Service Commission has inspected approximately 19,000 vehicles and placed approximately 7,000 out of service--most for faulty brakes.

RAILROAD SERVICES DEPARTMENT

The Railroad Services Department has the job of enforcing state laws relating to Missouri's railroad industry and Commission rules promulgated pursuant to those laws.

In addition to investigating crossing accidents and derailments, the department develops a priority listing on all crossings to help determine the placement of signals. The staff also investigates complaints on the working conditions of railroad employees and any changes proposed by a railroad that would affect the level of service for the customers.

In an effort to provide for the safety of all motorists, the staff coordinates the statewide public information program, "Operation Lifesaver", which is a joint effort by government, industry and local officials to reduce the number of crossing accidents. Staff members also participate in the Federal Railroad Administration's Track Safety Program and under an agreement are solely responsible for conducting all track inspections in Missouri. Rail terminals are inspected continually to ensure the industry's compliance with all regulations on transporting hazardous materials by Missouri's railroads.

A summary of the department's work over the past two fiscal years is

detailed below:

	<u>1982-83</u>	<u>1983-84</u>
Fatal Accident Investigations	14	13
Grade Crossing Inspections	491	1,436
Grade Crossing Survey	20	361
Operation Lifesaver Presentations	15	11
Industrial Track Inspections	24	52
	<u>1982-83</u>	<u>1983-84</u>
<u>Railroad Inspections</u>		
Yard and Walkways	18	20
Sanitation and Shelter	20	10
Transportation Equipment	16	3
Applications Received and Investigated	104	59
Complaints Received and Investigated	115	127
Track Inspections:	319	383
Miles Inspected	4,909	8,297
Defects Written	1,541	1,457
Train Accidents Investigated	11	8
Hazardous Material Compliance		
Inspections:	40	23
Waybill Defects	127	52
Placarding Defects	87	79

MOBILE HOMES DEPARTMENT

The Mobile Homes Department has the responsibility of enforcing federal construction standards relating to mobile homes and recreational vehicles.

In 1976, the state legislature approved legislation allowing the Commission to contract with the Department of Housing and Urban Development (HUD) to act as its agent in Missouri for the enforcement of HUD's regulations on mobile homes. In return, the Commission receives federal funds calculated on the basis of the number of mobile homes sold in the state.

The same year the state legislature also passed another bill requiring manufacturers and dealers who do business in Missouri to register with the Commission. These manufacturers also must have seals attesting to the compliance with HUD regulations on any mobile homes, modular homes or recreational vehicles before they can be sold.

The department also investigates complaints concerning construction, performance and mobile home emplacement.

The activities of the department over the past two years are detailed below:

INSPECTIONS AND INVESTIGATIONS

	<u>1982-83</u>	<u>1983-84</u>
<u>Recreational Vehicles, Manufactured Homes, and Modular Homes</u>		
Seals Issued for Recreational Vehicles	3,944	4,337
Seals Issued for Modular Homes	159	129
Plan Approvals for Recreational Vehicles and Modular Homes	544	658
Number of Manufactured Homes Shipped to Missouri	3,716	5,119
Number of Hours Inspecting Manufactured Homes	432	432

FEEES COLLECTED

	<u>1982-83</u>	<u>1983-84</u>
Number of Dealer Registration Requests Received	189	197
Number of Manufacturer Registration Requests Received	86	126
Inspections of Recreational Vehicles, Manufactured Homes, and Modular Homes on Dealer Lots	2,862	2,916
Inspections and Construction Monitoring of Out-of-State Manufactured Home Plants	48	48
Inspections of Modular Home Plants	30	30
Consumer Complaints Handled	392	260

Tie-Down Systems

Complaints	191	150
Inspections:		
Manufacturers	16	8
Seminars and Workshops:		
Cities	8	7
Counties	6	4

Revenues

	<u>1982-83</u>	<u>1983-84</u>
Recreational Vehicle Seals	\$ 50,888	\$ 86,740
Modular Home Seals	1,396	2,060
Plan Approvals	20,475	32,900
HUD Reimbursement for Unit Shipped to Missouri	49,749	61,428
M.C.S.B.C.S. Reimbursement Monitoring Participation	6,629	9,526
Manufacturer Registration Fees	18,830	31,500
Dealer Registration Fees	1,120	9,850
Postage Assessment	412	504
Total Revenues	<u>\$149,499</u>	<u>\$234,508</u>

CHARTS AND SCHEDULES

TELEPHONE RATE CASES DECIDED DURING FISCAL YEAR 1984

<u>Date</u>	<u>Case No.</u>	<u>Company</u>	<u>Company Requested</u>	<u>PSC Granted</u>
07/01/83	TR-83-135	United Tel. Co.	\$ 11,211,671	\$ 2,029,682
08/15/83	TR-83-164	General Telephone	5,371,000	997,734
01/01/84	TR-83-253	SWB Telephone Co.	254,800,000	181,612,000
01/01/84	TR-83-253	AT&T	6,214,000	5,311,000

MISSOURI JURISDICTIONAL
TELEPHONE COMPANIES
BY MAIN STATION

<u>COMPANY</u>	<u>NUMBER OF MAIN STATIONS</u>
1. Southwestern Bell Telephone Company-St. Louis, MO	1,240,153
2. United Telephone Company-Jefferson City, MO	141,402
3. Continental Telephone Company-Wentzville, MO	126,652
4. General Telephone Company of Missouri-Columbia, MO	86,057
5. Central Telephone Company-Ft. Dodge, Iowa	36,952
6. ALLTEL Service Comporation -Little Rock, AR	25,014
7. Grand River Mutual Telephone Corp.-Princeton, MO	18,683
8. Missouri Telephone Company-Columbia, MO	14,219
9. Fidelity Telephone Company-Sullivan, MO	8,338
10. Chariton Valley Telephone Company-Bucklin, MO	7,132
11. Webster County Telephone Company-Marshfield, MO	4,084
12. Mark Twain Rural Telephone Company-Hurdland, MO	3,921
13. Northeast Missouri Telephone Company-Green City, MO	3,518
14. Citizens Telephone Company-Higginsville, MO	3,204
15. Mid-Mo Telephone Company-Pilot Grove, MO	3,161
16. Kingdom Telephone Company-Auxvasse, MO	3,117
17. Steelville Telephone Company-Steelville, MO	2,986
18. Green Hills Telephone Corp.-Breckenridge, MO	2,856
19. Eastern Missouri Telephone Company-Bowling Green, MO	2,380
20. McDonald County Telephone Company-Pineville, MO	2,035
21. Granby Telephone Company-Granby, MO	1,997
22. Craw-Kan Telephone Company-Girard, KS	1,899
23. Seneca Telephone Company-Seneca, MO	1,861
24. Carter County Telephone Company-Van Buren, MO	1,700
25. Rock Port Telephone Company-Rock Port, MO	1,521
26. Ellington Telephone Company-Ellington, MO	1,385
27. Goodman Telephone Company-Goodman, MO	1,356
28. Bourbeuse Telephone Company-Sullivan, MO	1,352
29. KLM Telephone Company-Rich Hill, MO	1,326
30. Iamo Telephone Company-Coin, IA	1,163
31. Oregon Farmers Mutual Telephone Company-Oregon, MO	996
32. Lathrop Telephone Company-Lathrop, MO	976
33. Orchard Farm Telephone Company-St. Charles, MO	943
34. Miller Telephone Company-Miller, MO	857
35. Le-Ru Telephone Company-Stella, MO	855
36. Stoutland Telephone Company-Columbia, MO	800
37. New London Telephone Company-New London, MO	689
38. Holway Telephone Company-Maitland, MO	620
39. Mo-Kan Telephone Company-Columbia, MO	484
40. Continental of Arkansas-St. Louis, MO	453
41. Choctaw Telephone Company-Halltown, MO	369
42. Wheeling Telephone Company-Columbia, MO	349
43. New Florence Telephone Company-New Florence, MO	334
44. Alma Telephone Company-Alma, MO	330
45. Peace Valley Telephone Company-Peace Valley, MO	289
46. Farber Telephone Company-Farber, MO	280
47. Continental Telephone Company of Iowa-St. Louis, MO	70
TOTAL MAINS IN MISSOURI	<u>1,760,118</u>

ELECTRIC RATE CASES DECIDED DURING FISCAL YEAR 1984

<u>DATE OF ORDER</u>	<u>CASE NO.</u>	<u>COMPANY</u>	<u>COMPANY REQUESTED</u>	<u>%</u>	<u>PSC GRANTED</u>	<u>%</u>
07/01/83	ER-83-40	Missouri Public Service Co.	\$ 32,800,000	22.6%	\$11,801,732	8%
07/06/83*	ER-83-163	Union Electric Co.	122,000,000	16%	30,500,000	4.14%(A)
07/08/83	ER-83-49	Kansas City Power & Light Co.	57,900,000	18.7%	24,126,000	7.8%
09/26/83	ER-83-206	Arkansas Power & Light Co.	9,916,000	26.4%	3,150,000	8.4%(A)

*7/10/84 As a result of fuel true up \$14,200,000 was refunded and rates adjusted to reflect this decrease.

On 8/17/84 Empire District Electric Co. refunded \$315,000 as a result of fuel true up and rates adjusted to reflect this change from Case No. ER-83-42 which allowed a \$1,653,998 (2.07%) increase on 6/17/83.

(A) Stipulated Settlement

MISSOURI JURISDICTIONAL ELECTRIC UTILITIES
1983 Statistics

<u>NAME OF COMPANY</u>	<u>KWH'S SOLD 1983</u>	<u>INC OR (DEC) KWH'S SOLD FROM PREV. YR.</u>	<u>TOTAL OPERATING REVENUES 1983</u>	<u>TOTAL NUMBER RESIDENTIAL CUSTOMERS</u>	<u>TOTAL NUMBER OF CUSTOMERS</u>
Arkansas Power & Light Co.	669,734,000	(67,397,000)	\$ 34,353,041	22,655	26,403
Citizens Electric Corp.	410,033,273	28,677,053	19,329,958	15,799	17,469
Empire District Electric	1,740,598,000	53,140,000	84,838,244	72,901	85,262
Kansas City Power & Light	5,997,841,000	366,028,000	368,463,653	203,483	233,829
Missouri Edison Company	942,026,248	122,847,248	47,557,850	28,262	33,433
Missouri Power & Light*	1,779,832,673	116,966,673	103,868,168	80,989	94,904
Missouri Public Service Co.*	2,361,886,000	132,014,000	165,259,493	119,357	136,278
Missouri Utilities*	956,542,290	45,737,290	51,253,060	46,963	61,527
Sho-Me Power Corporation	239,933,000	2,724,000	10,319,631	5,018	6,278
St. Joseph Light & Power	1,091,164,000	56,154,000	67,678,507	50,531	56,985
Union Electric	<u>16,329,062,478</u>	<u>1,259,302,472</u>	<u>854,895,869</u>	<u>642,536</u>	<u>717,487</u>
TOTALS	<u>32,518,652,962</u>	<u>2,116,193,736</u>	<u>\$1,807,817,474</u>	<u>1,288,494</u>	<u>1,469,855</u>

SOURCE: 1983 Annual reports (Mo. Jurisdictional)

*On December 15, 1983, the Missouri Public Service Commission approved the merger of these three subsidiaries into Union Electric.

NATURAL GAS RATE CASES DECIDED DURING FISCAL YEAR 1984

<u>Case No.</u>	<u>Company Name</u>	<u>\$ Requested</u>	<u>% Requested</u>	<u>\$ Granted</u>	<u>Percent of Increase</u>
GR-83-156	Osage Natural Gas Co.	\$ 32,225	10	\$ 4,100	1.1 (A)
GR-83-186	Missouri Public Service Co.	1,495,800	3.1	1,260,976	2.9 (A)
GR-83-205	Associated Natural Gas Co.	1,857,323	*	437,111	*
GR-83-225	The Gas Service Co.	20,966,511	4.6	14,100,000	3.96(A)
GR-83-233	Laclede Gas Co.	24,400,000	4	17,792,791	2.9 (A)
GR-83-363	Great River Gas Co.	540,000	4	400,656	3.4 (A)
GR-84-24	Rich Hill-Hume Gas Co.	15,506	3.7	15,506	3.7 (A)

*Percentage varies with each of the three districts.

(A) Stipulated Agreement

1983 MISSOURI JURISDICTIONAL
NATURAL GAS UTILITIES STATISTICS

<u>Company</u>	<u>Operating Revenues</u>	<u>Mcf's Sold</u>	<u>Number of Customers</u>
Associated Natural Gas Co.			
Residential	\$ 20,677,688	3,580,326	41,229
Commercial	9,412,930	1,784,415	5,496
Industrial	8,608,082	1,798,065	73
<u>TOTAL</u>	<u>\$ 38,698,700</u>	<u>7,162,806</u>	<u>46,798</u>
Bowling Green Gas Co.			
Residential	762,281	118,150	1,133
Commercial & Industrial	376,164	60,758	219
<u>TOTAL</u>	<u>\$ 1,138,445</u>	<u>178,908</u>	<u>1,352</u>
The Gas Service Co.			
Residential	248,343,774	46,221,701	369,663
Commercial	88,722,932	17,608,841	30,339
Industrial	130,223,244	30,568,460	562
<u>TOTAL</u>	<u>\$ 467,289,950</u>	<u>94,399,002</u>	<u>400,564</u>
Great River Gas Co.			
Residential	7,443,062	1,255,735	10,441
Commercial	3,092,658	550,558	1,415
Industrial	1,149,518	209,726	39
<u>TOTAL</u>	<u>\$ 11,685,238</u>	<u>2,016,019</u>	<u>11,895</u>
Laclede Gas Co.			
Residential	371,805,209	54,634,122	513,890
Commercial & Small Industrial	236,700,923	37,874,741	34,036
Large Industrial	36,376,439	5,914,972	12
<u>TOTAL</u>	<u>\$ 644,882,571</u>	<u>98,423,835</u>	<u>547,938</u>
Missouri Public Service Co.			
Residential	21,919,366	3,515,658	35,090
Commercial	7,481,311	1,226,178	3,947
Industrial	11,914,201	2,515,466	74
<u>TOTAL</u>	<u>\$ 41,314,878</u>	<u>7,257,302</u>	<u>39,111</u>

<u>Company</u>	<u>Operating Revenues</u>	<u>Mcf's Sold</u>	<u>Number of Customers</u>
O'Fallon Gas Service, Inc.			
Residential	\$ 2,409,252	290,448	2,498
<u>TOTAL</u>	\$ 2,409,252	290,448	2,498
Osage Natural Gas Co.			
Residential	253,696	41,530	562
Commercial & Industrial	136,414	24,677	107
<u>TOTAL</u>	\$ 390,110	66,207	669
Peoples Natural Gas Co.			
Residential	739,490	123,983	1,217
Commercial	561,062	102,434	220
Industrial	1,449,482	290,960	6
<u>TOTAL</u>	\$ 2,750,034	517,377	1,443
Rich Hill-Hume Gas Co., Inc.			
Residential	431,432	55,985	624
Commercial and Industrial	83,826	12,169	61
<u>TOTAL</u>	\$ 515,258	68,154	685
St. Joseph Light & Power Co.			
Residential	2,612,867	424,060	3,952
Commercial	1,767,101	301,535	591
Industrial	958,838	179,688	13
<u>TOTAL</u>	\$ 5,338,806	905,283	4,556
Union Electric Company			
Residential	50,070,748	7,642,594	80,511
Commercial	34,401,627	5,767,822	9,334
Industrial	3,111,446	623,132	30
<u>TOTAL</u>	\$ 87,583,821	14,033,548	89,875
<u>GRAND TOTAL</u>	<u>\$1,303,997,063</u>	<u>225,318,889</u>	<u>1,147,384</u>

WATER AND SEWER RATE CASES DECIDED DURING FISCAL YEAR 1984

<u>Company</u>	<u>Case No.</u>	<u>Effective Date</u>	<u>Company Requested</u>	<u>Percent Increase</u>	<u>Allowed</u>	<u>Percent Increase</u>
Capital City Water	WR-83-165	08-08-83	\$ 632,892	29%	\$ 202,195	10%
Missouri Water, Independence	WR-83-352	01-01-84	1,932,397	23%	1,367,851	16%
St. Louis County Sewer, Emergency	SR-84-193	07-01-84	183,000	28%	153,996	14%

MISSOURI JURISDICTIONAL SEWER COMPANIES
1983 Statistics

<u>Class A Sewer</u>	<u>REVENUE</u>	<u>CUSTOMERS</u>
St. Louis County Sewer Company	\$ 733,660.00	11,996
<u>Class B Sewer</u>		
Martigney Creek Sewer Company	438,191.00	4,609
Missouri Cities Water Company	627,072.00	4,441
<u>Class C Sewer</u>		
Crystal Springs Development Co., Inc.	111,306.00	988
Imperial Utility Corporation	108,799.00	511
Saline Sewer Company	568,733.00	3,079
West Elm Place Corp.	187,970.00	1,312
<u>Class D Sewer</u>		
American Utilities Co.	N/A	8
Antire Sewer Co.	6,080.00	64
Arnedo Naes	2,682.00	39
Batson Development Company	2,981.00	21
Binder Basin Sewer Co., Inc.	56,399.00	335
Boone Water & Waste Treatment Co., Inc.	13,275.00	112
Cedar Hill Utility Co., Inc.	12,604.00	166
Cedar Lake Sewer Company	53,955.00	602
Central Jefferson County Utilities, Inc.	6,168.00	32
Cleanco Sewer Corporation	498	8
CMPS Sewer Co., Inc.	1,915.00	57
Creekwood Sewer Systems, Inc.	5,286.00	61
Eastern Missouri Utilities Co., Inc.	4,200.00	1*
El Rey Sewer Company	3,710.00	30
Elledge & Lewis Enterprises, Inc.	2,925.00	73
English Village Sewer Service, Inc.	28,179.00	286
Franklin County Service Co.	2,190.00	41
Gladlo Water & Sewer Co., Inc.	4,830.00	60
Godfrey Gardens Utilities, Inc.	4,627.00	30
Gold Investments, Inc.	7,362.00	57
Herculaneum Sewer Company	6,448.00	36
Hickory Hills Water & Sewer Co., Inc.	1,547.00	37
Hillcrest Utilities Company	5,060.00	124
Incline Village Sewer Company, Inc.	1,105.00	11
Kimberling Inn, Inc.	14,958.00	100
L & K Sewer Systems, Inc.	1,956.00	26
L W Sewer Corp.	20,077.00	181
Lake Carmel Development Co., Inc.	546.00	11
Lake Hannibal Sewer Corp.	832.00	5
Lake of the Woods Sewer Co.	15,571.00	112
Lakeside Gardens Sewer Service	832.00	25
Lincoln County Utilities Company	7,741.00	98
Maplewood Service Company	51,295.00	347
Maxville Sewer System, Inc.	8,223.00	129

Meramec Sewer Co.	23,997.00	187
Mid-Missouri Sanitation Co., Inc.	61,167.00	863
Mill Creek Sewers, Inc.	4,600.00	74
Modern Structures, Inc.	11,773.00	197
P.C.B., Inc.	13,661.00	35
Peaceful Valley Service Company	4,772.00	95
Port Perry Service Company	609.00	14
Riverside Sewer Co., Inc.	217,743.00	310
Riverside Utility Company	1,620.00	20
Rogue Creek Valley, Inc.	1,573.00	40
Roy L Utilities, Inc.	2,651.00	37
Royal Oaks Water & Sewer Utilities Co., Inc.	N/A	N/A
S K & M Water & Sewer Co.	9,665.00	66
Schell Sanitation, Inc.	6,210.00	71
SLR Development Co., Inc.	16,212.00	156
South Jefferson County Utility Company	4,255.00	78
South Walnut Hills Sewer Corp.	1,811.00	19
Southwest Sewer Corporation	N/A	N/A
Stoddard County Sewer Company	13,038.00	46
Suburban Water & Sewer Co., Inc.	9,393.00	106
Swiss Villa Utilities, Inc.	N/A	N/A
Terre Du Lac Utilities Corp.	102,228.00	450
Trails West Sewer Co.	7,412.00	91
Villa Park Heights Water Co.	2,568.00	64
Virginia Properties, Inc.	867.00	35
Vogel Mobile Manor, Inc.	8,388.00	156
W C Sewer Systems, Inc.	46,027.00	442
Waters Edge Sewer Co.	4,278.00	90
The Willows Utility Company	18,000.00	124
Woodland Heights Utilities, Inc.	2,747.00	67
TOTAL	<u>\$ 3,729,053.00</u>	<u>34,194</u>

*Commercial establishment-truck stop

MISSOURI JURISDICTIONAL WATER COMPANIES
1983 Statistics

<u>Class A Water</u>	<u>REVENUE</u>	<u>CUSTOMERS</u>
Capital City Water Company	\$ 2,436,260.00	8,996
Empire District Electric Company	534,040.00	3,720
Joplin Water Works Company	MERGED	
Missouri Cities Water Company	4,530,306.00	20,336
Missouri Public Service Company	SOLD	
Missouri Water Company	8,619,456.00	40,719
Missouri-American Water Company	8,287,723.00	43,005
Raytown Water Company	992,532.00	6,493
St. Joseph Water Company	MERGED	
St. Louis County Water Company	44,367,254.00	249,776
Union Electric Company	2,763,219.00	10,890
 <u>Class C Water</u>		
Four Seasons Lake Sites Water & Sewer Company	203,071.00	206
I H Utilities, Inc.	62,454.00	558
Noel Water Company, Inc.	102,006.00	541
Tri-State Utility Company, Inc.	225,046.00	450
 <u>Class D Water</u>		
A R E N Corporation	4,801.00	38
Batson Development Company	12,381.00	89
Big Val Utility Corp.	3,842.00	8
Boone Water & Waste Treatment Co., Inc.	14,646.00	112
Cassidy Water Company	46,232.00	210
Cat-Pac Lakes, Inc.	15,859.00	135
Cedar Hill Estates Water Co., Inc.	4,537.00	109
Central Jefferson County Utilities, Inc.	2,769.00	32
Coney Island Water System, Inc.	7,147.00	80
Culbertson-Henss, Inc.	8,592.00	81
Davis Water Company	11,972.00	131
Dawn Valley Subdivision Water System	7,197.00	95
Evergreen Lake Water Company	9,807.00	33
Franklin County Service Co.	8,760.00	19
Franklin County Water Co., Inc.	12,185.00	87
Frimel Water Systems, Inc.	11,851.00	68
Gatliff Water Company	5,945.00	87
George J. Cyrus and Company, Inc.	2,089.00	63
Gladlo Water & Sewer Co., Inc.	8,608.00	60
Hickory Hills Water & Sewer Co., Inc.	2,803.00	38
High Ridge Manor Water Company	1,777.00	18
Hillcrest Utilities Company	4,221.00	124
Incline Village Water Company, Inc.	2,400.00	11
Jefferson County Water Co.	5,552.00	32
Kimberling City Water Company	23,585.00	67
Lake Charles Hills Water Co.	20,967.00	202
Lakeland Heights Water Company	9,043.00	123
Lakeview Heights Water Service	2,080.00	54

Lincoln County Utilities Company	15,503.00	98
LTA Water Company	6,694.00	53
Maplewood Service Company	47,376.00	347
Marathon Development Corp.	30,800.00	124
Martel Private Water & Sewer Co., Inc.	1,740.00	25
Merriam Woods Water Company	25,405.00	378
Moore Bend Water Company	3,024.00	100
Nehai Tonkayea Lake Association	1,983.00	73
Osage Utilities, Inc.	8,638.00	70
Ozark Mountain Water Company	24,232.00	237
Peaceful Valley Service Company	29,347.00	102
Port Perry Service Company	2,835.00	62
Rankin Acres Water Company	5,346.00	98
Rex Deffenderfer Enterprises, Inc.	22,064.00	105
Riverside Utility Company	8,036.00	63
Rogue Creek Valley, Inc.	2,018.00	60
Roy L Utilities, Inc.	3,420.00	42
Royal Oaks Water & Sewer Utilities Co., Inc.	1,584.00	19
S K & M Water & Sewer Co.	21,997.00	152
South Jefferson County Utility Company	7,683.00	78
Southwest Village Water Company	5,780.00	45
Stockton Hills Water Company	8,212.00	88
Stoneshire Water Co.	2,773.00	26
Suburban Water & Sewer Co., Inc.	11,302.00	56
Swiss Villa Utilities, Inc.	N/A	N/A
Taneycomo Projects, Inc.	23,254.00	225
Terre Du Lac Utilities Corp.	95,421.00	750
U. S. Water/Lexington, Missouri, Inc.	N/A	N/A
Valley View Village Water Co.	12,075.00	103
Villa Park Heights Water Co.	47,692.00	493
Virginia Properties, Inc.	1,933.00	35
White Branch Water Service	11,123.00	170
Willard Water Company, Inc.	74,186.00	635
The Willows Utility Company	18,000.00	124
Woodland Heights Utilities, Inc.	6,368.00	67
TOTAL	<u>\$ 73,982,859.00</u>	<u>392,999</u>