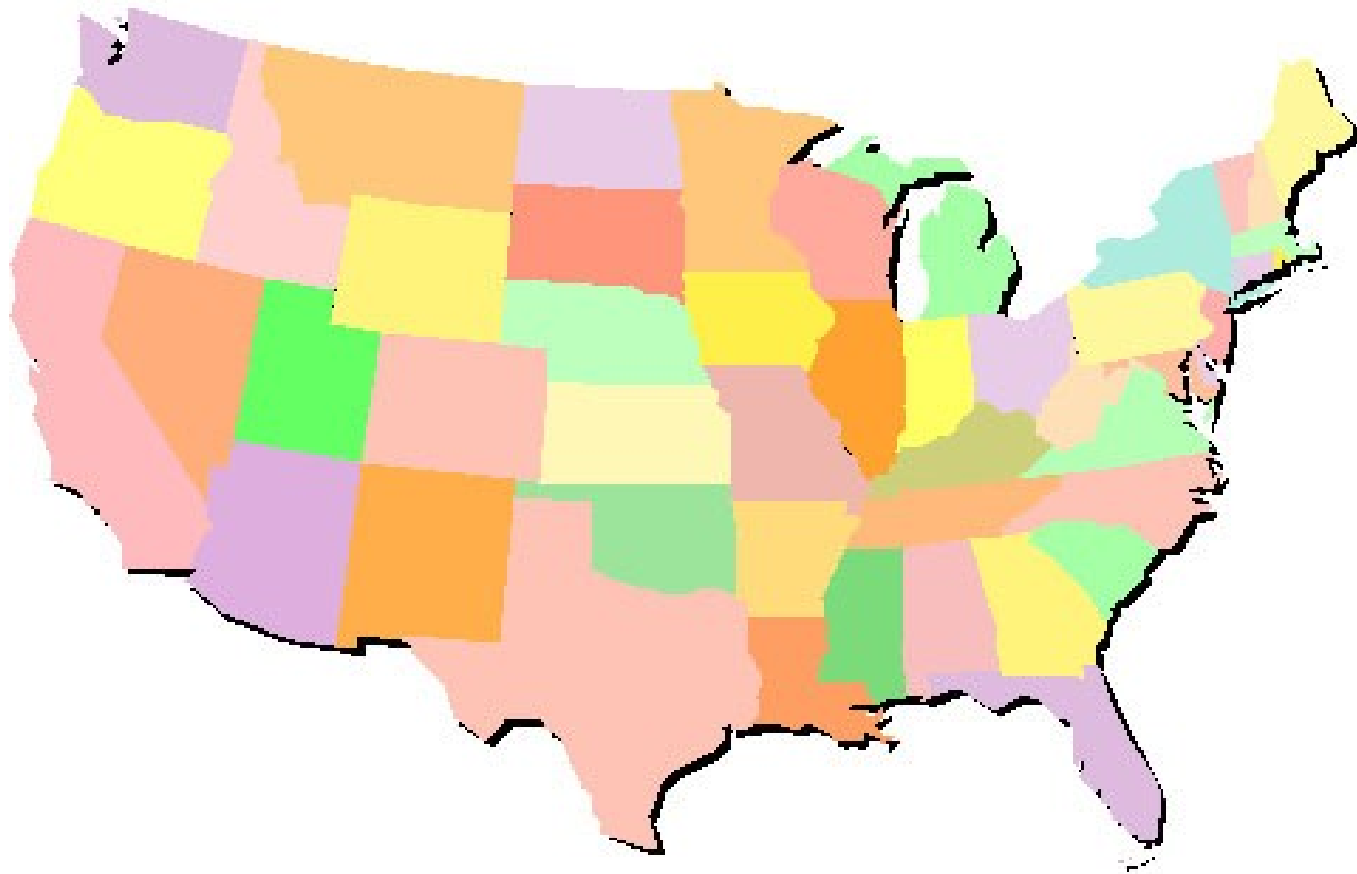
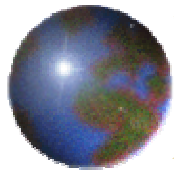
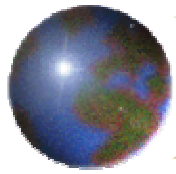
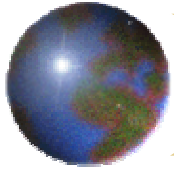


The Missouri Public Service Commission

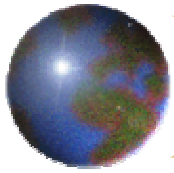
Presentation to the RURA
Commissioner Robert M. Clayton III



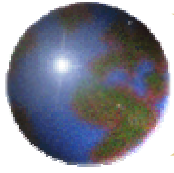




Jefferson City, Missouri



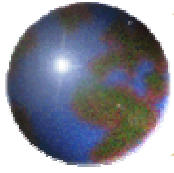
The Mississippi River



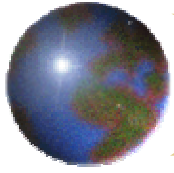
About Missouri

- Located in the Midwest
- More than 5.7 million people
- 2 Metropolitan areas (St. Louis and Kansas City)





*Interaction
Between the Regulator
and State Government*

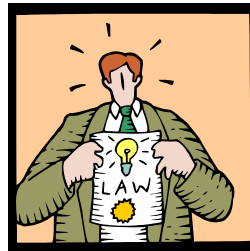


Three Branches of Government

➤ Executive

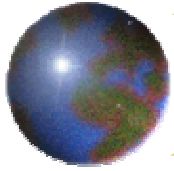


➤ Legislative



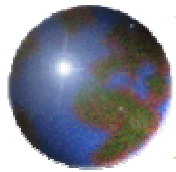
➤ Judicial





Interaction With Governor & Executive Agencies

- Five commissioners appointed by the Governor. Commissioners serve six-year, staggered terms.
- Appointed according to political affiliation (Democrat/Republican) – no more than 3 from one party



PSC Commissioners



Steve Gaw, Chair



Connie Murray



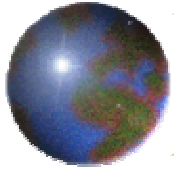
Robert M. Clayton, III



Linward "Lin" Appling

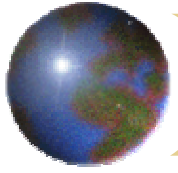


Jeff Davis



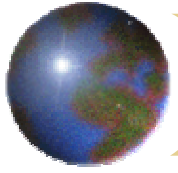
Interaction With Governor & Executive Agencies

- Commissioners can be removed only for good cause by Governor after appointed
- Chairman is named by the Governor and serves at the pleasure of the Governor
- Commission sets policy according to state law



Our Mission

Our mission is to ensure Missouri consumers receive safe, adequate, efficient and affordable services while allowing those utility companies under our jurisdiction an opportunity to earn a reasonable return on their investment. The Commission and staff are dedicated to fulfilling these public interest goals.

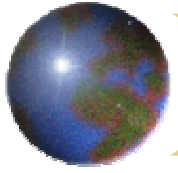


PSC Responsibility

➤ Must assure safe, adequate, reliable utility service at just and reasonable rates...

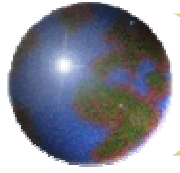
AND

➤ Provide utility shareholders an opportunity to earn a reasonable return on their investments.



Legislative Direction

- PSC was created by the General Assembly in 1913 to regulate street cars and railroads. Over the years, its jurisdiction includes, regulating the rates of all investor-owned utilities
- General Assembly regularly amends our governing statutes



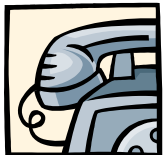
PSC Authority has evolved to Regulate



Electric companies



Natural gas companies



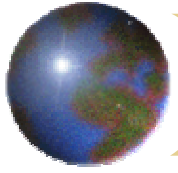
Telecommunication providers



Water and sewer companies

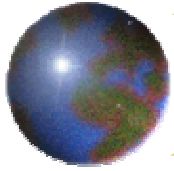


Manufactured Housing Dealers
and Manufacturers



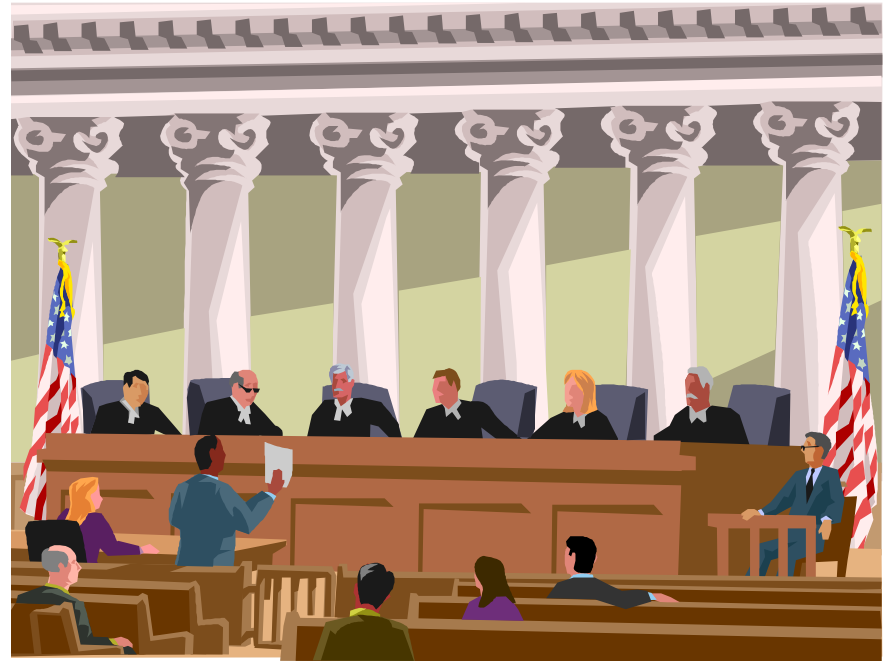
Legislative Direction

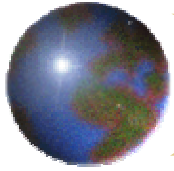
- All appointments subject to Senate confirmation
- General Assembly can remove a Commissioner for cause by a 2/3 vote of both House and Senate chambers



Judicial Review

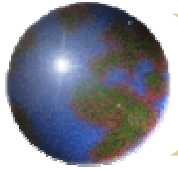
- Once appointed and confirmed, the PSC acts within statutory limits – subject only to judicial review
- Orders can be appealed to circuit court, Court of Appeals and Missouri Supreme Court





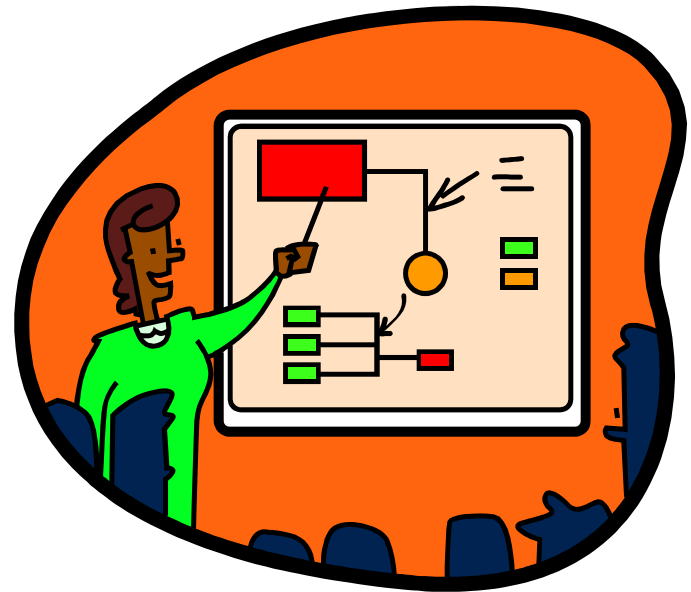
Political Interaction

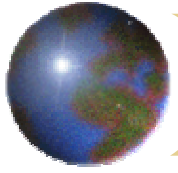
- Although independent, the PSC works closely with the Governor in setting public policy
- Work with General Assembly in drafting and commenting on legislative changes
- Respond to legislative constituent inquiries



Public Interaction

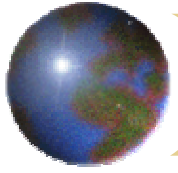
- Must stay alert of political climate and mood of the public
- Must be aware of economic needs and circumstances of communities
- Seek public input





Public Interaction

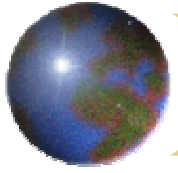
- Example: Held 16 Town Hall meetings to educate consumers about the potential for higher natural gas prices
- Local Public Hearings to allow consumers to voice opinions on pending rate cases
- Work with customers who have complaints with utility issues



PSC Independence

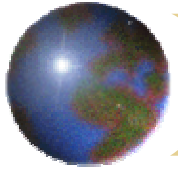
- In the event of an unpopular decision, the PSC is protected from the public (appointed) and the rest of government (cannot be removed without good cause)





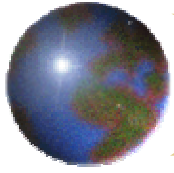
Political Benefits

- Focus on “just and reasonable rates” without repercussions from customers
- Hold companies accountable for providing safe and reliable service
- Focus on insuring the stability of utility infrastructure



Economic Benefits

- Stable and fair process
- Equitable decision making
- The process is transparent
- Supported by legal system
- Thorough appeal process
- Encourage investment through a legal process that will reach a conclusion



Questions

