

Exhibit No.:
Issue: Rate Design
Witness: Mayor Joe Moser
Type of Exhibit: Rebuttal Testimony
Sponsoring Party: City of Brunswick, Missouri
Case No.: WR-2011-0337
Date Testimony Prepared: January 19, 2012

MISSOURI PUBLIC SERVICE COMMISSION

CASE NO.: WR-2011-0337

REBUTTAL TESTIMONY

OF

MAYOR JOE MOSER

ON BEHALF OF

CITY OF BRUNSWICK, MISSOURI

JANUARY 19, 2012

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Missouri-American)
Water Company's Request for Authority to)
Implement a General Rate Increase for)
Water and Sewer Service Provided in)
Missouri Service Areas.)


Case No. WR-2011-0337

AFFIDAVIT OF MAYOR JOE MOSER

STATE OF MISSOURI)
) ss
COUNTY OF CHARITON)

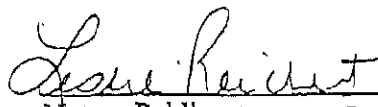
Joe Moser, of lawful age and being first duly sworn, on his oath states:

1. My name is Joe Moser. I am Mayor of the City of Brunswick, Missouri.
2. Attached hereto and made a part hereof for all purposes is my Rebuttal Testimony.
3. I hereby swear and affirm that my statements contained in my testimony are true and correct to the best of my knowledge and belief.



Joe Moser

Subscribed and sworn to before me on this 19th day of January 2012.



Notary Public Leslie Reichert

My commission expires: 10-20-2013



**REBUTTAL TESTIMONY OF
MAYOR JOE MOSER
CITY OF BRUNSWICK, MISSOURI**

1 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2 A. My name is Joe Moser. My business address is 115 West Broadway, Brunswick,
3 Missouri 65236.

4 **Q. ON WHOSE BEHALF ARE YOU APPEARING FOR THE PURPOSES OF**
5 **THIS REBUTTAL TESTIMONY?**

6 A. I am appearing for the purposes of this testimony on behalf of Intervenor City of
7 Brunswick, Missouri ("Brunswick"). Brunswick receives service directly and its
8 residents also receive service from Missouri American Water Company ("MAWC").

9
10 **Q. PLEASE DESCRIBE YOUR CURRENT EMPLOYMENT AND YOUR**
11 **INTEREST IN THIS PROCEEDING.**

12 A. I am the Mayor of Brunswick, and I am testifying as a representative of Brunswick,
13 which is attempting to protect the interests of its citizens in this case.

14 **Q. PLEASE PROVIDE A BRIEF OVERVIEW OF BRUNSWICK.**

15 A. Brunswick is a small (current population 852), rural incorporated city located in Chariton
16 County, Missouri.

1 **Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?**

2 A. The purpose of my testimony is to address portions of the rate design testimony
3 previously filed in this proceeding, primarily relating to the single tariff or consolidated
4 tariff rate structure and the impacts of some of the rate design proposal recommendations.

5
6 **Q. DOES BRUNSWICK SUPPORT A SINGLE TARIFF OR CONSOLIDATED**
7 **RATE STRUCTURE IN THIS PROCEEDING?**

8 A. Yes. As some of the witnesses testify, single tariff or consolidated rates are often used to
9 help minimize rate shock and to try and keep rates in smaller districts as affordable as
10 possible. One way to offset rate shock is to spread costs over a large customer base.

11
12 **Q. WHY ARE RATE IMPACTS AND AFFORDABILITY ESPECIALLY**
13 **IMPORTANT CONSIDERATIONS FOR BRUNSWICK?**

14 A. As the testimony confirms, Brunswick's current rates are the highest in the total MAWC
15 system in Missouri. In the last MAWC rate case, Brunswick's rates were increased
16 thirty-five percent (35%), resulting in a current average residential rate of \$61.76.
17 Brunswick's per capita median income in 2009 was \$16,371. And yet, as one witness has
18 testified, Brunswick's rates would need to more than double to reflect the Staff's revenue
19 requirement on a district-specific basis – and it appears that the Staff's revenue
20 requirement is essentially half of the Company's requested revenue increase! In addition,
21 the testimony observes that many smaller systems are experiencing little or no growth.
22 That is certainly true for Brunswick, whose population declined 9.6 percent in the 2010
23 census.

1 **Q. HAS BRUNSWICK EXAMINED ANY OTHER ALTERNATIVES TO ADDRESS**
2 **THE ISSUE OF AFFORDABLE WATER RATES?**

3 A. Yes. In recent months, Brunswick voters approved a bond issue to build our own supply
4 and distribution system to address this issue. However, this matter is being held in
5 abeyance as the city continues to examine its options, including the resolution of this
6 case.

7
8 **Q. DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?**

9 A. Yes.