

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of Missouri-American Water)
Company's Tariff Sheets Designed to Implement)
General Rate Increases for Water and Sewer)
Service Provided to Customers in the Missouri)
Service Area of the Company.)

Case No. WR-2000-281

**ORDER SETTING PREHEARING CONFERENCE
AND DIRECTING FILING**

On August 31, 2000, the Missouri Public Service Commission issued its Report and Order in this matter. After the Commission denied various requests for rehearing, certain parties filed ten petitions for writ of review in three different counties.¹ Eventually, the Missouri Supreme Court issued its writ of prohibition, allowing only the seven petitions filed in Cole County to proceed.²

Rather than consolidating the seven petitions, the Circuit Court of Cole County took them up in two groups, one of four petitions and the other of three.³ The circuit court entered judgment on the group of four consolidated petitions on May 25, 2001. It entered

¹These counties were Cole, Buchanan and Jasper.

² The Court made its writ absolute on May 31, 2001.

³ Originally, the circuit court did consolidate all seven petitions, but later severed the three filed by the parties that had also filed in Buchanan and Jasper Counties. The group of four petitions included those filed by Missouri-American Water Company, the City of St. Joseph, the Public Counsel, and a group of four public water supply districts: PWSD No. 1 of Andrew County, PWSD No. 2 of Andrew County, PWSD No. 1 of Buchanan County, and PWSD No. 1 of DeKalb County. The group of three petitions included those filed by the City of Joplin, Gilster Mary-Lee Corporation, and a group of three industrial water customers located in St. Joseph, Missouri: AG Processing, Inc., Wire Rope Corporation of America, Inc., and Friskies Petcare, a Division of Nestle USA.

judgment on the remaining group of three petitions on September 19, 2001, and amended that judgment on October 3, 2001.

In its judgment of May 25, 2001, the circuit court affirmed the Commission in part and reversed and remanded in part. The court affirmed the Commission with respect to the prudence of the new St. Joseph water treatment plant, the switch from single-tariff pricing to district-specific pricing, and the class cost of service shift and rate design. The court reversed and remanded with respect to the issue of premature retirement. The court also reversed and remanded with respect to the phase-in issue and directed the Commission to make further findings of fact and conclusions of law on this issue, sufficient to permit the court to review the Commission's resolution of the issue.

In its amended judgment of October 3, 2001, the circuit court affirmed the Commission with respect to the prudence of the new St. Joseph water treatment plant and its inclusion in rate base. The court reversed and remanded for additional findings of fact with respect to the phase-in issue, the level of rates set for the Joplin District and the treatment of larger and smaller distribution mains.

Appeals followed. The Western District of the Missouri Court of Appeals dismissed the appeals on December 13, 2001, because the judgments of the Cole County Circuit Court were not final and, consequently, not yet subject to appeal. The Missouri Supreme Court denied the Commission's Motion for Transfer on February 28, 2002. The Court of Appeals issued its Mandate on the same day.

This matter is now again pending before the Missouri Public Service Commission pursuant to the orders of the Circuit Court of Cole County entered on May 25, 2001, and

October 3, 2001. By statute, all remands to the Commission are general remands.⁴ Therefore, the Commission will direct the parties to file their pleadings setting out their suggestions as to the course of action the Commission should now follow with respect to the remanded issues. Further, the Commission will direct the parties to appear at a prehearing conference at which the Commission will take up the parties' pleadings.

IT IS THEREFORE ORDERED:

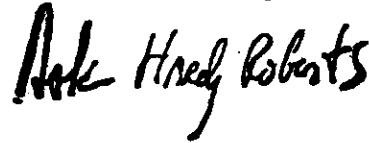
1. That each party or group of parties herein shall prepare and file, on or before 4:00 p.m. on Monday, March 26, 2000, a pleading setting out its suggestions as to the course of action that the Commission should follow with respect to the remanded issues. Each such pleading shall be divided into sections corresponding to the issues in question and should indicate, with respect to each such issue, whether or not the existing record is sufficient to support the necessary findings of fact.

2. That a prehearing conference shall be held on March 28, 2002, beginning at 10:00 a.m. The prehearing conference shall be held at the Commission's offices at the Governor Office Building, 200 Madison Street, Jefferson City, Missouri, Room 310. The Governor Office Building is a facility that meets the accessibility requirements of the Americans with Disabilities Act. Any person who needs additional accommodations to participate in the prehearing conference should call the Public Service Commission's Hotline at 1-800-392-4211 (voice) or 1-800-829-7541 (TDD) prior to the prehearing conference.

⁴Except in one circumstance not present here. Section 386.510, RSMo Supp. 2001, and see *St. ex rel. GTE North v. Missouri Public Service Commission*, 835 S.W.2d 356, 363 (Mo. App., W.D. 1992).

3. That this order shall be effective on March 18, 2002.

BY THE COMMISSION

A handwritten signature in black ink, reading "Dale Hardy Roberts". The signature is written in a cursive style with a large initial "D".

Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

(SEAL)

Kevin A. Thompson, Deputy Chief
Regulatory Law Judge, by delegation
of authority pursuant to
Section 386.240, RSMo Supp. 2001.

Dated at Jefferson City, Missouri,
on this 7th day of March, 2002.