

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office
in Jefferson City on the 31st
day of August, 2000.

In the Matter of Missouri-American Water)	
Company's Tariff Sheets Designed to Implement)	<u>Case No. WR-2000-281</u>
General Rate Increases for Water and Sewer)	Tariff No. 200000366
Service Provided to Customers in the Missouri)	Tariff No. 200000367
Service Area of the Company.)	

ORDER REGARDING LATE-FILED EXHIBITS AND SCENARIOS

On August 8, the Commission requested as a late-filed exhibit from each party or group of parties, an annotated summary of the financial impact of its position, including revenue requirement, rate design, and impact on an average ratepayer of each customer class. The requested exhibits were filed by the Staff of the Public Service Commission (Staff), Missouri-American Water Company (MAWC) and the St. Joseph Area Public Water Supply District (PWSD) Intervenor on August 15, by the City of Joplin on August 16, and by the Office of the Public Counsel on August 21. As Staff's late-filed exhibit was deficient, the Commission requested corrections by order issued on August 17; Staff filed its corrected exhibit on August 22. Also on August 22, the City of St. Joseph concurred in the late-filed exhibit submitted by the St. Joseph Area PWSD Intervenor.

On August 17, 2000, the St. Joseph Industrial Intervenor (SJ Industrials) and the Cities of Joplin and Riverside filed objections to the Commission's receipt of the annotated late-filed exhibits requested on August 8. The same day, the Staff filed an objection to MAWC's annotated late-filed exhibit. MAWC responded to Staff's objection on August 23.

On August 23, 2000, the Commission issued its Order Directing Scenarios. Staff filed its response on August 24. Also on that day, the

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Commission issued its Second Order Directing Scenarios. On August 24, the SJ Industrials and Joplin filed objections to the Public Counsel's late-filed exhibit and, on August 25, to Staff's corrected late-filed exhibit.

Also on August 25, 2000, the SJ Industrials and the Cities of Joplin and Riverside filed their Applications for Rehearing with respect to both the Commission's Order Directing Filing of August 17, which directed Staff to revise its late-filed exhibit, and the Commission's Order Directing Scenarios of August 23. On the same day, the St. Joseph Area PWSD Intervenor filed their "Response and/or Objections" to Staff's revised late-filed exhibit. Finally, on August 28, 2000, the Cities of Joplin and Riverside and the SJ Industrials filed their Application for Rehearing with respect to the Commission's Second Order Directing Scenarios.

Discussion:

The SJ Industrials and the Cities of Joplin and Riverside contend that each of the late-filed exhibits is incompetent because not authenticated; inadmissible because not subject to cross-examination; and, in the case of Staff's late-filed exhibit, untimely. The SJ Industrials and the City of Joplin further contend that the late-filed exhibits "create the appearance, if not the reality, that the important issues in the case of prudence of alternative selection and legality of Single Tariff Pricing . . . are being decided . . . by the decision maker, not from the perspective of deciding such issues on the basis of the record on those respective issues, but rather from the incorrect and objectionable basis of seeking to identify impacts that are perceived as acceptable[.]"

The Commission's practice of requesting responses to scenarios is well-established. A rate case, such as the present one, includes many

issues, the resolution of each of which has some impact upon rates. By requesting responses to scenarios, the Commission can elicit advice from the parties regarding the rate impact of the different resolutions of the issues. A request for responses to scenarios is not generally a contentious matter.

However, it is also traditional practice that Staff develops the responses in cooperation and consultation with all the parties; indeed, the standard language of the order explicitly directs such. In this case, that consultation evidently did not occur. The Commission recognizes that this apparent lack of consultation among the parties was likely a result of the very short time allowed for the response. For this reason, upon careful consideration of the circumstances, the Commission will sustain the objections and exclude all of the late-filed exhibits and responses to scenarios from consideration in the determination of this case. The late-filed exhibits and responses to scenarios in question shall nonetheless be preserved in the record of this matter at the instance of the Commission pursuant to Section 536.070(7).

Because the objections of the SJ Industrials and the Cities of Joplin and Riverside have been sustained, the Commission need not consider Staff's objection to MAWC's Late-filed Exhibit.

The SJ Industrials and the Cities of Joplin and Riverside also seek rehearing with respect to the Commission's Order Directing Filing of August 17, the Commission's Order Directing Scenarios of August 23, and the Commission's Second Order Directing Scenarios of August 24. Because the Commission has sustained the objections raised by the intervenors to the late-filed exhibits, and treated the responses to scenarios in the same manner, the applications for rehearing are now moot.

IT IS THEREFORE ORDERED:

1. That the objections to certain late-filed exhibits filed herein by the St. Joseph Industrial Intervenors and the Cities of Joplin and Riverside are sustained. The late-filed exhibits and scenario responses in question shall be excluded from consideration in the determination of this matter. Nonetheless, the late-filed exhibits and scenario responses in question shall be preserved in the record of this matter at the instance of the Commission pursuant to Section 536.070(7).

2. That this Order shall become effective on September 12, 2000.

BY THE COMMISSION



Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

(S E A L)

Lumpe, Ch., Drainer, Murray,
Schemenauer, and Simmons, CC., concur.

Thompson, Deputy Chief Regulatory Law Judge