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February 8, 2002

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Executive Director
WESS A. HENDERSON
Director, Utility Operations
ROBERT SCHALLENBERG
Director, Utility Services
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Director, Administration
DALE HARDY ROBERTS
Secretary/Chief Regulatory Law Judge
DANA K. JOYCE
General Counsel

FILED²

FEB 08 2002

Missouri Public
Service Commission

Mr. Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102

RE: Case No. WC-2002-146

Dear Mr. Roberts:

Enclosed for filing in the above-captioned case are an original and eight (8) conformed copies of the **STAFF'S POSITION STATEMENT**.

This filing has been mailed or hand-delivered this date to all counsel of record.

Thank you for your attention to this matter.

Sincerely yours,

Keith R. Krueger
Deputy General Counsel
(573) 751-4140
(573) 751-9285 (Fax)

KRK/lb
Enclosure
cc: Counsel of Record

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

FILED²
FEB 08 2002

Missouri Public
Service Commission

Staff of the Missouri Public Service
Commission,

Petitioner,

v.

St. Louis County Water Company, doing
business as Missouri-American Water
Company,

Respondent.

Case No. WC-2002-146

STAFF'S STATEMENT OF POSITIONS

COMES NOW the Staff of the Missouri Public Service Commission and, for its
Statement of Positions, states to the Missouri Public Service Commission as follows:

Issue No. 1: Is the Company's tariff sheet P.S.C. MO No. 6 Original Revised SHEET
No. RT 17.0 unjust, unreasonable, or more than allowed by law or by order or decision of the
Commission, and, if so, what changes to the tariff would be proper?

Staff's Position: Yes, the Company's tariff sheet is unauthorized and unlawful. The
tariff sheet authorizes the Company to collect a tax or fee from residential customers. This is
inconsistent with the terms of Section 66.405, RSMo, and Section 502.185, St. Louis County
Revised Ordinances, which impose the tax or fee upon the water service lines, that is, upon the
owners of the water service lines, who may not be the same persons as the residential customers
from whom the Company collects the payments. The tariff sheet went into effect by operation of
law, and the Commission has never approved it by order or decision. The fact that the tariff
sheet has gone into effect by operation of law does not make the tariff lawful. The Commission

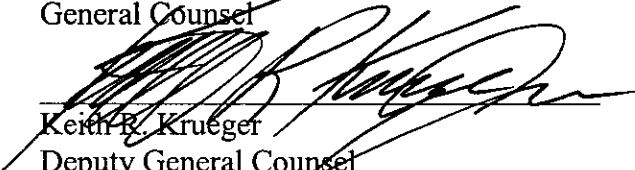
should order the Company to withdraw the tariff sheet and to file a new tariff sheet canceling the existing sheet.

Issue No. 2: Does Commission approval of a tariff also constitute approval of a contract that is filed with the tariff and on which the tariff is based?

Staff's Position: No. In this case, the Company has not submitted its contract with St. Louis County to the Commission for its approval. Although the Commission did not approve the tariff sheet in this case, the tariff sheet went into effect by operation of law. The Commission has not approved the contract.

Respectfully submitted,

DANA K. JOYCE
General Counsel



Keith R. Krueger
Deputy General Counsel
Missouri Bar No. 23857

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed or hand-delivered to all counsel of record as shown on the attached service list this 8th day of February 2002.



**Service List for
WC-2002-146
Verified: February 7, 2002 (lb)**

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