

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

In the Matter of the Application of Jerry Reed,	)	
d/b/a Woodland Acres Water System, for a	)	
Certificate of Convenience and Necessity to	)	Case No. WA-2009-0031
Provide Water Service in St. Clair County,	)	
Missouri	)	

**STAFF RECOMMENDATION**

**COMES NOW** the Staff of the Missouri Public Service Commission (Staff), through the undersigned counsel, and files this *Staff Recommendation* with the Missouri Public Service Commission (Commission), respectfully stating the following:

Procedural History

1. On June 3, 2008, Counsel for Staff sent correspondence to Mr. Jerry Reed (Mr. Reed or Applicant), which asserted he was charging for water service within the Woodland Acres Water System, and was required to file for a Section 393.170 RSMo (2000) Certificate of Public Convenience and Necessity (CCN).
2. On July 21, 2008, Mr. Reed d/b/a Woodland Acres Water System, filed an *Application For Certificate Of Convenience And Necessity (Application)* to provide water service in the Woodland Acres Subdivision, St. Clair County, Missouri.
3. On July 29, 2008, the Commission issued its *Order and Notice*, notifying the Applicant that “the application may not conform to the Commission’s rules concerning applications in general or to those specifically concerning the authority Applicant seeks.” Subsequently, Counsel for Staff assisted Mr. Reed’s counsel in determining the *Application’s* deficiencies. Also, Jerry Scheible, Staff Utility Regulatory Engineer, worked with Mr. Reed to obtain technical information necessary to evaluate the *Application*.

4. Additionally, the *Order and Notice* set August 12, 2008, as the intervention deadline. No applications to intervene have been received as of the date of this filing.

5. On August 21, 2008, the Commission issued its *Order Directing Staff Recommendation*, ordering Staff to file a recommendation no later than October 15, 2008. Staff subsequently filed status reports on October 15, 2008, December 19, 2008, January 20, 2009, and February 19, 2009.

6. On March 6, 2009, the Applicant, Staff, and the Office of Public Counsel participated in a settlement hearing to discuss various issues surrounding the *Application*.

7. Throughout this case, Staff and Counsel have provided information to Mr. Reed and his counsel on various options for a water system of this size, including organization under Sections 355.025 RSMo (2000) and 393.900 RSMo (Supp. 2007).

8. On May 8, 2009, Mr. Reed contacted the Counsel for Staff, stating he wished to cease attempts to organize as a non-profit, and proceed with the *Application* case.

#### Statutory Authority and Case Law

9. 4 CSR 240-3.600 sets forth the requirements an application for a certificate of convenience and necessity shall meet for the Commission to grant the requested relief.

10. Pursuant to Section 393.170.3 RSMo (2000), the Commission has the “power to grant [a certificate of convenience and necessity]....whenever it shall after due hearing determine that such construction or such exercise of the right, [or] privilege....is necessary or convenient for the public service. The commission may by its order impose such condition or conditions as it may deem reasonable and necessary.”

11. In the 1994 case of *In re Tartan Energy Company*, 3 Mo. P.S.C. 3d 173, 177 (1994), the Commission recognized five criteria that should be considered when making a

determination in an application case: there must be a need for the service; the applicant must be qualified to provide the service; the applicant must have the financial ability to provide the service; the applicant's proposal must be economically feasible; and the service must promote the public interest.

12. The Commission need not hold a hearing, if, after proper notice and opportunity to intervene, no party requests such a hearing. *State ex rel. Rex Deffenderfer Enterprises, Inc. v. Public Service Commission*, 776 S.W.2d 494 (Mo. App. W.D. 1989).

#### Staff Recommendation

13. On May 22, 2008, Staff conducted an on-site investigation of the water system and service area. Additionally, the Staff reviewed documents and information provided by the Applicant, and completed an analysis of the Tartan Energy Criteria. The *Staff Recommendation* is attached as Appendix A.

14. While the Staff's investigation found several areas in need of improvement, the Woodland Acres Water System meets all of the Tartan Energy Criteria. Staff recommends the Commission issue an order granting the Applicant a CCN to provide water service to the Woodland Acres Subdivision, with the following conditions:

- Requires the Applicant to submit a tariff within thirty (30) days after a Commission order granting a CCN, containing a quarterly rate of \$170.34 for full-time customers and \$136.27 for part-time customers, with the tariff sheets to bear an effective date that is at least thirty (30) days from the date the tariff sheets are submitted to the Commission for approval;
- Requires that customers not be billed for service until such time as the tariff is approved and made effective by the Commission;

- Approves the schedule of depreciation rates attached to this recommendation, to be used by the Applicant.
- Recognizes that nothing in the *Staff Recommendation*, or in any order issued by the Commission in this case, shall bind the Commission on any ratemaking issue in any future rate proceedings.

15. After the Applicant submits the required tariff to the Commission, the Staff will submit an additional recommendation regarding the approval of the tariff.

**WHEREFORE**, Counsel for Staff files this *Staff Recommendation*, recommending the Missouri Public Service Commission issue an order granting Jerry Reed d/b/a Woodland Acres Water System a certificate of convenience and necessity to provide water service to the service area described in the *Application*, with the order containing the specific conditions listed in paragraph fourteen (14) above.

Respectfully submitted,

**/s/ Jennifer Hernandez**

Jennifer Hernandez

Legal Counsel

Missouri Bar No. 59814

Attorney for the Staff of the

Missouri Public Service Commission

P. O. Box 360

Jefferson City, MO 65102

(573) 751- 8706 (Telephone)

(573) 751-9285 (Fax)

**[jennifer.hernandez@psc.mo.gov](mailto:jennifer.hernandez@psc.mo.gov)**

## **CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing was served on James C. Johns, attorney for the Applicant Jerry Reed, Johns, Lilleston, and Mitchell, L.L.C., 102 West Jefferson, Box 309, Clinton, Missouri 64735, [JaniceEversole@hotmail.com](mailto:JaniceEversole@hotmail.com) ; and the Office of Public Counsel, 200 Madison Street P.O. Box 2230, Jefferson City, MO 65102, [opcservice@ded.mo.gov](mailto:opcservice@ded.mo.gov) this 29<sup>th</sup> day of May, 2009, either by hand delivery, electronic mail or First Class United States Mail, postage prepaid.

**/s/ Jennifer Hernandez**

## MEMORANDUM

TO: Missouri Public Service Commission Official Case File  
Case No. WA-2009-0031  
Jerry Reed d/b/a Woodland Acres Water System

FROM: Jerry Scheible, P.E., Utility Regulatory Engineer- Water & Sewer Department

James Russo – Water & Sewer Department

David Williams – Engineering and Management Services

/s/ Jerry Scheible  
Project Coordinator

May 28, 2009

/s/ Jennifer Hernandez  
General Counsel's Office

May 28, 2009

SUBJECT: Staff Recommendation Regarding the *Application* of Jerry Reed, d/b/a Woodland Acres Water System, for a Certificate of Convenience and Necessity to Provide Water Service in St. Clair County, Missouri

DATE: May 28, 2009

### BACKGROUND

On July 21, 2008, Woodland Acres Water System ("Company") filed an *Application* with the Commission, seeking a Certificate of Convenience and Necessity ("CCN") to provide water service to an existing development in St. Clair County known as Woodland Acres Subdivision. The subdivision is near Truman Lake and the residences are used as both year-round homes and as second homes for seasonal use. There are currently 12 residences utilizing the water service.

On July 29, 2008, the Commission issued its **Order and Notice** requiring that notice of the *Application* be sent to legislators, county officials and newspapers serving the affected area. This order also set August 12, 2008 as an intervention deadline for interested parties. No applications to intervene were submitted by the established deadline, nor have any been submitted since.

On August 21, 2008, the Commission issued its **Order Directing Staff Recommendation** in which it set October 15, 2008 as the date by which the Staff was to file its recommendation.

On October 28, 2008, the Commission issued its **Order Granting Motion to File Status Report Within 60 Days** in lieu of a Staff Recommendation at the request of Staff. Significant effort was then made by the parties involved to determine the best solution to the situation. The parties

explored various options such as the forming of a Not-For-Profit organization and the transfer of ownership of the utility to a properly formed home owners association or a different utility operating under a CCN. Staff filed Status Reports to the Commission throughout the investigation period and ultimately requested a Settlement Conference be held in order to bring the investigation to a conclusion. A Settlement Conference was held on March 6, 2009, at which point Mr. Reed stated his desire to go forward with the *Application* for a CCN.

There currently is no deadline set for the filing of a Recommendation in this case.

### **STAFF'S INVESTIGATION**

Mr. Jerry Reed is the owner of the water system and is one of the original developers of the Woodland Acres Subdivision. The original water system was constructed in 1996 and has been used to provide water service for an annual fee to the residents of the subdivision since. Staff was first made aware of the situation after a former customer of Mr. Reed's water system sent a comment letter regarding water rate issues to the Missouri Department of Natural Resources (MDNR). MDNR then forwarded the complaint to the Public Service Commission (PSC) on April 7, 2008.

Steve Loethen and Jerry Scheible performed an investigation of the situation and prepared a report dated May 22, 2008. It was found and reported that Mr. Reed was indeed operating as a utility and recommended he be contacted and informed that he needs to file for a CCN or pursue other options that would not require doing so.

Mr. Reed states that he was unaware of PSC requirements and that the customers have been billed on an annual basis in an effort to recover the cost of operation only. He further states that neither compensation for his time, nor funds which would be considered a profit, have been billed for or collected. The customers were charged a flat-rate of \$200 per year as recently as March of 2008, but no bills for service have been sent since Staff contacted him shortly thereafter. Mr. Reed has been cooperative and Staff feels nothing positive would result from filing complaints and assessing penalties at this point.

As noted at the beginning of this Memorandum, Staff members from the Water & Sewer and Engineering & Management Services Departments participated in Staff's investigation of the *Application*. Comments received from the reviewers were incorporated therein to create this final version of the memo.

### **DESCRIPTION OF THE FACILITIES**

There are currently 12 residential customers on the water system, seven of which are full-time residences, with the remaining five being part-time/seasonal residences. The owner of the Company expects no further growth in the 35-lot subdivision in the next three years. The reasons being that several of the lot owners own multiple adjoining lots with no intention of

splitting the properties, and that many of the residences have individual wells, therefore would not require the services of the water utility. For purposes of calculating the Company's initial customer rates, Staff has assumed that the Company will continue to have seven full-time customers and five part-time customers. (A part-time customer's water usage is assumed to be 80% of that of a full-time customer, and rates were calculated accordingly.)

The water system consists of two separate groundwater wells, each with a 60-gallon pressure tank and liquid chlorination, enclosed in a small well house, and distribution piping. The service connections are not metered. The original well and respective distribution piping was put in service in 1996. The water supply is permitted as Water System Number MO5252862 by the MDNR. MDNR does not have any non-compliance issues with the water system at present time.

The subdivision residences are served by individual on-site septic systems for sewage disposal.

### **STAFF'S FINDINGS & CONCLUSIONS**

Based upon its review of the documents and information provided by the Company, an inspection of the system, and its analysis of the "Tartan Energy Criteria" as discussed in the following section, Staff has concluded that the Company's request for a CCN should be granted.

Staff has treated the supply and storage facilities as rate base for purposes of calculating the Company's initial customer rates, as it normally does in CCN cases, and specifically for existing systems that are becoming regulated. The distribution system pipelines will be considered contribution in aid of construction (CIAC), as is common practice in rate determination. Additionally, Staff has considered the cost of processing the Company's *Application* for a CCN as a recoverable cost, amortized over five years.

Depreciation of the items since they were put in use has been accounted for by Staff, leaving \$8,342 as the current Rate Base for the utility. Rate Base plus Revenue Requirement was used by Staff to determine the following proposed flat rates for the Residential Customers:

**Full-time:     \$56.78/month   or   \$170.34/quarter**

**Part-time:     \$45.42/month   or   \$136.27/quarter**

Staff and the Company arrived at this rate after discussions and modifications of the estimated expenses as originally submitted. The *Rate Base, Expenses and Rate Calculation Worksheet* can be found as "Attachment 1" and the depreciation rates used in determining rates are shown on "Attachment 2" of this Memorandum.

Staff communicated with the Company's owner regarding possible positions on the granting of the *Application* throughout the investigation of the *Application*. On May 27, 2009, Staff spoke



via telephone to Mr. Jerry Reed, informing him of the proposed rates. Mr. Reed has no objection to the rates as proposed.

The Company will need to file a complete tariff after the Commission grants a CCN. Staff will assist the Company with this task, and anticipates the tariff will be similar to the Water & Sewer Department's example tariff for water utilities.

### **THE TARTAN ENERGY CRITERIA**

Staff analyzed the Company's ability to meet the Tartan Energy criteria, as slightly modified by Staff, as has historically been done in evaluating service area CCN applications. Conclusions regarding this matter are set out below.

**Q. Is there a need for the proposed service, and is there a need for this Company to provide the proposed service?**

A. The MDNR approved water system is in place and is currently serving customers in the proposed service area, which is not located within a public water district's boundaries. As a result, Staff believes there is a need for the Company to be the entity providing the water service to the area.

**Q. Is the Company qualified to provide the proposed service?**

A. Staff believes that the Company has demonstrated technical and managerial ability to develop and operate the water system, in that the system is presently in existence and providing service. Jerry Reed, who is a resident of the subdivision, is also the subdivision developer and thus has an interest in the successful operation of the system. The system does not require a MDNR licensed operator, due to the number of connections being less than 15. Mr. Reed has been operating the system and submitting the required water samples to MDNR since the system was put into service in 1996.

**Q. Does the Company have the financial ability to provide the proposed service?**

A. Staff believes that the Company has the financial capability through bank financing and its owner's funding support to successfully move forward with its proposal, and will be able to generate sufficient cash flow to remain viable, given the proposed rates. The water system currently has no debt.

**Q. Is the Company's proposal economically feasible?**

A. Staff, having evaluated estimated expenses, rates, CIAC charges, etc., believes the proposal for the water system is economically feasible – if Staff's proposed rates are adopted. The majority of the potential customers are in place and have been billed for water service in the past; thus it should not be a “new” economic burden on the customers.

**Q. Does the Company's proposal promote the public interest?**

A. Staff believes the Company's proposal promotes the public interest because a reliable central water system is desirable for the involved customers. Additionally, Staff believes this criterion has been met since the other criteria have been met.

**ADDITIONAL MATTERS**

The Company will need to keep its books and records in accordance with the Uniform System of Accounts, as is required of all regulated utilities. The Company will also need to prepare and file for approval a complete tariff for water service. Staff will assist the Company in adapting the Water & Sewer Department's commonly used example tariff for small water utilities for the Company's use, and is also available to assist the Company in setting up its books and records.

Staff notes that the Company, as a utility that is not yet regulated, has had no requirements to submit any annual reports or pay any annual assessments. To Staff's knowledge, there are no compliance-related issues involving the MDNR, and the company has no other matters pending before the Commission, nor will this case affect any other matter before the Commission.

**STAFF'S CONCLUSIONS**

Staff is of the opinion that the operation of the Company as outlined in its *Application* is both necessary and convenient for public service, and that the agreed-upon rates to be contained in the Company's tariff are just and reasonable. There is a need for water service, in that it is currently in operation, and therefore relied upon, for the subdivision. Staff believes the Company has the necessary technical, managerial and financial capacities, as the owner is an established property developer and has been managing the operation of the system for over 12 years.

**STAFF'S RECOMMENDATIONS**

Based upon the above, Staff recommends that the Commission issue an order that:

- 1) Approves a Certificate of Convenience and Necessity for Woodland Acres Water System for providing water service to the service area described in the *Application*;

- 2) Requires the Water Company to submit a complete tariff specifying a *Quarterly rate* of \$170.34 for full-time customers and \$136.27 for part-time customers. The customers will not be billed for service until such time as the tariff is approved and made effective;
- 3) Approves the schedule of depreciation rates attached to this Memorandum for use by the Company.
- 4) Recognizes that nothing in this Memorandum, or in any order issued by the Commission in this case, shall bind the Commission on any ratemaking issue in any future rate proceedings.

After the Company submits a complete tariff, Staff will submit an additional recommendation regarding the approval of that tariff.

List of Attachments

Attachment 1: Rate Base, Expenses & Rate Calculation Worksheet

Attachment 2: Schedule of Proposed Depreciation Rates

**WOODLAND ACRES - MO PSC CASE NO. WA-2009-0031**  
**RATE BASE, EXPENSES AND RATE CALCULATION WORKSHEET**

**Ultimate Project Design**

7 Single family homes: Full-time customers	3,000 gallons per full-time customer per month
5 Part-time customers	2,400 gallons per part-time customer per month
12 Total customers	396,000 gallons total annual water use
Part-time customers are .8 of full-time	1,085 gallons average daily use
11 Equivalent Customers	
396,000 gallons annual water use for 12 customers	
1,085 gallons average daily use	

**Requested Rates - Annual Revenues - Customer Bill**

\$19.00 Monthly Minimum	Annual Revenue	\$ 2,736
\$0.00 Commodity per 1,000 gal.	Bill for 6,000 gallons	\$ 19.00

**Plant In Service, Rate Base and Depreciation Expense**

Description of Plant Item	Original Plant Costs	Net Plant at 5/15/09	Rate Base at 5/15/09	CIAC at 5/15/09	Depreciation/Amortization	
					Rate	Expense
1 Pipelines - distribution * 1996	\$ 2,750	\$ 2,035	\$ -	\$ 2,035	2.00%	N/A
Pipelines - distribution ** 2004	\$ 3,250	\$ 3,250	\$ -	\$ 3,250	2.00%	N/A
2 Water Meters	\$ -	\$ -	\$ -	\$ -	10.00%	\$ -
3 Land *	\$ 500	\$ 500	\$ -	\$ 500	N/A	N/A
4 Well 1* 1996	\$ 3,000	\$ 2,220	\$ 2,220	\$ -	2.00%	\$ 60
Well 2** 2004	\$ 4,000	\$ 3,600	\$ 3,600	\$ -	2.00%	\$ 80
5 Wellhouse 1 * 1996	\$ 250	\$ 169	\$ 169	\$ -	2.50%	\$ 6
Wellhouse 2 ** 2004	\$ 250	\$ 219	\$ 219	\$ -	2.50%	\$ 6
6 Pumps/Controls 1 * 1996	\$ 1,000	\$ -	\$ -	\$ -	10.00%	\$ -
Pumps/Controls 2 * * 2004	\$ 1,500	\$ 750	\$ 750	\$ -	10.00%	\$ 150
Chlorine Injector pump 1 2007	\$ 700	\$ 350	\$ 350	\$ -	10.00%	\$ 70
7 Storage-ground tank	\$ -	\$ -	\$ -	\$ -	2.50%	\$ -
8 Storage-bladder tanks 1 * 1996	\$ 500	\$ 338	\$ 338	\$ -	2.50%	\$ 13
Storage-bladder tanks 2 * * 2004	\$ 500	\$ 438	\$ 438	\$ -	2.50%	\$ 13
9 Engineering 1 * 1996	\$ 500	\$ 338	\$ 98	\$ -	2.50%	\$ 4
Engineering 2 ** 2004	\$ 500	\$ 438	\$ 127	\$ -	2.50%	\$ 4
10 Office Furn/Equip *	\$ 100	\$ 35	\$ 35	\$ -	5.00%	\$ 5
11 Organization * * *	\$ 1,500	\$ -	\$ -	\$ -	20.0%	\$ 300
<b>TOTALS</b>	<b>\$ 20,800</b>	<b>\$ 14,678</b>	<b>\$ 8,342</b>	<b>\$ 5,785</b>		<b>\$ 710</b>

\* Net Plant calculation based on assumed in-service date of 01/01/1996 (13 years of depreciation/amortization).

\*\* Net Plant calculation based on assumed in-service date of 01/01/2004 (5 years of depreciation).

\*\*\* To be amortized over 5 years beginning with issuance of certificate.

Note: For the Company's books, the "Rate Base at 5/15/09" balances shown will be the beginning plant/rate base balances and the "CIAC at 5/15/09" balances shown will be the beginning plant/CIAC balances.

**Ratemaking Income Statement and Rate Design Allocations**

Expenses - Description (most from Company's year two level)			Total	Customer	Commodity
1 Salaries (operations)			\$ 2,400	\$ 2,400	
2 Salaries (management)			\$ 1,200	\$ 1,200	
3 Billing and Collection			\$ 100	\$ 100	
4 Meter Reading			\$ -	\$ -	
5 Electric and Phone			\$ 1,100	\$ 1,100	
6 Chemicals/Treatment			\$ 120	\$ 120	
7 Monitoring and Sampling (mileage to well 5 days/week)			\$ 50	\$ 50	
8 Materials and Supplies			\$ -	\$ -	
9 Maintenance			\$ 450	\$ 450	
10 Office Supplies			\$ 50	\$ 50	
11 Postage			\$ 75	\$ 75	
12 Office Rent			\$ 25	\$ 25	
13 Legal and Accounting			\$ 250	\$ 250	
14 Fees - Lab			\$ -	\$ -	
15 Fees - MDNR			\$ 100	\$ 100	
16 Operator Certification			\$ -	\$ -	\$ -
17 Property Taxes			\$ -	\$ -	\$ -
18 Insurance			\$ -	\$ -	\$ -
19 Contingencies/Miscellaneous			\$ -	\$ -	\$ -
20 Interest	0%	0% debt	\$ -	\$ -	\$ -
21 Return	9%	100% equity	\$ 687	\$ 687	
22 Depreciation/Amortization (amortization of cost of certificate case)			\$ 710	\$ 710	
23 Income Tax			\$ 137	\$ 137	\$ -
24 PSC Assessment		0.5490% of revenue	\$ 41	\$ 41	\$ -
25 <b>Total Annual Cost of Service</b>			<b>\$ 7,495</b>	<b>\$ 7,495</b>	<b>\$ -</b>

**Proposed Flat Rates - Customer Bill**

	Monthly Rate	Quarterly Rate
Full-time	\$56.78	\$170.34
Part-time	\$45.42	\$136.27

Attachment 1

# WOODLAND ACRES WATER SYSTEM DEPRECIATION RATES

(WATER)

CASE NO. WA-2009-0031

<u>ACCOUNT NUMBER</u>	<u>ACCOUNT</u>	<u>DEPRECIATION RATES %</u>	<u>AVERAGE SERVICE LIFE (YEARS)</u>	<u>NET SALVAGE %</u>
311	Structures & Improvements	2.5%	40	0
314	Wells & Springs	2.0%	50	0
316	Supply Mains	2.0%	50	0
325	Electric Pumping Equipment	10.0%	10	0
332	Water Treatment Equipment	2.9%	35	0
342	Distribution Reservoirs & Standpipes	2.5%	40	0
346	Meters	10.0%	10	0
391	Office Furniture & Equipment	5.0%	20	0

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

**AFFIDAVIT OF JERRY SCHEIBLE, P.E.**

STATE OF MISSOURI     )

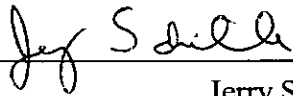
) SS

**CASE NO. WA-2009-0031**

COUNTY OF COLE     )

**COMES NOW** Jerry Scheible, being of lawful age, and on his oath states the following:

(1) that he is a Utility Regulatory Engineer in the Missouri Public Service Commission's Water & Sewer Department; (2) that he participated in the preparation of the foregoing Staff Recommendation Memorandum; (3) that he has knowledge of the information presented in the foregoing Staff Recommendation Memorandum; and (4) that the information presented in the foregoing Staff Recommendation Memorandum is true and correct to the best of his knowledge, information and belief.



Jerry Scheible

Subscribed and sworn to before me this 28<sup>th</sup> day of May 2009.

  
Notary Public



SUSAN L. SUNDERMEYER  
My Commission Expires  
September 21, 2010  
Callaway County  
Commission #06942066

My Commission Expires: 9-21-10

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

**AFFIDAVIT OF JAMES M. RUSSO**

STATE OF MISSOURI     )

) SS

CASE NO. WA-2009-0031

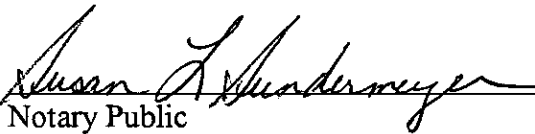
COUNTY OF COLE             )

COMES NOW James M. Russo, being of lawful age, and on his oath states the following: (1) that he is a Rate and Tariff Examination Supervisor in the Missouri Public Service Commission's Water & Sewer Department; (2) that he participated in the preparation of the foregoing Staff Recommendation Memorandum; (3) that he has knowledge of the information presented in the foregoing Staff Recommendation Memorandum; and (4) that the information presented in the foregoing Staff Recommendation Memorandum is true and correct to the best of his knowledge, information and belief.



James M. Russo  
Rate & Tariff Examination Supervisor  
Water and Sewer Department

Subscribed and sworn to before me this 28<sup>th</sup> day of May, 2009.

  
Notary Public

SUSAN L. SUNDERMEYER  
My Commission Expires  
September 21, 2010  
Callaway County  
Commission #06942086

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

**AFFIDAVIT OF DAVID WILLIAMS**

STATE OF MISSOURI     )

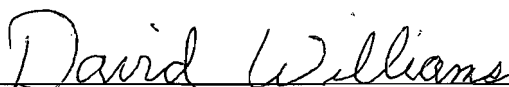
) SS

**CASE NO. WA-2009-0031**

COUNTY OF COLE     )

COMES NOW David Williams, being of lawful age, and on his oath states the following:

(1) that he is a Utility Engineer Specialist in the Missouri Public Service Commission's Engineering & Management Services Department; (2) that he participated in the preparation of the foregoing Staff Recommendation Memorandum; (3) that he has knowledge of the information presented in the foregoing Staff Recommendation Memorandum; and (4) that the information presented in the foregoing Staff Recommendation Memorandum is true and correct to the best of his knowledge, information and belief.

  
\_\_\_\_\_  
David Williams

Subscribed and sworn to before me this 29<sup>th</sup> day of May, 2009.

  
\_\_\_\_\_  
Notary Public

My Commission Expires: October 1, 2011

