

**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) **File No. WR-2015-0301**
Water and Sewer Service Provided in)
Missouri Service Areas)

POSITION STATEMENT
OF
PUBLIC WATER SUPPLY DISTRICT NOS. 1 AND 2
OF ANDREW COUNTY

COME NOW Intervenors Public Water Supply District Nos. 1 and 2 of Andrew County ("Water Districts ") and, pursuant to the Commission's *Amended Order Granting Motion For Leave To File Documents Out Of Time* issued March 9, 2016, state their positions on the following issues in this matter:

The "List of Issues, List and Order of Witnesses, Order of Opening Statements, and Order of Cross Examination," filed by the Staff on behalf of all of the parties on March 10, 2016, sets forth forty-seven (47) topical issues. The Water Districts intend to participate in the Rate Design portion of the case, in particular, Issues 31 and 32. While the Water Districts will not actively participate in addressing the revenue requirement issues in this proceeding, they request that the Commission carefully consider the rate impacts that they have absorbed in past cases.

31. District Consolidation/Consolidated Pricing

Should the Commission adopt the consolidation of districts proposed by Staff, the alternative consolidation proposed by MAWC, or maintain the status quo as proposed by OPC?

Position: The Water Districts continue to examine the various proposals being offered and discussed among the parties and reserve their rights regarding final positions on these issues.

32. Rate Design & Customer Charge

- A. How should rates be designed?
- B. How should the customer charge be adjusted?
- C. How should purchased power expense be allocated?

Position: The Water Districts support the main adjustment for the Sale-for-Resale customers in the St. Joseph service territory. This is an appropriate recognition that the Sale-for-Resale customer class is connected directly to the transmission system and does not receive any benefit from the smaller distribution mains. The Water Districts reserve the right to inquire into all aspects of the allocation of costs to the customer classes within each district.

The Water Districts oppose the Company's proposed elimination of the existing declining block rate structure for the Sale-for-Resale class, as declining block rates allow larger customers who generally experience better load factors to pay a lower tail block rate to reflect the lower cost to serve them. Accordingly, the Water Districts support the Staff's position that the existing declining block rate structure for the Sale-for-Resale class be maintained in the St. Joseph service territory.

The Water Districts reserve the right to inquire into the above specific issues at hearing and to formulate final positions thereon.

The Water Districts reserve the right to cross-examine witnesses and to file a post-hearing brief on any issue in this case.

Respectfully submitted,

/s/ Larry W. Dority

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Nos. 1 and 2 of Andrew County

CERTIFICATE OF SERVICE

I hereby certify that true copies of the foregoing document has been e-mailed on this 11th day of March, 2016, to the parties of record as set out on the official Service List maintained by the Data Center of the Missouri Public Service Commission for this case.

/s/ Larry W. Dority

Larry W. Dority