



Martha S. Hogerty

Public Counsel

State of Missouri

Bob Holden

Governor

Office of the Public Counsel  
Governor Office Building  
200 Madison, Suite 650  
P.O. Box 7800  
Jefferson City, Missouri 65102

Telephone: 573-751-4857  
Facsimile: 573-751-5562  
Web: <http://www.mo-opc.org>  
Relay Missouri  
1-800-735-2966 TDD  
1-800-735-2466 Voice

August 24, 2001

**FILED**

AUG 24 2001

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

Missouri Public  
Service Commission

**Re: Missouri-American Water Company, St. Louis County Water Company  
d/b/a Missouri-American Water Company, and Jefferson City Water Works  
Company d/b/a Missouri-American Water Company  
Case No. WM-2001-309**

Dear Mr. Roberts:

Enclosed for filing in the above-referenced case please find the original and eight copies of **Position Statement of the Office of the Public Counsel**. Please "file" stamp the extra-enclosed copy and return it to this office.

Thank you for your attention to this matter.

Sincerely,

M. Ruth O'Neill  
Assistant Public Counsel

MRO:jb

cc: Counsel of Record

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

FILED

AUG 24 2001

In the Matter of the Application of )  
Missouri-American Water Company, St. )  
Louis County Water Company d/b/a )  
Missouri-American Water Company and )  
Jefferson City Water Works Company d/b/a )  
Missouri-American Water Company for )  
Authority to Merge St. Louis County )  
Water Company and Jefferson City Water )  
Company with and into Missouri-American )  
Water Company, and, in connection )  
therewith Certain Other Transactions )

Missouri Public  
Service Commission

Case No. WM-2001-309

**POSITION STATEMENT OF THE OFFICE OF THE PUBLIC COUNSEL**

COMES NOW, the Office of the Public Counsel (Public Counsel), and sets forth the following position statement in regard to the instant case for the consideration of the Missouri Public Service Commission.

**1. Are the proposed merger transactions with MAWC as the surviving entity "not detrimental to the public interest?"**

Absent the imposition of certain conditions to protect the customers of the three pre-merger companies, the proposed merger transactions would be detrimental to the public interest.

**2. Are conditions necessary to ensure that the public interest is not harmed by these proposed transactions?**

Yes.

**If so, what conditions proposed by the Staff and Public Counsel should be implemented by the Commission to ensure that the public interest in Missouri is protected?**

A. The Commission should impose conditions to assure that the surviving corporation will make all needed capital investment in the infrastructure of each of its operating districts. Public Counsel therefore recommends that the Commission require, as a condition of approving the merger, that the company make annual capital investments in the manner described in the testimony of Public Counsel witness Russell Trippensee.

In the alternative, the Commission should adopt the language contained in schedule DWJ-2, attached to the surrebuttal testimony of Staff witness Johansen regarding capital investment as a condition of approving the merger transactions.

B. The Commission should impose conditions to assure that water quality does not diminish in any of the company's service territories, as recommended by Public Counsel witness Trippensee and Staff witness Johansen.

C. The Commission should require that the surviving corporation implement a Cost Allocation Manual as recommended by Public Counsel witness James Dittmer.

In addition, the Commission should adopt the recommendations of the Commission Staff in regard to the following:

D. The recommendations of Staff witness Bernson regarding customer service and call center transition issues.

E. The recommendations of Staff Witness McKiddy regarding surveillance data reporting.

F. The recommendations of Staff Witness Rackers regarding collection of billing information.

If conditions such as those listed above are imposed, Public Counsel believes that the public interest will be protected, and that the merger transactions can take place without detriment to the public interest.

Respectfully submitted,

OFFICE OF THE PUBLIC COUNSEL

By: 

M. Ruth O'Neill (#49456)

Assistant Public Counsel

P O Box 7800

Jefferson City, MO 65102

(573) 751-5565

(573) 751-5562 FAX

[roneill1@mail.state.mo.us](mailto:roneill1@mail.state.mo.us)

## CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed or hand-delivered to the following this 24<sup>th</sup> day of August 2001:

Cliff Snodgrass  
Senior Counsel  
Missouri Public Service Commission  
P. O. Box 360  
Jefferson City MO 65102

David Abernathy  
Attorney at Law  
535 N. New Ballas Road  
St. Louis MO 63141

Dean L. Cooper  
Brydon, Swearingen & England, P.C.  
P. O. Box 456  
Jefferson City MO 65102-0456

Lisa C. Langeneckert  
720 Olive Street, 24<sup>th</sup> Floor  
St. Louis MO 63101

Jan Bond  
Diekemper, Hammond, Shinnars, Turcotte  
And Larrew, P.C.  
7730 Carondelet, Suite 200  
St. Louis MO 63105

Richard S. Brownlee, III  
Hendren and Andrae, L.L.C.  
221 Bolivar Street, Suite 300  
Jefferson City MO 65102

