

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

In the Matter of Missouri-American	)		
Water Company's Request for	)		
Authority to Implement a General Rate	)	Case No.	WR-2011-0337
Increase for Water and Sewer Service	)		
Provided in Missouri Service Areas	)		

**STATEMENT OF POSITION OF THE CITY OF RIVERSIDE, MISSOURI**

The City of Riverside, Missouri ("Riverside" or the "City") takes no position at this time on any issue except Issue E, Rate Design and Miscellaneous Issues, sub-issue 7, Riverside – Public Safety and Adequacy of Service. Riverside reserves the right to inquire into, brief and argue any issues based upon the evidence at hearing. The following is Riverside's Statement of Position with respect to Issue E, sub-issue 7:

**E. Rate Design and Miscellaneous Issues.**

**7. Riverside – Public Safety and Adequacy of Service.**

**Is the service provided in Riverside adequate from a public safety perspective? If not, what must the Company do?**

Missouri-American Water Company (the "Company") has an obligation to furnish and provide water service, instrumentalities and facilities, including fire flows, as shall be safe and adequate and in all respects just and reasonable. Riverside takes the position that the Company is obligated to keep its infrastructure reasonably updated to comply with the City's reasonable fire flow requirements, which have been effective since the City's adoption of the 1994 Uniform Fire Code standards. Riverside takes the position that the Company's water distribution system within the City does not meet such fire flow requirements. Riverside is requesting that the inadequate fire flows produced by the Company's water distribution system be a factor in

determining the final tariff rates, and that (a) the Company be required to take reasonable action in good faith to update its water distribution system in order to comply with the City's reasonable fire flow requirements, and to ensure that the equity owners of the Company share in the cost of such improvements in a reasonable manner; or (b) the value of the Company's inadequate assets (*i.e.*, the portion of the Company's Plant In Service that fails to meet such fire flow requirements) be removed from the Company's rate base or discounted in a manner that appropriately reflects such deficiencies.

WHEREFORE, the City of Riverside, Missouri respectfully submits this Statement of Position.

Respectfully submitted,

Spencer Fane Britt & Browne LLP

By: /s/ Eric J. Steinle  
Joseph P. Bednar, Jr. #33921  
Eric J. Steinle #59115  
308 East High Street, Suite 222  
Jefferson City, MO 65101  
(573) 634-8115  
(573) 634-8140 – facsimile

ATTORNEYS FOR CITY OF RIVERSIDE

**CERTIFICATE OF SERVICE**

I hereby certify that the undersigned has caused a complete copy of the attached document to be electronically filed and e-mailed to all counsel of record on this 15th day of February, 2012.

/s/ Eric J. Steinle \_\_\_\_\_  
Eric J. Steinle