

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

In the Matter of Missouri-American Water)
Company’s Application for a Certificate of)
Convenience and Necessity Authorizing it to)
Install, Own, Acquire, Construct, Operate,)
Control, Manage and Maintain a Water and)
Sewer System in an area of Pettis County,)
Missouri (Monsees Lake Estates)
Subdivision))

Case No. WA-2022-0229

RESPONSE TO STAFF RECOMMENDATION

COMES NOW the Office of the Public Counsel (the “OPC”) and in response to the Public Service Commission of the State of Missouri’s (the “Commission”) Order Granting Extension (the “June 22, 2022 Order”) (Doc. 14) and the Staff of the Commission’s (“Staff”) Recommendation (Doc. 10) respectfully states:

As further explained in the attached memorandum, the OPC has two concerns with Staff’s Recommendation. First, the OPC believes that Staff should have used different depreciation rates to calculate the net book value of the water system at issue in this case. Second, the OPC requests that the Commission order Missouri-American Water Company (“MAWC”) to provide additional notice regarding a possible upcoming rate change to the current customers of the Monsees Lake Estates Subdivision’s (“Monsees”) water and sewer systems.

I. Background

On February 25, 2022, MAWC filed an Application and Motion for Waiver seeking a “Certificate of Convenience and Necessity (CCN) to install, own, acquire, construct, operate, control, manage and maintain a water system and sewer system in Pettis County, Missouri in a subdivision known as Monsees Lake Estates Subdivision.” (Appl. ¶ 1, Doc. 1).

On March 1, 2022, the Commission issued its Order Directing Notice, Setting Deadline for Intervention Requests, and Directing Filing of Staff Recommendation. (Doc. 2). Two days later,

on March 3, 2022, MAWC filed a Motion to Consolidate, requesting that the Commission consolidate the related water and sewer cases. (Doc. 3). The Commission granted MAWC's Motion to Consolidate and consolidated the cases on March 14, 2022. (Doc. 5).

On March 25, 2022, MAWC filed a Motion For Leave to Amend Application and Amendment to the Application, which the Commission granted on April 8, 2022. (Docs. 6–7).

On June 9, 2022, Staff filed its Recommendation, recommending that the Commission issue MAWC the requested CCN, subject to certain, identified conditions. (Doc. 10). The next day, June 10, 2022, the Commission ordered that “any party that wishes to respond to Staff’s recommendation, or request a hearing, shall do so on or before June 21, 2022.” (June 10, 2022 Order 1, Doc. 11). On June 21, 2022, MAWC filed its Response to Staff Recommendation. (Doc. 12). On that same day, the OPC filed a Motion for Extension, seeking a one-week extension of its deadline to respond to Staff’s Recommendation. (Doc. 13). In the June 22, 2022 Order, the Commission granted the OPC’s request and allowed OPC to file its response “on or before June 28, 2022.” (June 22, 2022 Order 2, Doc. 14).

II. Response

As explained in the attached memorandum by John A. Robinett, Utility Engineering Specialist with the OPC, the OPC has two concerns with Staff’s Recommendation.

First, the OPC believes that Staff should have used different depreciation rates to calculate the net book value of the water system. The OPC’s calculation of the net book value of the water system is closer to the amount identified by MAWC. Although the OPC seeks no relief on this issue in this case, the OPC wishes to raise this concern now, so as not to surprise any party should the OPC wish to raise this issue in a future case.

Second, based on statements made in Staff's Recommendation, the OPC requests that the Commission order additional notice be provided to Monsees' current customers. Specifically, the OPC requests that the Commission order MAWC to provide notice to customers that although MAWC intends to adopt Monsees' current water and sewer rates, those rates may change based on MAWC's current rate case, which has been noticed, but not yet filed, WR-2022-0303. (See Recommendation 11).

III. Conclusion

WHEREFORE, the Office of the Public Counsel respectfully requests that the Commission accept this Response to Staff Recommendation and order that MAWC provide additional notice to the customers of Monsees' water and sewer systems.

Respectfully submitted,

/s/ Lindsay VanGerpen
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CERTIFICATE OF SERVICE

I hereby certify that copies of the forgoing have been mailed, emailed, or hand-delivered to all counsel of record this 28th day of June 2022.

/s/ Lindsay VanGerpen