

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

In the Matter of Carl R. Mills Trust )	
Certificate of Convenience and )	
Necessity Authorizing it to Install, )	
Own, Acquire, Construct, Operate, )	Case No. WA-2018-0370
Control, Manage and Maintain Water )	
Systems in Carriage Oaks Estates )	

**REPLY BRIEF OF THE OFFICE OF THE PUBLIC COUNSEL**

COMES NOW the Office of the Public Counsel (“OPC”) and for its *Reply Brief*, states as follows:

The OPC explained at length in its *Initial Brief* that, if the Public Service Commission of the State of Missouri (“the Commission”) chose to grant Carl Mills a certificate of convince and necessity for the Carriage Oaks Estates water system, then it would further need to choose between either approving a lower quarterly flat rate for water services of \$271.42 (which is consistent with what the Commission’s Staff recommended if Mr. Mills had *not* contracted with an operating company) or approving a higher quarterly flat rate for water services of \$289.68 and then *requiring* Mr. Mills to seek out, enter into, *and maintain* a contract with an operating company to help manage the water system. This choice was the result of the Commission’s Staff having provided an update to its proposed flat quarterly rate during the evidentiary hearing (which was premised on Mr. Mills entering into a contract with a third party operator for management of the water system) that conflicted with Mr. Mill’s testimony at the evidentiary hearing to the effect that Mr.

Mills had recently ceased using the services of the third party system operator he had previously contracted with and was not currently under contract with any other management company. *See*, Exhibit 102, *Updated D-1*, pg. 1; Tr. vol. 2 pg. 157 ln 8 – pg. 159 ln 10; Tr. vol. 2 pg. 88 ln 24 – pg. 89 ln 17. In Mr. Mills initial brief before the Commission, however, he states that he had “resumed his contract with Ozarks Clean Water Co.” *Applicant’s Post-Hearing Brief*, pg. 3. This creates a problem.

There is no evidence in the record to support Mr. Mill’s claim that he is currently under contract with Ozarks Clean Water Co. (“Ozarks Clean Water”) for operation of the Carriage Oaks Estates water system. As such, it would be perfectly reasonable and justifiable for the Commission to approve the lower quarterly flat rate for water services of \$271.42. However, if the Commission chooses to instead approve the higher quarterly flat rate suggested in Staff’s update (offered during the evidentiary hearing), then the Commission should also take measures to protect customers in the event that Mr. Mills has another change of heart regarding his contract with Ozark Clean Water. The easiest way to do this would be to include (in addition to those requirements Staff set forth in its *Recommendation*) a requirement that Mr. Mills: (1) file with the Commission evidence of his purported contract with Ozark Clean Water, (2) notify the Commission Staff and OPC within one week of any termination of the purported contract with Ozark Clean Water, and (3) initiate a rate case proceeding within two months of any termination of the purported contract with Ozark Clean Water.<sup>1</sup>

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<sup>1</sup> Mr. Mills’ initial brief also seems to suggest that a rate change might need to be made if customers seek chlorination of the water system. *Applicant’s Post-Hearing Brief*, pg. 3. The OPC points out that

The OPC has no response to the briefs filed by any other party to this case and continues to offer no position as to the first question presented to the Commission.

WHEREFORE, the Office of the Public Counsel respectfully requests the Commission accept this *Reply Brief* and grant such relief as requested herein.

Respectfully submitted,  
OFFICE OF THE PUBLIC  
COUNSEL

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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 sixth day of August, 2019.

          /s/ John Clizer          

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any such changes could only be made as part of a general rate case proceeding and could not be imposed by Mr. Mills unilaterally.