

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 13th day of
July, 2022.

In the Matter of Missouri-American Water)
Company for a Certificate of Convenience)
and Necessity Authorizing it to Install,)
Own, Acquire, Construct, Operate,)
Control, Manage and Maintain a Water)
System and Sewer System in and around)
the City of Stewartsville, Missouri)

File No. WA-2022-0311

ORDER GRANTING REQUEST TO HAVE A LOCAL PUBLIC HEARING

Issue Date: July 13, 2022

Effective Date: July 13, 2022

On May 10, 2022, Missouri-American Water Company (MAWC) filed an application seeking a certificate of convenience and necessity (CCN), and authority to acquire a water system and sewer system in and around the City of Stewartsville, Missouri, (Stewartsville System) located in DeKalb and Clinton Counties.

On June 22, 2022, the Office of the Public Counsel (OPC) filed a motion requesting that a local public hearing be scheduled. OPC also requested that information about the potential bill impacts of the sale on typical residential and commercial customers be included in the notice of the public hearing.

MAWC responded in opposition to both of OPC's requests.¹ In sum, MAWC listed the numerous and significant interactions it has had with elected officials and citizens beginning in February of 2021, many having their own public notice requirements.

¹ The Staff of the Commission did not file a position.

MAWC cites the following:

- three meetings of the Board of Alderman;
- passage of a city ordinance placing the issue on the ballot;
- two customer mailings;
- a city-hosted Town Hall meeting;
- a MAWC-hosted Town Hall meeting;
- an election on November 2, 2021; and
- the Purchase Agreement, which was negotiated and executed with the City's elected officials.²

MAWC argues that the public has had their voice at the ballot box and have already been heard.

As to the inclusion of potential bill impacts in the public hearing notice, MAWC argues that an additional notice regarding the acquisition may confuse customers more than benefit them. MAWC also argues that the information providing a comparison of existing Stewartsville rates with existing MAWC rates has already been provided to customers.³ As to the substance of the potential bill impacts, MAWC argues that while it has filed a general rate case, the rates that will result from that case will not be known until mid-2023. Similarly, MAWC argues that investment in both systems is needed, and thus Stewartsville's future rates cannot be known as it is unknown if Stewartsville would make the same investments in the absence of this transaction.

² Response to OPC Motion for Notice and Local Public Hearing, filed June 30, 2022, para. 4.

³ Response to OPC Motion for Notice and Local Public Hearing, filed June 30, 2022, para. 12.

If the Commission decides in favor of a local public hearing, MAWC requested a virtual public hearing in order to most efficiently use resources. MAWC also requested that the public hearing be scheduled sufficiently ahead of the filing of Staff's recommendation.⁴ However, MAWC continues to argue that any notice of the hearing should not require a comparison of future rates.

The Commission acknowledges the numerous interactions MAWC has undertaken in pursuit of this acquisition. However, subsequent to those communications MAWC has filed notice it will be seeking an increase in its base rates. While it will not be known for some time how much, if any, increase may be authorized, the customers have not been provided that information. Additionally, while the processes are similar, there is sufficient difference in the aim and purpose of a Commission-led public hearing that, in this case, is not replaced by the prior interactions. The Commission will schedule a virtual public hearing.

The Commission cannot determine whether language in the hearing notice which describes the potential bill impacts would be helpful to the public without having specific language to consider. The Commission will direct the parties to file, jointly if possible, suggested specific notice language, inclusive of language or graphics depicting potential bill impacts with and without consideration of the pending rate increase request.

Due to the short time-frame, the Commission will shorten the time for responses for parties to file proposed virtual public hearing details and proposed notice language, including potential bill impacts from the proposed sale.

⁴ Staff requested a 90-day extension to September 26, 2022. MAWC replied that a 45-day extension is sufficient at this time. Staff's motion will be addressed in a separate order.

THE COMMISSION ORDERS THAT:

1. OPC's request for a public hearing is granted.
2. All parties are directed to file on or before July 20, 2022, and jointly if possible, a request for an extension of time, or:
 - a. A proposed date and time of a virtual public hearing along with any other public hearing details, and
 - b. Proposed language to be sent to customers notifying them of the virtual public hearing, inclusive of proposed language regarding the potential bill impacts of the sale on typical residential and commercial customers.
3. This order shall be effective when issued.



BY THE COMMISSION

A handwritten signature in black ink that reads "Morris L. Woodruff".

Morris L. Woodruff
Secretary

Silvey, Chm., Rupp, Coleman, Holsman, and
Kolkmeier CC., concur.

Hatcher, Senior Regulatory Law Judge

STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

**WITNESS my hand and seal of the Public Service Commission,
at Jefferson City, Missouri, this 13th day of July, 2022.**





Morris L. Woodruff
Secretary

MISSOURI PUBLIC SERVICE COMMISSION

July 13, 2022

File/Case No. WA-2022-0311

**Missouri Public Service
Commission**

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Enclosed find a certified copy of an Order or Notice issued in the above-referenced matter(s).

Sincerely,



**Morris L. Woodruff
Secretary**

Recipients listed above with a valid e-mail address will receive electronic service. Recipients without a valid e-mail address will receive paper service.