STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 12th day of July, 2016.

| In the Matter of an Investigation of Missouri-American |) | |
|--|---|-----------------------|
| Water Company with Respect to Certain Issues |) | File No. WO-2017-0012 |
| Disclosed During the Recent Rate Case |) | |

ORDER OPENING AN INVESTIGATION

Issue Date: July 12, 2016 Effective Date: July 12, 2016

On July 7, 2016, the Commission's Staff and Missouri-American Water Company filed a joint motion asking the Commission to open an investigation into two issues that arose in Missouri-American's recent rate case, WR-2015-0301. The issues to be investigated are faulty water meters and the practice of maintaining negative reserve balances. The joint motion explains that the approved stipulation and agreement that resolved some of the issues in that rate case provided for the proposed investigation and required Missouri-American to fully participate and cooperate in the investigation.

The Commission will open this case to facilitate that investigation. In addition, an open case will afford Staff an opportunity to report to the Commission as appropriate.

This is only a fact-finding investigation and is not a contested case. The Commission will not take any action regarding Missouri-American's practices within the confines of this investigation. If the investigation reveals that any such action is appropriate, Staff may file a formal complaint or other appropriate pleading within a new file to institute contested case procedures.

Since this investigation arose from the rate case in which many parties participated, other persons and entities may wish to take part in the investigation. Staff may decide for itself the extent to which such persons or entities should be allowed to participate in the investigation.

THE COMMISSION ORDERS THAT:

- 1. The Commission's Staff shall undertake an investigation of Missouri-American Water Company regarding faulty water meters and the practice of maintaining negative reserve balances.
- 2. The Commission's data center shall provide a copy of this order to all parties on the Service List for File No. WR-2015-0301.
- 3. Staff shall file a progress report regarding its investigation no later than September 12, 2016.
 - 4. This order shall be effective when issued.

BY THE COMMISSION

Jorris L Woodry

Morris L. Woodruff Secretary

Hall, Chm., Stoll, Kenney, Rupp, and Coleman, CC., concur.

Woodruff, Chief 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 12th day of July 2016.

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Morris L. Woodruff Secretary

MISSOURI PUBLIC SERVICE COMMISSION July 12, 2016

File/Case No. WO-2017-0012

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.