

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

In the Matter of Missouri-American)
Water Company for a Certificate of)
Convenience and Necessity Authorizing)
it to Install, Own, Acquire, Construct,) File No. WA-2021-0376
Operate, Control, Manage and Maintain)
a Water System and Sewer System in)
and around the City of Eureka, Missouri.)

MAWC’S MOTION FOR CORRECTION OR CLARIFICATION

COMES NOW Missouri-American Water Company (“MAWC” or “Company”), by and through the undersigned counsel, and, as its *Motion for Correction or Clarification*, states as follows to the Missouri Public Service Commission (“Commission”):

1. On June 9, 2022 (effective July 9, 2022), the Commission issued its *Report and Order* in this matter.

2. Among other things, “Ordered” paragraph 4 (p. 34) stated as follows:

Upon closing, the Commission authorizes MAWC to establish a regulatory asset in the amount of \$18 million for the acquired Eureka water system and a regulatory asset in the amount of \$10 million for the acquired Eureka sewer system. Rate recovery of these regulatory assets will be determined in MAWC’s next general rate case.

3. Previously in the order, the Commission had stated that it “finds that the statute mandates that the Commission set the ratemaking rate base for the acquired assets at \$18 million for the Eureka water system and \$10 million for the Eureka sewer system.” (Report and Order, p.

32). Further, Ordered paragraph 3.f. states as follows:

MAWC shall develop a plan to book all of the Eureka plant assets, with the concurrence of Staff and/or with the assistance of Staff, for original cost, depreciation reserve, and contributions (CIAC) for appropriate plant accounts, along with reasonable and prudent transaction, closing, and transition costs. This plan should be submitted to Staff for review within sixty (60) days after closing on the assets.

4. After an acquisition of municipal assets, MAWC would normally book the acquired assets to its utility plant in service (UPIS) accounts. The provisions of the *Report and Order* identified in paragraph 3 above suggest that the Eureka water and sewer assets should be booked to UPIS rather than to regulatory assets.¹

5. Accordingly, MAWC requests that the Commission correct or clarify its Ordered paragraph 4 to not require the creation of regulatory assets related to the Eureka water and sewer assets. MAWC suggests that the following paragraph would be consistent with the Commission's Report and Order:

Upon closing, the Commission authorizes MAWC to establish ratemaking rate base in the amount of \$18 million for the acquired Eureka water system and a ratemaking rate base in the amount of \$10 million for the acquired Eureka sewer system.

WHEREFORE, Missouri-American Water Company requests that the Commission consider this *Motion for Correction or Clarification* and, thereafter, issue an order clarifying the matter described herein.

Respectfully submitted,



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¹ Additionally, MAWC does not believe that any party suggested in this case that assets be booked to a regulatory asset account.

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ATTORNEYS FOR MISSOURI-AMERICAN
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CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the foregoing document has been sent by electronic mail this 14th day of June, 2022, to:

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