

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

In the matter of the Petition of Missouri-)
American Water Company for Approval) **File No. WO-2015-0211**
to Change its Infrastructure System)
Replacement Surcharge (ISRS).)

STAFF STATEMENTS OF POSITION

COMES NOW the Staff of the Missouri Public Service Commission, and files this *Staff Statements of Position* with the Missouri Public Service Commission stating the following:

List of Issues

I. Revenue Reconciliation and 10% Cap

Should the amount of ISRS revenues authorized by the Commission associated with reconciliation of prior under or over collections be included or excluded from the ISRS revenue cap calculation for MAWC in this proceeding?

Included. The entire amount of ISRS revenues authorized by the Commission at any point in time, including revenues associated with reconciliation of prior ordered ISRS amounts, should be included in the ISRS revenue cap calculation. This ensures that the ISRS revenue cap calculation takes into account all ISRS revenues authorized for collection from customers in determining the upper limit that should be placed on this form of single-issue rate recovery.

II. Regulatory Asset

If MAWC is prohibited from recovering ISRS amounts due to the application of the ISRS cap, should it be authorized to record its under recovery in a regulatory asset

account for consideration in MAWC's next rate case, or next ISRS filing after its ISRS has been set to zero?

No, MAWC should not be authorized to record a regulatory asset for any amount of ISRS costs determined to be above the ISRS revenue cap amount in this proceeding, as that action would be inconsistent with the intent behind the ISRS cap provisions in the ISRS statute and rule.

WHEREFORE, the Staff files this *Staff Statements of Position* and prays the Commission accept this pleading as set forth above.

Respectfully submitted,

/s/ Cydney D. Mayfield

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served, either electronically or by First Class United States Mail, postage prepaid, on this 26th day of May, 2015, to the parties of record as set out on the official Service List maintained by the Data Center of the Missouri Public Service Commission for this case.

/s/ Cydney D. Mayfield