

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

In the Matter of Proposed Amendments)	
to the Commission's Ex Parte and)	File No. AX-2017-0128
Extra-Record Communications Rule)	

COMMENTS OF THE CONSUMERS COUNCIL OF MISSOURI

COMES NOW the Consumers Council of Missouri ("Consumers Council" or "CCM"), and for its Comments, on the above-captioned matter regarding the Missouri Public Service Commission's ("Commission") proposed changes to the *Ex Parte* and Extra-record Communications rules as submitted to the Missouri Secretary of State on November 28, 2016.

The current ethics rule at Section 4 CSR 240-4.020(8) requires disclosure of secret communications between commissioners and representatives of entities for which the Commission is charged with regulating. The purpose of the rule is to ensure that the Commission is operating in a transparent manner and to promote public trust in the impartiality of the Commission's responsibilities.

Section 4 CSR 240-4.020(8) was not created without just cause. Each provision of this rule was created due to specific prior abuses. The Commission's 100-year history has included numerous examples of private interactions between regulators and the utilities they regulate which have tested the public's trust; the incidents of 2007 (which preceded the most recent version of the *ex parte* rule) being only the most recent. With each instance of scandal that has occurred over time, the impartiality of certain commissioners has been drawn into question, and then the debate was renewed over

how to ensure that secret meetings with representatives of regulated entities do not violate the public trust. And piece by piece, greater protections have been woven into newer revisions of the Commission's ex parte rule.

The proposed rescission of the current ex parte rule and attempt to draft a weaker version of that rule would unravel these protections, sending the Commission back to the dark days of backroom communications. Consumers Council of Missouri is alarmed by these proposals and urges the Commission to reconsider. Please leave in place the current common sense rule that grants an important measure of transparency to communications with commissioners.

The current rule does not prevent private communications between commissioners and utility representatives. It merely ensures that parties to PSC cases and the general public are made aware of one-sided communications through reasonable notification procedures and, through the OPC, are allowed an opportunity to participate in the discussions with utility representatives. The proposed rule, in addition to other changes, removes disclosure and notice processes entirely, leaving the public in the dark as to when, how and what is being discussed with utility representatives in secret back rooms, even though those discussions may involve millions, if not billions, of ratepayer dollars. By removing disclosure and notice requirements, the draft rule eviscerates the process of monitoring and observing adherence to ethical standards.

The Consumers Council concurs entirely in "Public Counsel's Comments" that were filed earlier on this day, and urges the Commission to adopt OPC's recommendations in this matter.

This Commission's current ex parte rule is a vital protection of transparency for regulation that significantly impacts the economic well-being of most residential households in the state of Missouri. The Commission is charged with protecting the public from the predatory activities of monopoly utilities. Too much is at stake with this solemn responsibility to assume that the Commission's standards for ethics can be loosened. Rather than weakening its standards of conduct, this Commission should elevate the standards to which it and future Commissioners must adhere.

WHEREFORE Consumers Council submits these comments for the Commission's consideration.

Respectfully submitted,

/s/ John B. Coffman

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, emailed or hand-delivered to all parties listed on the official service list on this 2nd day of February, 2017.

/s/ John B. Coffman
