

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

In the Matter of the Application of Missouri-)
American Water Company’s Request for)
Authority to Implement General Rate) **File No. WR-2020-0344**
Increase for Water and Sewer Service)
Provided in Missouri Service Areas)
)

STAFF STATEMENT OF DISCOVERY DISAGREEMENT OR CONCERN

COMES NOW Staff of the Missouri Public Service Commission (“Staff”) and for its Statement of Discovery Disagreement or Concern (“Statement”) states as follows:

1. On August 26, 2020, the Commission issued an Order Setting Test Year and Adopting Procedural Schedule (“Order”). The Order set a Discovery Conference for October 27, 2020. Subsequently, the Discovery Conference date was moved by agreement of the parties to October 26, 2020.

2. The Order also provided in paragraph 4e.ii.that:

Not less than three (3) business days before each discovery conference, any party that has a discovery disagreement or concern involving another party shall file a brief statement describing that disagreement or concern and identifying any other parties involved. Such statement does not need to be a formal motion to compel. Any party may attend a discovery conference, but only those parties involved in an identified discovery disagreement or concern must attend.

3. Staff is filing this Statement to identify certain discovery disagreements or concerns regarding Missouri-American Water Company (“MAWC”) responses to certain discovery requests submitted by Staff. For example:

(a) regarding DR 219 (attached), MAWC has objected (attached) to providing information related to rate case expense for other American Water subsidiaries that have filed rate cases during the years 2017-2020; Staff

needs this information in order to do a reasonableness comparison between MAWC and other American Water subsidiaries for rate case expense associated with the same or similar rate case issues.

WHEREFORE, Staff submits this Statement of Discovery Disagreement or Concern in advance of the Discovery Conference scheduled for October 26, 2020.

Respectfully submitted,

s/ Mark Johnson

Mark Johnson

Deputy Counsel

Missouri Bar No. 64940

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Attorney for the Staff of the
Missouri Public Service Commission

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to counsel of record this 21st day of October, 2020.

/s/ Mark Johnson

Missouri Public Service Commission**Data Request**

Data Request No.	0219
Company Name	Missouri-American Water Company-(Water)
Case/Tracking No.	WR-2020-0344
Date Requested	8/13/2020
Issue	Expense - A&G - Rate Case Expense
Requested From	Brian LaGrand
Requested By	Mark Johnson
Brief Description	Other American Water Subsidiary Rate Case Expense

Description

For each American Water subsidiary that has filed a rate case during the years 2017-2020: 1. Provide the state, case number, list of issues raised and whether those issues were litigated. 2. Provide the total amount of budgeted rate case expense, the total amount of actual rate case expense that was incurred, and the amount ordered by the Commission that was actually included in rates. 3. Provide a list of each expense utilized for the subsidiary's rate case with the name of each consultant/vendor, amount budgeted, amount actually expended and a description of the services provided. If any expenses have hourly charges; please provide the hourly amount for each service, the number of hours the consultant utilized to perform each service and a description of the services provided. 4. Does American Water allocate certain rate case expense amongst its subsidiaries that concurrently file rate cases? If yes, please provide a list and detailed description of the services jointly used and the process for allocating rate case expense with all allocation factors and supporting calculations in excel format. 5. Describe in detail and provide any supporting documentation/policies regarding the processes that Missouri American Water and American Water utilize in determining its allowed budget and actual expenditures for rate case expense. Please include a discussion of all considerations that are examined and contemplated that American Water or each subsidiary considers in developing its proposed rate case expense. Data Request submitted by Paul Amenthor (Paul.amenthor@psc.mo.gov).

Due Date 9/2/2020

The attached information provided to Missouri Public Service Commission Staff in response to the above data information request is accurate and complete, and contains no material misrepresentations or omissions, based upon present facts of which the undersigned has knowledge, information or belief. The undersigned agrees to immediately inform the Missouri Public Service Commission Staff if, during the pendency of Case No. WR-2020-0344 before the Commission, any matters are discovered which would materially affect the accuracy or completeness of the attached information.

If these data are voluminous, please (1) identify the relevant documents and their location (2) make arrangements with requestor to have documents available for inspection in the Missouri-American Water Company-(Water) office, or other location mutually agreeable. Where identification of a document is requested, briefly describe the document (e.g. book, letter, memorandum, report) and state the following information as applicable for the particular document: name, title number, author, date of publication and publisher, addresses, date written, and the name and address of the person(s) having possession of the document. As used in this data request the term "document(s)" includes publication of any format, workpapers, letters, memoranda, notes, reports, analyses, computer analyses, test results, studies or data, recordings, transcriptions and printed, typed or written materials of every kind in your possession, custody or control or within your knowledge. The pronoun "you" or "your" refers to Missouri-American Water Company-(Water) and its employees, contractors, agents or others employed by or acting in its behalf.

**Security
Rationale**

Public
NA

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August 21, 2020

VIA ELECTRONIC MAIL

Mr. Mark Johnson
Missouri Public Service Commission
Governor State Office Building, 8th Floor
Jefferson City, Missouri 65101
mark.johnson@psc.mo.gov

RE: Case No. WR-2020-0344
Missouri Public Service Commission

Dear Mark:

We are in receipt of numerous Data Requests from the Staff of the Missouri Public Service Commission (Staff) related to the above-referenced case.

This letter should be considered an objection on behalf of Missouri-American Water Company (MAWC) to the identified data requests, in accordance with Commission Rule 20 CSR 4240-2.090(2), for the reasons described in the following paragraphs.

DR 0219 – DR 0219 requests the following:

For each American Water subsidiary that has filed a rate case during the years 2017-2020: 1. Provide the state, case number, list of issues raised and whether those issues were litigated. 2. Provide the total amount of budgeted rate case expense, the total amount of actual rate case expense that was incurred, and the amount ordered by the Commission that was actually included in rates. 3. Provide a list of each expense utilized for the subsidiary's rate case with the name of each consultant/vendor, amount budgeted, amount actually expended and a description of the services provided. If any expenses have hourly charges; please provide the hourly amount for each service, the number of hours the consultant utilized to perform each service and a description of the services provided. 4. Does American Water allocate certain rate case expense amongst its subsidiaries that concurrently file rate cases? If yes, please provide a list and detailed description

of the services jointly used and the process for allocating rate case expense with all allocation factors and supporting calculations in excel format. 5. Describe in detail and provide any supporting documentation/policies regarding the processes that Missouri American Water and American Water utilize in determining its allowed budget and actual expenditures for rate case expense. Please include a discussion of all considerations that are examined and contemplated that American Water or each subsidiary considers in developing its proposed rate case expense.

MAWC objects to this data request for the following reasons: a) the responsive information is not relevant to the subject proceeding, not proportional to the needs of the case considering the totality of the circumstances, nor reasonably calculated to lead to the discovery of admissible evidence in that it requests information concerning American Water Works Company subsidiaries, that are not regulated by the Missouri Public Service Commission; and, b) the information is beyond MAWC's possession, custody, and control.

Without waiving this objection, MAWC states that it is not aware of any documentation or policy it utilizes in determining its budget and actual expenditures for rate case expense, other than the need to present and process a competent case and respond fully to the issues that may be raised by the parties and Commission.

DR 0223 – DR 0223 requests the following:

1- Please provide copies of all leases for which Missouri American Water is not a direct party to the lease, but for which it is allocated some portion of lease costs that are in effect from January 1, 2019 through December 31, 2020, Updating as information becomes available. 2- Provide the following: (a) the total cost of each lease, prior to and subsequent to allocation for each party to the lease, including all allocation factors assigned to each party to the lease, all methodologies employed to determine the allocation percentage in excel format with all formulas and calculations intact (b) for each of these leases (item 1 above) provide a quantification of all lease costs that are allocated to Missouri American by account and profit center (c) identify all other American Water subsidiaries that receive an allocation of the costs for each of these leases and quantify the amount of lease costs that were allocated to each of these entities. Update, by month, as information becomes available through the true-up cutoff date as information becomes available.

MAWC objects to this data request for the following reasons: a) the responsive information is not relevant to the subject proceeding, not proportional to the needs of the case considering the totality of the circumstances, nor reasonably calculated to lead to the discovery of admissible evidence to the extent it requests information concerning American Water Works Company subsidiaries that are not regulated by the Missouri Public Service Commission; and, b) the information is beyond MAWC's possession, custody, and control.

Mr. Mark Johnson
Missouri Public Service Commission
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Without waiving this objection, MAWC will provide the amounts allocated to MAWC and a total amount of the allocations to other affiliates.

If you have any questions, please contact me.

BRYDON, SWEARENGEN & ENGLAND P.C.

By: 

Dean L. Cooper

cc: Timothy Luft
Counsel for Parties to WR-2020-0344

**DATA INFORMATION REQUEST
Missouri-American Water Company
WR-2020-0344**

Requested From: Brian LaGrand

Date Requested: 08/13/2020

Information Requested:

For each American Water subsidiary that has filed a rate case during the years 2017-2020:

1. Provide the state, case number, list of issues raised and whether those issues were litigated.
2. Provide the total amount of budgeted rate case expense, the total amount of actual rate case expense that was incurred, and the amount ordered by the Commission that was actually included in rates.
3. Provide a list of each expense utilized for the subsidiary's rate case with the name of each consultant/vendor, amount budgeted, amount actually expended and a description of the services provided. If any expenses have hourly charges; please provide the hourly amount for each service, the number of hours the consultant utilized to perform each service and a description of the services provided.
4. Does American Water allocate certain rate case expense amongst its subsidiaries that concurrently file rate cases? If yes, please provide a list and detailed description of the services jointly used and the process for allocating rate case expense with all allocation factors and supporting calculations in excel format.
5. Describe in detail and provide any supporting documentation/policies regarding the processes that Missouri American Water and American Water utilize in determining its allowed budget and actual expenditures for rate case expense. Please include a discussion of all considerations that are examined and contemplated that American Water or each subsidiary considers in developing its proposed rate case expense.

Requested By: Paul Amenthor - Missouri Public Service Commission – paul.amenthor@psc.mo.gov

Information Provided:

1. Please refer to the objection letter dated 8/21/20 to the Missouri Public Service Commission regarding this data request, MoPSC 0219. Notwithstanding, please refer to the company's response to data request MoPSC 050 for similar information requested in this data request.
2. Please refer to the objection letter dated 8/21/20 to the Missouri Public Service Commission regarding this data request, MoPSC 0219.
3. Please refer to the objection letter dated 8/21/20 to the Missouri Public Service Commission regarding this data request, MoPSC 0219.
4. No, American Water does not allocate certain rate case expenses amongst its subsidiaries.

5. Please refer to the objection letter dated 8/21/20 to the Missouri Public Service Commission regarding this data request, MoPSC 0219. Notwithstanding, proposed rate expense is developed through the combination of historical rate case filing costs in Missouri and outside consultant contracts that have been retained. Please refer to the testimony of Brian W. LaGrand for further discussion on proposed rate case expense in this docket.

Responsible Witness: Brian LaGrand