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October 29, 2003

Mr. Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
P.O. Box 360
Jefferson City, Missouri 65102

FILED

OCT 29 2003

**Missouri Public
Service Commission**

**RE: Missouri-American Water Company
Case No. WT-2004-0192**

Mr. Hardy:

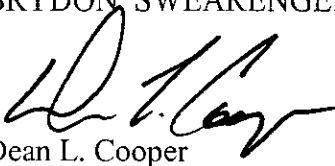
Enclosed for filing in the above-referenced matter are the original and eight (8) copies of Missouri-American Water Company's Objection to the Application to Intervene of AG Processing Inc., a Cooperative. A copy of the foregoing document has been hand-delivered or mailed this date to all parties of record.

Thank you for your attention to this matter.

Sincerely,

BRYDON, SWEARENGEN & ENGLAND P.C.

By:



Dean L. Cooper

DLC/jar
Enclosures

FILED

BEFORE THE PUBLIC SERVICE COMMISSION OCT 29 2003
OF THE STATE OF MISSOURI

Missouri Public
Service Commission

In the Matter of the Application of)
Missouri-American Water Company)
for Approval of an Agreement with) Case No. WT-2004-0192
Premium Pork, LLC for the Retail Sale)
and Delivery of Water)

OBJECTION TO THE APPLICATION TO INTERVENE
OF AG PROCESSING INC, A COOPERATIVE

COMES NOW Missouri-American Water Company ("MAWC" or the "Company"), and, in response to the Application to Intervene of AG Processing Inc., a Cooperative ("AGP"), states as follows to the Missouri Public Service Commission's ("Commission"):

1. On October 24, 2003, AGP filed its Application to Intervene wherein it applied to become a party to this proceeding. MAWC objects to this requested intervention.
2. The economic development rider process that is the subject of this proceeding was recently approved by a Commission order issued on October 2, 2003 (Case No. WT-2004-0156). Contrary to AGP's suggestion that MAWC is asking for something outside the bounds of that recently approved tariff, MAWC's application is made pursuant to, and in accordance with, those same economic development rider tariff sheets. AGP notes "concern" as to MAWC's statement that the "general incentive provisions" "are not sufficient" (AGP App., p. 3). This "concern" is wholly misplaced. AGP's review of the subject tariff sheets would reveal that the economic development rider provides for both "General Incentive Provisions" and "Alternative Incentive Provisions" (P.S.C. Mo. No. 1, Sheets 51 and 53). The Premium Pork contract is proposed for approval under the "Alternative Incentive Provisions" – the first and most basic requirement of which is that "the General Incentive Provisions are not sufficient" (P.S.C. Mo. No. 1, Sheet 53).
3. Commission Rule 4 CSR 240-2.075(4) governs the potential intervention of parties

and states that “the commission *may* on application permit any person to intervene on a showing that—

- (A) The proposed intervenor has an interest which is different from that of the general public and which may be adversely affected by a final order arising from the case; or
- (B) Granting the proposed intervention would serve the public interest.”

(Emphasis added).

4. Even if AGP could meet one of these requirements, the Commission should keep in mind that intervention in Commission matters is permissive, not mandatory (“the commission *may* . . . permit any person to intervene on a showing that . . .”). In this situation, the Commission and the public would be well served by a discretionary denial of AGP’s intervention request.

5. As was indicated in MAWC’s application, Premium Pork is proposing to construct a pork processing facility at a site located within the city limits of St. Joseph, Missouri. The total investment in the plant would be approximately \$130-135 million. Approximately 800 jobs would be associated with the processing facility, with another 200 jobs created as part of the corporate headquarters of the company also to be located in St. Joseph with base wages greater than \$10.00/hour plus benefits. Additionally, it is estimated that approximately 339 jobs associated with the construction of the plant, representing \$7.25 million in wages will be created, along with annual real and personal property taxes anticipated to total approximately \$1.2 million. It has been represented to MAWC that the proposed water rate and the timeliness of locking in that rate is very important to the efforts to attract Premium Pork to St. Joseph.

6. The Commission Staff and the Office of the Public Counsel, which are already participating in this case, are fully capable of assessing whether or not MAWC’s application is in compliance with the subject tariffs. AGP’s participation will not add anything to this process. Further,

in addition to asking for permission to intervene in this matter, AGP has filed a “Request for Suspension of Proposed Tariff” wherein it asks the Commission to suspend the tariff sheets reflecting the Premium Pork rates for a period of between 60 to 90 days. Such a delay would not be conducive to the economic development goals identified in MAWC tariff. At a minimum, it would prohibit Premium Pork from moving ahead with the described project for at least that 60-90 day period. In a worst case scenario, it may cause St. Joseph to miss this economic development opportunity all together. For these reasons, if AGP is granted intervention, MAWC reserves the right to respond at that time more specifically to the AGP Request for Suspension of Proposed Tariff.

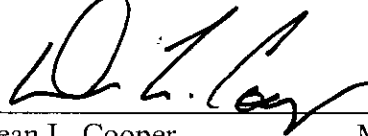
7. Lastly, AGP does meet the requirements of Commission Rule 4 CSR 240-2.075(4) because it can neither show either that it will be “affected by a final order arising from this case” nor that the “public interest” would be served by AGP’s intervention. The economic development rider process approved by the Commission, with the support of the Commission Staff and the Office of the Public Counsel, establishes a detailed process whereby the Commission can confirm that the existing customer base will not be harmed by the addition of a subject customer at the proposed incentive rate. If the tariff requirements are satisfied to the Commission’s satisfaction and the incentive rate allowed to go into effect, it is because the Commission has determined that there will be no impact on AGP or any other existing customer. On the other hand, if existing customers will be harmed/affected by the proposed rate, the application will not be approved. AGP cannot be “affected by a final order arising from this case.”

8. Likewise, the “public interest” in this process has been established by the Commission through approval of the underlying tariff. This tariff indicates that it is in the public interest to “encourage industrial and commercial development in the State of Missouri” “in conjunction with local, regional, and state governmental economic development activities” (P.S.C.

Mo. No. 1, Sheet 49). The public interest goals will be assessed based upon the standards found in the tariffs. Granting AGP's requested intervention will not further that public interest.

WHEREFORE, MAWC respectfully requests the Commission issue its order denying AGP's Application to Intervene.

Respectfully submitted,



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ATTORNEYS FOR
MISSOURI-AMERICAN WATER COMPANY

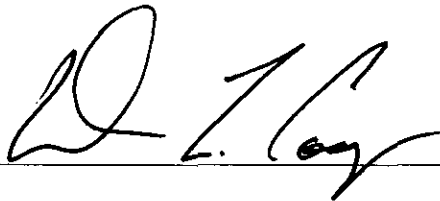
CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the foregoing document was hand-delivered, or sent by U.S. Mail, postage prepaid, on October 29, 2003, to the following:

Mr. Keith Krueger
Office of the General Counsel
Governor Office Building, 8th Floor
Jefferson City, Mo 65101

Ms. Ruth O'Neill
Office of the Public Counsel
Governor Office Building, 6th Floor
Jefferson City, MO 65101

Mr. Stuart W. Conrad
Finnegan, Conrad & Peterson
3100 Broadway, Suite 1209
Kansas City, MO 64111



A handwritten signature in black ink, appearing to read "S. W. Conrad", is written over a horizontal line.