

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

In the Matter of the Petition of )	
Missouri-American Water Company )	
for Approval to Change an )	Case No. WO-2020-0190
Infrastructure System Replacement )	
Surcharge (ISRS) )	

**RESPONSE TO STAFF RECOMMENDATION AND REQUEST FOR AN  
EVIDENTIARY HEARING**

**COMES NOW** the Office of the Public Counsel (“OPC”) and for its *Response to Staff Recommendation and Request for an Evidentiary Hearing*, states as follows:

1. Missouri-American Water Company (“MAWC” or “the Company”) filed its applications and petitions in the above styled case on March 2, 2020, seeking to change its Infrastructure System Replacement Surcharge (“ISRS”).
2. The staff of the Public Service Commission (“Staff”) filed its *Recommendation* regarding MAWC’s application on May 1, 2020.
3. The OPC now files this response to Staff’s recommendation objecting to Staff’s adjustment of approximately \$35,000 to be include in MAWC’s ISRS revenue related to non-existent net operating losses (“NOL”) the Company claims it incurred.
4. Staff asserts that this adjustment is necessary to “to cure normalization violations resulting from its last three ISRS cases,” but that it not true.
5. The private letter ruling issued by the Internal Revenue Service (“IRS”) was based on factual representations made by MAWC stating that the Company had a NOL during the relevant ISRS cases. In reality, the Commission had found that

MAWC did not have an NOL during the relevant ISRS cases. This is something that Staff's own memorandum acknowledges.

6. Because there the Commission determined that there was no NOL in Case Nos. WO-2018-0373 and WO-2019-0184, there is no normalization violations to be cured. Because there is no normalization violations to be cured, the Commission should reject the approximately \$35,000 adjustment requested by MAWC and recommended by Staff.

7. Based on the forgoing objection, the OPC believes that an evidentiary hearing will be necessary to resolve these cases and hereby requests such a hearing.

WHEREFORE, the Office of the Public Counsel respectfully requests the Commission accept this *Response* to MAWC's applications to change its ISRS and issue an order scheduling an evidentiary hearing for this case.

Respectfully submitted,  
OFFICE OF THE PUBLIC  
COUNSEL

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CERTIFICATE OF SERVICE

I hereby certify that copies of the forgoing have been mailed, emailed, or hand-delivered to all counsel of record this eleventh day of May, 2020.

          /s/ John Clizer