STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 6th day of September, 2017.

In the Matter of the Application of Missouri-American Water Company for an Accounting Authority Order Related to Property Taxes in St. Louis County and Platte County

File No. WU-2017-0351

ORDER GRANTING WAIVER

Issue Date: September 6, 2017

Effective Date: September 6, 2017

On June 29, 2017, Missouri-American Water Company (MAWC) filed a request for an Accounting Authority Order (AAO) and a motion for a waiver of the 60-day notice requirement in Commission Rule 4 CSR 240-4.020(2) (hereinafter, "the Motion"). The Missouri Industrial Energy Consumers (MIEC) filed a timely response opposing MAWC's waiver request. MAWC seeks an AAO that will allow the company to track as a regulatory asset the annual increase in property taxes for St. Louis and Platte Counties, Missouri, between 2016 and 2017. In its Motion, MAWC states that the timing of this request relates to MAWC's efforts to work with the subject counties to resolve and minimize the property taxes. MAWC asserts that after taking these steps, MAWC assessed a need for an AAO.

At the time that MAWC filed its Application and Motion for Waiver, Commission Rule 4 CSR 240-4.020(2) stated that:

"Any regulated entity that intends to file a case likely to be a contested case shall file a notice with the Secretary of the Commission a minimum of sixty (60) days prior to filing such case. Such notice shall detail the type of case and issues likely to be before the Commission."

Pursuant to Commission Rule 4 CSR 240-4.020(2)(B)¹, a party may request a waiver of the 60-day notice requirement for good cause shown. MIEC claims that MAWC only proffers generalities that amount to little more than a token gesture of demonstrating good cause. In a reply filed on August 8, 2017, MAWC detailed how the company first became aware of the property tax issue at the end of May 2017. MAWC then attempted to informally resolve the property tax dispute with the counties in June 2017. According to MAWC, after it became clear that those discussions would not be successful, the company evaluated the impact of the new assessments and possible recourses for the company, before deciding to pursue an AAO. MAWC also states that it has not had communications with the Office of the Commission within the one hundred and fifty days prior to June 29, 2017, on any substantive issue likely to be addressed in this case. MAWC also asserts that it may be adversely impacted if a decision is not timely rendered, since a delay may affect the accounting treatment for the company's 2017 earnings.

Although the 60-day notice requirement rule has been revised, the purpose has not. The Commission established the notice requirement to ensure no regulated utility would attempt to improperly influence Commissioners outside of the formal hearing process. Through its reply and the attached Affidavit and Verification of Timothy W. Luft, MAWC has represented to the Commission's satisfaction that no improper communications with the Commission occurred.

After considering the filings, the Commission finds MAWC has demonstrated good cause for waiver of the sixty-day notice requirement.

¹ The rule was revised after MAWC filed its Application and Motion. However, the Commission will apply the regulation in effect at the time the Motion was filed.

THE COMMISSION ORDERS THAT:

1. Missouri-American Water Company's Motion for Waiver of Commission Rule

4 CSR 240-4.020(2) is granted.

2. This order shall be effective when issued.



BY THE COMMISSION

Corris Z L oodul

Morris L. Woodruff Secretary

Hall, Chm., Stoll, Kenney, Rupp, and Coleman, CC., concur.

Burton, Senior Regulatory Law Judge

AFFIDAVIT AND VERIFICATION

STATE OF MISSOURI) ss. COUNTY OF ST. LOUIS

I, Timothy W. Luft, having been duly sworn upon my oath state that I am Vice President - Legal of Missouri-American Water Company, that I am duly authorized to make this Affidavit and Verification on behalf of Missouri-American Water Company, that, to the best of my knowledge, information and belief, the matters and things stated in the foregoing Reply of Missouri-American Water Company to MIEC's Response in Opposition to Request for Waiver are true and correct, and that no one representing Missouri-Missouri Water Company has had any communication with the Office of the Commission (as defined in Rule 4 CSR 240-4.015(10)) within the prior one hundred fifty (150) days of the filing of the Application for Accounting Authority Order and Motion for Waiver regarding any substantive issue likely to be addressed in this case.

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Timothy W.

Subscribed and sworn before me this $7^{\text{th}}_{\text{day of August, 2017.}}$

Commission Expires

	CRYSTAL FOLEY	1
	Notary Public - Notary Soal	
	STATE OF MISSOURI	2
	Miller County	
١.,	Commission # 15497012	ł
•	My Commission Expires: 10-13-2019	1

STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this 6th day of September 2017.



Morris L. Woodruff Secretary

MISSOURI PUBLIC SERVICE COMMISSION

September 6, 2017

File/Case No. WU-2017-0351

Missouri Public Service Commission

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Enclosed find a certified copy of an Order or Notice issued in the above-referenced matter(s).

Sincerely,

Wood w/

Morris L. Woodruff Secretary

Recipients listed above with a valid e-mail address will receive electronic service. Recipients without a valid e-mail address will receive paper service.