# BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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In the Matter of the Joint Application of Missouri-American Water Company and DCM Land, LLC, for a Variance from the Company's Tariff Provisions Regarding the Extension of Company Mains.

File No. WE-2021-0390

#### **JOINT MOTION FOR CLARIFICATION**

**COME NOW** Missouri-American Water Company ("MAWC" or "Company"), the Staff of the Missouri Public Service Commission ("Staff"), DCM Land, LLC ("DCM"), and the Office of the Public Counsel ("OPC"), known together herein as "the Parties," and for their *Joint Motion for Clarification*, state as follows to the Missouri Public Service Commission (the "Commission"):

#### BACKGROUND

1. On May 6, 2021, Company and DCM filed a *Joint Application for Variance and Motion for Waiver* seeking a variance from the Company's Commission-approved Tariff Sheet, 1<sup>st</sup> Revised Sheet No. R 48, Rule 23 Extension of Company Mains, A.2. and 3., to allow changes to the connection time and funding percentage requirements for new applicants that seek to connect to an extension of the Company's water mains into the Cottleville Trails development being developed by DCM.

2. On July 13, 2021, DCM filed its *Motion for Expedited Treatment* requesting that the Staff file its recommendation by no later than August 13, 2021, and the Commission enter its decision no later than October 15, 2021. The basis for this *Motion for Expedited Treatment* was to allow sufficient time for DCM to meet the Initial Closing Date (October 31, 2021) and be in a position to perform under its contracts with the builders on the Initial Closing Date. DCM stated that if the Initial Closing was postponed from October 31, 2021 to March 1, 2022, the carrying cost to DCM would be \$150,500.00 and, if the builders exercise their option to postpone the second

closings, the additional carrying cost would be \$98,000.00; for a total cost of delay to DCM of \$248,500.00.

3. The Staff subsequently filed its recommendation on August 13, 2021. On September 16, 2021, the Parties jointly agreed to, and MAWC filed with the Commission, a *Stipulation of Facts and List of Issues*. The Parties further waived an evidentiary hearing and thereafter filed briefs addressing the issues identified by the Parties.

4. On October 14, 2021, the Commission issued its *Order Granting Variances, Granting Waiver, and Granting Expedited Treatment*, which granted the joint application of MAWC and DCM for variances from provisions of MAWC's tariff regarding the extension of a water service main to the Cottleville Trails development. On October 22, 2021, OPC filed an *Application for Rehearing*.

5. On October 27, 2021, the Commission issued an *Order Granting Application for Rehearing*, granted the OPC's *Application for Rehearing* and directed the Parties to meet for the purposes of proposing a joint procedural schedule.

## **MOTION FOR CLARIFICATION**

6. The Order Granting Application for Rehearing did not specify what issues were to be reheard. Because of this, the Parties are unsure what type of procedural schedule to propose for the rehearing given the current posture of the case and, therefore, request clarification from the Commission as to what aspects of this case it wants to rehear.

7. The *Stipultation of Facts and List of Issues*, as the title suggests, provided the facts agreed to by the Parties. The list of issues provided in that document was as follows:

- Should the Commission waive the 60-day notice required by Rule 20 CSR 4240-4.017 to file a case given that no party opposes the grant of such waiver?

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- Does the Commission have the authority to grant a waiver or variance from the Company's Tariff?
- If the Commission does have the authority to grant a waiver or variance from the Company's tariff, should the Commission grant a variance allowing MAWC to:
  - Extend in this case the 120-day period for connecting customers to qualify for reimbursement from the Company to 5 years; and
  - Apply the upfront 86:14 cost sharing ratio from the Company's other districts to Cottleville Trails, rather than the 95:5 cost sharing ratio that otherwise applies in the Company's St. Louis Metro District.

8. This list of issues included a procedural question (waiver of the 60 day notice), a legal question (the Commission's authority to grant a waiver or variance from a tariff), and substantive questions concerning the requested variances. Whether the Commission intends to rehear all of these issues, or only certain of these issues, will influence the procedural schedule.

9. Moreover, any guidance the Commission might have as to whether it desires to take additional evidence, additional argument, or something else, would also be extremely helpful to the Parties.

#### TIMING

10. The Cottleville Trails development is located in Cottleville, Saint Charles County, Missouri. DCM is currently developing Cottleville Trails for residential use. 355 single family residences, and 175 apartment units are planned for the initial development ("Phase 1"). 217 additional attached, single family residences are planned for future development ("Phase 2").<sup>1</sup>

<sup>&</sup>lt;sup>1</sup> Stipulation of Facts and List of Issues, para. 3 and 4.

11. As indicated in the Application filed in May of this year, there are significant costs to DCM associated with a delay of the Cottleville Trails development. Not only is DCM incurring the costs discussed in Section 2, above; but the cost of materials and labor has continued to increase, during the course of the proceeding; and is expected to continue to do so.

12. Accordingly, the Commission's timely consideration of this matter remains important to DCM and MAWC.

# CONCLUSION

**WHEREFORE**, the Parties request the Commission clarify its *Order Granting Application for Rehearing*, as described herein, to provide the Parties with information to assist with their preparation of a procedural schedule for this matter.

Respectfully submitted,

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# ATTORNEYS FOR DCM LAND, LLC

# **CERTIFICATE OF SERVICE**

I do hereby certify that a true and correct copy of the foregoing document has been sent by electronic mail this 22<sup>nd</sup> day of November 2021, to:

Missouri Public Service Commission staffcounselservice@psc.mo.gov casi.aslin@psc.mo.gov Office of the Public Counsel opcservice@opc.mo.gov <u>Nathan.williams@opc.mo.gov</u> Lindsay.VanGerpen@opc.mo.gov

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