

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Missouri-American Water Company's)	<u>File No. WR-2010-0131</u>
Request for Authority to Implement a)	Tracking No. YW-2010-0310
General Rate Increase for Water Service)	YS-2010-0311,YS-2010-0312,
Provided in Missouri Service Areas)	YS-2010-0313, YS-2010-0314

SECOND ORDER SETTING LOCAL PUBLIC HEARINGS AND PRESCRIBING NOTICE

Issue Date: February 10, 2010

Effective Date: February 10, 2010

The Missouri Public Service Commission is setting more of the local public hearings on the rate increase requests of Missouri-American Water Company (“MAWC”) and prescribing the notice for such hearings, and will set the remaining hearings by separate order.

Procedure

The Commission set forth a schedule for the drafting of customer notices by order issued on November 18, 2009. The Commission granted the Office of the Public Counsel’s Request for Local Public Hearings by order issued on January 13, 2010, reserving its ruling on a schedule for the local public hearings. Because of delays in determining the local public hearing locations, the Commission set forth language for the notices (“proposed notice”) by order issued on January 21, 2010. The Commission allowed the parties until January 29, 2010, to file responses to the proposed notice. On January 29, 2010, the Commission received responses from the City of St. Joseph and MAWC. MAWC also filed a reply to the City of St. Joseph’s response on February 5, 2010. On February 8, 2010, City of St. Joseph filed a surreply. The Commission set some of the hearings by order dated February 9, 2010, reserving others for ruling by separate order.

Discussion

MAWC and the City of St. Joseph offered suggestions for the notice as follows.

The Commission proposed notice of proposed general revenue increase as a percentage in the aggregate. The increase proposed in each service territory (“territory”) is more useful to customers, according to both MAWC and The City of St. Joseph. The City of St. Joseph offers percentages for customer classes in the St. Joseph territory. MAWC suggests using an overall percentage increase per territory and an average dollar amount for residential customers in each territory. The Commission finds MAWC’s suggestion informative, especially for the layperson, so the Commission will adopt MAWC’s suggestion. In its surreply the City of St. Joseph agrees to the use of an aggregate figure for the overall general revenue increase proposed.

The heading of the Commission’s proposed notice describes the increase sought as “possible.” The City of St. Joseph suggests describing it as “proposed” and MAWC does not object. The Commission will adopt that suggestion.

The Commission will schedule the local public hearings as follows.

THE COMMISSION ORDERS THAT:

1. No later than ten days before the first local public hearing, Missouri-American Water Company (“MAWC”) shall provide an individual notice to each of its customers.
2. For MAWC’s sewer service customers, the notice described in paragraph 1 shall include the following language.

NOTICE OF PROPOSED RATE INCREASE AND PUBLIC HEARINGS

Missouri American Water Company (“MAWC”) filed a proposal with the Missouri Public Service Commission (“PSC”) that may affect your sewer bill. MAWC proposes to increase its gross

annual revenues from all its sewer service territories (excluding sales and other gross receipts taxes) by \$143,595 in the aggregate.

For a **[territory]** residential customer, the proposed increase would be **\$xx.xx** per month, if this rate request is approved in full.

If you would like to comment on MAWC's proposal, you may do so in several ways. You may:

- Testify at the local public hearings which have been set as follows:

[information per territory from paragraph 4 and information from paragraph 5]

- Mail a written comment to the PSC at the following address: Missouri Public Service Commission, P.O. Box 360, Jefferson City, Missouri 65102
- Submit a comment to the PSC electronically through the Internet by accessing the PSC's Electronic Filing and Information System (also called "EFIS") at <https://www.efis.psc.mo.gov/mpsc/Comments.html> (please reference File No. WR-2010-0131).
- Contact the Office of the Public Counsel, P.O. Box 2230, Jefferson City, Missouri 65102, telephone 573-751-4857 or toll-free 866-922-2959.

Comments are viewable by the public. **Do not include any information in a public comment that you do not wish to be made public.**

If you have a question or complaint about your utility service, please contact the PSC's Consumer Services Hotline at 1-800-392-4211.

The local public hearings will be held in buildings that meet accessibility standards required by the Americans with Disabilities Act. If you need additional accommodations to participate in these hearings, please call the Public Service Commission's Hotline at 1-800-392-4211 (voice) or Relay Missouri at 711 prior to the hearing.

3. For MAWC's water service customers, the notice described in paragraph 1 shall include the following language.

**NOTICE OF PROPOSED RATE INCREASE AND
PUBLIC HEARINGS**

Missouri American Water Company ("MAWC") filed a proposal with the Missouri Public Service Commission ("PSC") that may affect your water bill. MAWC proposes to increase its gross annual revenues from all its water service territories (excluding sales and other gross receipts taxes) by \$48,558,667 in the aggregate.

For the typical **[territory]** residential customer using **x** gallons per [month] [quarter], the proposed increase would be approximately **\$xx.xx** per [month][quarter], if this rate request is approved in full.

If you would like to comment on MAWC's proposal, you may do so in several ways. You may:

- In person: Testify at the local public hearings which have been set as follows:

*[information relevant per territory from paragraph 4 and
information from paragraph 5]*

- By mail: Mail a written comment to the PSC at the following address: Missouri Public Service Commission, P.O. Box 360, Jefferson City, Missouri 65102
- Electronically: Submit a comment to the PSC through the Internet by accessing the PSC's Electronic Filing and Information System (also called "EFIS") at <https://www.efis.psc.mo.gov/mpsc/Comments.html> (please reference File No. WR-2010-0131).
- Through the Office of the Public Counsel: P.O. Box 2230, Jefferson City, Missouri 65102, telephone 573-751-4857 or toll-free 866-922-2959.

Comments are viewable by the public. **Do not include any information in a public comment that you do not wish to be made public.**

If you have a question or complaint about your utility service, please contact the PSC's Consumer Services Hotline at 1-800-392-4211.

The local public hearings will be held in buildings that meet accessibility standards required by the Americans with Disabilities Act. If you need additional accommodations to participate in these hearings, please call the Public Service Commission's Hotline at 1-800-392-4211 (voice) or Relay Missouri at 711 prior to the hearing.

In that language, the values for the variables **[territory]**, **\$xx.xx**, **x** gallons per [month] [quarter], and [month] [quarter] shall be as set forth in *MAWC's Response to Order Regarding Customer Notices*, Appendix A. In addition to that information, MAWC shall set forth the overall rate increase percentage for the applicable territory.

4. The Commission will convene public meetings, to include a question-and-answer session and a local public hearing, as follows.

Date (2010)	Meeting Place	Address
March 30, 2010	University of Central Missouri	James C. Kirkpatrick Library, Room 1430, Clark & McQuire Streets, Warrensburg, MO 64093
March 31, 2010	St. Louis Community College – Meramec Campus	Business Administration Building, Room 105, 11333 Big Bend Road, St. Louis, MO 63122
April 21, 2010	Missouri Western University	Leah Spratt Hall, Room 201, 4525 Downs Drive, St. Joseph, MO 64507

5. Each meeting in paragraph 4 will begin at **6:00 p.m.** with a question-and-answer session at which the Commission's staff will discuss the rate increases at issue in this action. Each meeting will continue with a public hearing starting at **6:30 p.m.** at which persons interested in this action may testify. A regulatory law judge assigned to this action will conduct each public hearing. Each public hearing will last until **9:30 p.m.** or all persons present have had the opportunity to be heard.

6. The notices described in paragraphs 1, 2 and 3 shall include the information applicable per territory as set forth in paragraph 4 and the information in paragraph 5, and the general revenue increase proposed for all territories in the aggregate.

7. The Data Center of the Missouri Public Service Commission shall serve a copy of this order upon the governing body of each county, or city not within a county, in the water and sewer service areas of Missouri-American Water Company.

8. The Public Information Office of the Missouri Public Service Commission shall make notice of this order available to members of the General Assembly representing the residents in the water and sewer service areas of Missouri-American Water Company.

9. This order shall become effective immediately upon issuance.

BY THE COMMISSION



Steven C. Reed
Secretary

(S E A L)

Daniel Jordan, Regulatory Law Judge,
by delegation of authority pursuant to
Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,
on this 10th day of February, 2010.