

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

In the Matter of Missouri-American	)	
Water Company's Request for Authority to	)	
Implement a General Rate Increase for	)	File No. WR-2015-0301
Water and Sewer Service Provided in Its	)	
Missouri Service Area.	)	

**ORDER DIRECTING RESPONSE**

Issue Date: June 29, 2015

Effective Date: June 29, 2015

On May 15, 2015, Missouri-American Water Company filed a notice of intended case filing indicating its intent to initiate a general rate case sometime after the passage of sixty days from the filing of the notice. Under the Commission's ex parte and extra-record communications rule,<sup>1</sup> the filing of that notice triggers certain restrictions on communications outside the evidentiary record in the case. Before Missouri-American filed its 60-day notice, Commissioner Daniel Hall had informally directed the Commission's Staff to prepare a rate structure analysis regarding the following concepts as applicable to water utilities: (1) an increase to the customer charge; (2) a corresponding decrease in the volumetric charge; (3) inclining block rates for residential customers; (4) level rates for commercial and industrial customers; (5) a modified future test year for consumption; (6) a one-way tracker on consumption; and (7) a corresponding downward adjustment in Return on Equity.

After Missouri-American filed its 60-day notice, direct communication between Staff and the Commissioners about a likely issue in the rate case was no longer permitted.

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<sup>1</sup> 4 CSR 240-4.020.

Therefore, on June 16<sup>th</sup>, the Staff filed its analysis in this file so that it would be available to the Commission, all interested parties and the public.

The Commission is interested in the response of Missouri-American, and other interested parties, to Staff's analysis. For that reason, the Commission will direct Missouri-American to address Staff's analysis in its direct testimony that will accompany its general rate case filing. The other parties to the rate case may address that analysis in their own direct testimony, or may respond to Ameren-Missouri's analysis in their rebuttal testimony as appropriate.

**THE COMMISSION ORDERS THAT:**

1. Missouri-American Water Company shall respond to Staff's Water Utility Rate Design Analysis in the direct testimony it files as part of its general rate case filing.
2. The other parties may respond to Staff's Water Utility Rate Design Analysis in their direct testimony, or may respond to Missouri-American Water Company's analysis in their rebuttal testimony as appropriate.
3. This order shall be effective when issued.

**BY THE COMMISSION**



Morris L. Woodruff  
Secretary



Morris L. Woodruff, Chief Regulatory  
Law Judge, by delegation of authority  
pursuant to Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,  
on this 29<sup>th</sup> day of June, 2015.