

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

In the Matter of the Joint Application of        )  
Hickory Hills Water & Sewer Co., Inc. and    )  
Missouri-American Water Company, for        )  
MAWC to Acquire Certain Water and         )  
Sewer Assets of Hickory Hills and, in        )  
Connection Therewith, Issue Indebtedness   )  
and Encumber Assets.                            )

File No. WA-2016-0019

**THE OFFICE OF THE PUBLIC COUNSEL’S RESPONSE TO STAFF**

COMES NOW the Office of the Public Counsel (Public Counsel) and for its Response to Staff states as follows:

1. On October 9, 2015, Public Counsel stated that it does not oppose the transfer of Hickory Hills Water & Sewer Co., Inc. (Hickory Hills) to MAWC. However, Public Counsel noted its concern that customers of Hickory Hills have not been properly notified of the pending transfer. As a result, Public Counsel requested that the Commission schedule a local public hearing.
2. On October 13, 2015, the Staff of the Missouri Public Service Commission (Staff) filed an Opposition to Public Counsel’s request for a local public hearing noting that the Commission held a local public hearing for the Hickory Hills customers in August 2014 as part of Case No. WR-2014-0167 as well as other meetings including a public meeting held in 2013. As a result, Staff presented its opinion that another local public hearing is unnecessary in this transfer case.
3. Staff’s opposition to Public Counsel’s request for a local public hearing is unreasonable and should be disregarded by the Commission.

4. In its filing, Staff merely posits its belief that because a local public hearing was held over a year ago in a rate case which was eventually withdrawn by Hickory Hills,<sup>1</sup> customers should be denied the opportunity to voice their concerns to the Commission regarding this proposed transfer and denied the opportunity to meet the potential owner of their water and sewer system and ask questions regarding future plans for their utility. Staff presented nothing to alleviate Public Counsel's concern that customers of Hickory Hills have not been properly notified of the pending transfer.

5. Public Counsel finds Staff's disregard for the customers' interest in a local public hearing to be confounding. Given the propensity for utilities to come back to the Commission for rate cases approximately every year, Staff's position of denial because one was held last year would unreasonably deny local public hearings in numerous cases. This cannot be viewed as a position which protects the customers.

6. Staff's stated opinion that "[w]hat the customers want and have always wanted, is a viable solution and that it now at hand" is misplaced if Staff believes that such a statement is proof that a local public hearing is unnecessary.

7. Staff does not represent the customers – Public Counsel does. Similarly, Staff does not represent the utility. Hickory Hills filed no objection to Public Counsel's local public hearing request. MAWC even noted in its October 13, 2015, Response that as a general proposition it does not oppose local public hearings in acquisitions. If neither Hickory Hills nor MAWC are opposed to Public Counsel's request, it is unreasonable for Staff to oppose it.

8. Public Counsel agrees that having a local public hearing may add time and cost to the process – just as they have the potential to do in any case. However, providing sufficient notice

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<sup>1</sup> See Case No. WR-2014-0167, Electronic Filing Information System (EFIS) Item Nos. 59 & 64,

to customers and affording customers the opportunity to speak to the Commission at a hearing is critical to ensuring that a proposed transfer of assets is just and reasonable.

9. As a result, Public Counsel asks the Commission to disregard Staff's Objection and restates its request that the Commission schedule a local public hearing regarding the proposed transfer.

**WHEREFORE**, Public Counsel respectfully submits its Response to Staff.

Respectfully submitted,

OFFICE OF THE PUBLIC COUNSEL

**/s/ Christina L. Baker**

By: \_\_\_\_\_

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**CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been mailed, emailed or hand-delivered to the parties of record this 23<sup>rd</sup> day of October 2015:

**/s/ Christina L. Baker**

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