

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

In the Matter of the Joint Application of Algonquin Water Resources of Missouri, LLC, d/b/a/ Liberty Water and KMB Utility Corporation for Authority for Liberty Water to Acquire Certain Assets of KMB Utility Corporation, and in Connection Therewith, Certain Other Related Transactions.

**File No. WO-2011-0350**

**STAFF REPLY TO COMPANY RESPONSE**

**COMES NOW**, the Staff ("Staff") of the Missouri Public Service Commission ("Commission"), by and through counsel, and submits to the Missouri Public Service Commission ("Commission") its *Staff Reply to Company Response* as follows:

1. On April 22, 2011, Algonquin Water Resources of Missouri, LLC, d/b/a Liberty Water ("Liberty Water") and KMB Utility Corporation ("KMB") filed with the Missouri Public Service Commission ("Commission") a Joint Application and, if Necessary, Motion for Waiver, ("*Joint Application*"), seeking authority for Liberty Water to acquire certain assets of KMB and, certain other related transactions connected therewith. These matters have been consolidated into File No. WO-2011-0350.

2. On July, 19, 2011, Staff filed a positive recommendation in response to the *Joint Application*.

3. On July 28, 2011, Liberty Water filed its response to Staff's *Recommendation*, in which it clarified to the Commission certain factual matters found in the *Recommendation*.

4. Staff fully accepts and incorporates those facts into its *Recommendation*, therefore, the last paragraph on page 5 of 11 pages of the Official Case File Memorandum, should now read:

Further, Liberty intends to prepare customer bills and handle accounts from Tyler, Texas, with customer calls for inquiries and emergencies directed by an “800 telephone number” to a call center that is also in Tyler, Texas, which is only operated during business hours. Liberty also presently utilizes a call center located in Avondale, Arizona that would be available for overflow telephone traffic and as a backup if other issues affect the Tyler, Texas office. Also, after hour calls go to a professional answering service and are relayed to a designated on-call operator for resolution.

5. Further, the second paragraph on page 6 of 11 pages of the Official Case

File Memorandum should read:

Liberty must ensure that the acquisition of the KMB assets will have no adverse effect on the level of utility service provided to the customers. EMSD is recommending that Liberty report to the EMSD Staff various performance statistics regarding the corporation call centers located in Tyler, Texas and Avondale, Arizona. The data should be reported on a monthly basis to the EMSD Staff within thirty (30) days after the end of each month. Such information should include at a minimum, but not be limited to:

- Total number of calls received and handled by the Call Center segregated by calls from Missouri customers.
- Staffing levels for the customer service function and their location.
- Measurements regarding how expediently phones are answered (i.e. ASA%, call abandon rate) and other metrics/calculations to be mutually determined by Staff and Company within forty-five (45) days after the installation of ACD and then again after IVR installation (referenced below).
- Number and percent of estimated meter readings, including numbers specific to Missouri customers.
- Results from the Company’s annual customer opinion surveys.
- Any major technological advances applied to the call center operations.

Liberty Water Company (LWC) is in the process of installing a new telephone system (ACD) and an interactive voice response (IVR) unit to its call centers including those that serve Missouri

customers giving customers twenty-four (24) hour access to their accounts and other service enhancements. Once the implementation of these systems has been completed, Liberty and EMSD Staff will meet to determine the appropriate indicators to be provided in the reporting within forty-five (45) days of each implementation. Integration with the billing software is estimated to take eight to ten months.

**WHEREFORE,** Staff respectfully submits this *Staff Reply to Company Response* to the Commission for its information and consideration. Staff respectfully requests that the Commission approve the *Joint Application*, in accordance with Staff's *Recommendation* previously filed and as herein modified.

Respectfully submitted,

/s/ Meghan McClowry

Meghan E. McClowry

Legal Counsel

Missouri Bar No. 63070

Attorney for the Staff of the  
Missouri Public Service Commission

P. O. Box 360

Jefferson City, MO 65102

(573) 751-6651 (Telephone)

(573) 751-9285 (Fax)

Meghan.mcclowry@psc.mo.gov

### **CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 5th day of August, 2011.

/s/ Meghan McClowry