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MISSOURI PUBLIC SERVICE COMMISSION

File No. WC-2016-0252

REBUTTAL TESTIMONY

OF

HOLLIS H. BROWER, JR.

ON BEHALF OF

MOORE BEND WATER UTILITY, LLC

**Nixa, Missouri
November 2016**

Rebuttal Testimony of Hollis H. Brower, Jr.
File No. WC-2016-0252

1 **Q. Please state your name and business address.**

2 A. My name is Hollis H. Brower, Jr., and my business address is 786 Croley Boulevard,
3 Nixa, Missouri, 65714.

4 **Q. Where are you employed and what is your job title?**

5 A. I am President of Ozark International, Inc., and I also serve as Manager of Moore Bend
6 Water Utility, LLC.

7 **Q. Please describe Ozark International, Inc., and Moore Bend Water Utility, LLC.**

8 A. Ozark International, Inc. (“Ozark”), is the parent company of six regulated water or sewer
9 utilities: Bilyeu Ridge Water Company; Taney County Water, LLC; Midland Water
10 Company, Inc.; Riverfork Water Company; Valley Woods Utility; and Moore Bend
11 Water Utility, LLC (“MBWU”). Each company owned by Ozark provides water and/or
12 sewer service to customers in southwestern Missouri.

13 **Q. What is the purpose of your rebuttal testimony in this case?**

14 A. The purpose of my rebuttal testimony is to address allegations made by the Office of the
15 Public Counsel (“OPC”) in its “Complaint – Amended” (“Complaint”), filed September
16 6, 2016, and in direct testimony filed in support of the Complaint by Ms. Darlene
17 Helmig, Ms. Keri Roth, and Mr. Brent Weis.

18 **HISTORY OF MOORE BEND WATER UTILITY**

19 **Q. Please provide a brief history of your association with MBWU.**

20 A. Ozark formed MBWU, a limited liability company, for the purpose of acquiring and
21 operating a water system previously owned by Moore Bend Water Company, Inc.
22 (“MBWC”). In February 2012, MBWC and Ozark entered into an Asset Purchase
23 Agreement, through which Ozark agreed to purchase all assets used to provide water

1 service to customers within the Moore Bend Subdivision, near Cedarcreek, Missouri. On
2 March 30, 2012, Ozark assigned its rights under that agreement to MBWU.

3 I want to note and emphasize the purchase agreement with MBWC was for *assets*
4 *only*. Neither Ozark nor MBWU acquired any stock or other ownership interest in
5 MBWC, which means neither of the buyers assumed or succeeded to any obligations or
6 liabilities of the water system's prior owner. Although OPC and witnesses testifying in
7 support of the Complaint seem to gloss over or ignore the legal significance of an asset
8 versus a stock acquisition transaction, that distinction is critical insofar as it relates to
9 some allegations made in the Complaint and by witnesses supporting the Complaint.

10 On April 11, 2013, MBWC and MBWU filed a joint application asking the
11 Commission to approve their proposed sale of utility assets, and approximately two
12 weeks later – on April 24, 2013 – the Commission issued its *Order Transferring Assets* in
13 File No. WM-2012-0335. The Commission issued its *Order Granting Certificate of*
14 *Convenience and Necessity and Directing Company to File an Adoption Notice* on
15 October 9, 2013, which cancelled MBWC's certificate, granted a new certificate to
16 MBWU (effective October 19, 2013), and authorized MBWU to take possession, and
17 begin operation of, the Moore Bend water system.

18 I have served MBWU as its Manager since the effective date of its Certificate of
19 Convenience and Necessity. My job responsibilities include supervising MBWU's day-
20 to-day operations, and for several months prior to the date I surrendered my water system
21 operator's certificate my duties also included serving as the company's certified operator.

1 **Q. Please describe the condition of the water system MBWU acquired from Moore**
2 **Bend Water Company, Inc., and what changes and improvements MBWU has made**
3 **since it acquired that system in October 2013.**

4 A. The water system MBWU acquired from MBWC required significant investment to bring
5 it up to the Missouri Department of Natural Resources' ("DNR") standards. Shortly after
6 the acquisition was final, DNR notified MBWU it would be required to hire an outside
7 engineer to perform a complete review the system and suggest upgrades and
8 improvements. The outside engineer's review recommended the following improvements
9 be made to the system: addition of eight 120-gallon retention tanks; replacement of six
10 water-logged bladder tanks; and installation of new chlorine feed pumps and solution
11 tanks on each of the system's two wells. We made each of the recommended
12 improvements, which subsequently were reviewed and approved by DNR. A copy of
13 DNR's report on the improvements is attached to my testimony as Exhibit HHB-1.

14 Because the Moore Bend system is remote to Ozark's offices in Nixa, Missouri,
15 regular monitoring of chlorine residuals for each well, which is required by DNR's
16 regulations to ensure toxic microorganisms are controlled and drinking water is safe,
17 presented a challenge. Manually monitoring those levels would require daily trips to the
18 MBWU well house, which would have been both costly and inefficient. Therefore, I
19 decided it would be best, for both the company and its customers, if a system were
20 installed that would allow remote monitoring of chlorine levels. After consulting with
21 DNR, I identified a system – the Water Guard Analyzer system – that would allow
22 remotely-located company personnel to monitor and record chlorine levels on each well
23 via an internet-based computer hook-up.

1 The total cost of the engineering study mandated by DNR was approximately
2 \$22,500, and the cost of the improvements recommended in that study and the remote
3 chlorine monitoring system was approximately \$25,000. These two items, which together
4 totaled almost \$50,000, is a substantial investment for a company the size of MBWU,
5 especially when you consider that, under traditional ratemaking principles used by the
6 Commission, MBWU must make the investment demonstrate all improvements are used
7 and useful before it could seek recovery of those costs through customer rates. But we
8 made the investments because we believed doing so was in the best interests of our
9 customers.

10 **Q. How many customers does MBWU serve, and are there any characteristics of the**
11 **company's customer base that should be brought to the Commission's attention?**

12 A. MBWU currently has 91 customers. The residences in the Moore Bend Subdivision are
13 not used as their owners' primary residences. Only about 25-30 residences are occupied
14 year-round, with the remainder being weekend or vacation dwellings that are occupied
15 infrequently. During winter, many dwellings in the subdivision are vacant for weeks or
16 months at a time. Approximately half the dwellings in the subdivision are "stick-built"
17 houses, with the rest being single- or double-wide mobile homes.

18 **Q. Was MBWU a party to File No. WR-2015-0192, a general rate case filed by Ozark**
19 **in February 2015?**

20 A. Yes, MBWU, along with all other regulated water and sewer companies owned by Ozark,
21 was a party to that case.

22 **Q. Briefly describe the outcome of that rate case.**

1 A. Ozark, on behalf of all its subsidiary water and sewer companies, entered into a
2 Disposition Agreement with the Commission Staff (“Staff”), which resolved all issues in
3 the rate case. The Commission approved that agreement in its December 6, 2015, *Order*
4 *Approving Tariffs and Incorporating Disposition Agreement*. As part of that order, the
5 Commission approved a \$21,882 increase in MBWU’s annual operating revenue, which
6 represented a 143 percent rate increase for the company’s customers.

7 **Q. Have Ozark and MBWU complied with their respective obligations under the**
8 **Disposition Agreement?**

9 A. Yes, I believe Ozark and MBWU complied with their respective obligations under the
10 Disposition Agreement. However, as I will discuss in greater detail later in this
11 testimony, since August 4, 2016, MBWU has not had the services of a full-time licensed
12 operator, which was one of the requirements specified in paragraph 12 of the Disposition
13 Agreement. That circumstance and the expenses the company has had to incur because of
14 this complaint case have also made it impossible for Ozark and MBWU to hire or retain
15 all additional employees identified in the Disposition Agreement.

16 **OPC’S COMPLAINT AND AMENDED COMPLAINT**

17 **Q. Please describe the history of the complaint the Office of the Public Counsel**
18 **(“OPC”) filed against MBWU.**

19 A. Without prior notice of any kind, on March 31, 2016, OPC filed and served a complaint
20 against MBWU. Subsequently, on September 6, 2016, OPC filed an amended complaint,
21 which is the version currently pending before the Commission.

22 **Q. What are the differences between the original complaint and the amended**
23 **complaint?**

1 A. OPC's original complaint included several incendiary allegations that were without any
2 merit whatsoever. For example, the original complaint alleged water MBWU provided to
3 customers was contaminated with *E. coli* and lead. There is not now, and never was, any
4 evidence to support those allegations. The original complaint also alleged MBWU's
5 water distribution system is comprised of, or includes, cast iron pipes, which OPC
6 claimed caused discoloration of water provided to customers. Again, those allegations
7 were completely false. There is no cast iron pipe in MBWU's water distribution system,
8 and water provided to customers is not discolored. The sole exception would be during
9 infrequent instances when, due to a water main or service line break or repair, one or
10 more customers may briefly see some water discoloration as a result of such repairs.
11 Those infrequent instances cannot be avoided; they happen because repairs disturb rust
12 found on the inside of MBWU's steel service mains and lines. But there most certainly is
13 no ongoing problem with discoloration of water provided to MBWU's customers.

14 OPC dropped all allegations of *E. coli* and lead contamination and discolored
15 water when it filed its amended complaint.

16 **Q. Do you know why the amended complaint differs so significantly from the original**
17 **complaint?**

18 A. I believe the reason the amended complaint differs significantly from the original
19 complaint is that OPC determined there was no evidence to support any of the allegations
20 I discussed in my previous answer. Soon after MBWU was served with OPC's original
21 complaint, the company filed a *Request for Mediation*, as provided under the
22 Commission's rules. It was our hope discussions among all parties to the case – which in
23 addition to OPC included Staff and DNR – within the mediation framework would lead

1 to settlement of the case or at least a reduction of issues presented to the Commission for
2 decision. Although those discussions did not lead to a complete resolution of the case,
3 during the mediation process MBWU, Staff, and DNR were able to convince OPC its
4 allegations regarding lead and *E. coli* contamination, the presence of iron pipe in
5 MBWU's distribution system, and an ongoing problem with discolored water were all
6 without merit. To its credit, OPC dropped those allegations from its amended complaint.

7 **Q. Prior to the time it filed its original complaint in March 2016, did anyone from OPC**
8 **contact you or anyone else at MBWU to discuss OPC's concerns about the company**
9 **and its operations?**

10 A. No. Prior to filing the complaint, no one from OPC contacted me or anyone else from
11 either Ozark or MBWU. I bring this up for a couple of reasons. For one thing, if OPC had
12 contacted me to express its concerns, we could have discussed those concerns and tried to
13 resolve some or all of them without the need for a formal complaint. Because OPC did
14 not even attempt to resolve things informally, when it filed the Complaint I had no choice
15 but to hire an attorney to defend myself and MBWU. That's expensive, and for a small
16 company operating on a shoestring it's a cost we really can't afford. I believe most, if not
17 all, those costs could have been avoided if OPC had contacted me or the company prior
18 to filing its Complaint.

19 If OPC had contacted me prior to filing its complaint, it is also possible some of
20 the more incendiary allegations in the original complaint – e.g. the claims of *E. coli* and
21 lead in drinking water provided by MBWU – could have been avoided. Having a public
22 official like OPC accuse MBWU of selling water containing lead and *E. coli* is
23 problematic, because it damages the company's reputation and can cause our customers

1 to worry whether the water we're providing them is safe. It's especially frustrating when
2 there was no merit to those allegations. If OPC had contacted MBWU before filing a
3 formal complaint including those allegations, we could have shown them test results that
4 proved there is no lead or *E. coli* contamination. But OPC didn't do that, so despite the
5 fact the complaint was amended to eliminate those allegations, there still is a publicly-
6 filed document making serious, but untrue, allegations about MBWU.

7 **Q. You previously testified that Ozark and MBWU concluded a general rate case, File**
8 **No. WR-2015-0192, in December 2015. Was OPC a party to that case?**

9 A. Yes, OPC was a party to that rate case, although it did not join in the Disposition
10 Agreement between Ozark and Staff.

11 **Q. At any time during the that rate case, did OPC express any of the concerns or issues**
12 **it raised in either the original complaint or the amended complaint filed in this case?**

13 A. No, at no time during the rate case did OPC state or indicate it had the concerns or issues
14 with MBWU's operations or the quality of water the company is providing its customers.
15 As I stated earlier in my testimony, the original complaint, which was filed just three
16 months after the Commission's final order in the rate case, was the first time I learned of
17 OPC's issues or concerns regarding the allegations made in the complaint and amended
18 complaint.

19 BOIL WATER ORDER

20 **Q. What is a Boil Water Order ("BWO")?**

21 A. A Boil Water Order ("BWO") is an order DNR's rules and regulations require a water
22 system operator to post and/or send customers informing them one or more water
23 samples taken from the system have shown *E. coli* or total coliform levels in excess of

1 those allowed by law. Because *E. coli* and coliform can be harmful to humans, the BWO
2 instructs customers to not drink water from the system until it has first been boiled, which
3 kills the harmful microorganisms.

4 **Q. The amended complaint, and one or more witnesses who filed direct testimony in**
5 **support of that complaint, state a BWO is in effect for MBWU. Please describe the**
6 **origin of that BWO, the problems that gave rise to the order, and what MBWU has**
7 **done since its acquisition of the water system to address and rectify those problems.**

8 A. A BWO currently is in effect, but it was issued to the system's prior owner, MBWC, and
9 is based on water samples collected on January 30, 2013. Those samples tested positive
10 for both *E. coli* and total coliform. At the time those samples were taken, MBWU did not
11 own or operate the water system. In fact, as I previously testified, Ozark and MBWU did
12 not acquire the Moore Bend system until October 2013 – more than eight months after
13 the offending samples were taken and DNR issued the BWO.

14 As I mentioned earlier in my testimony, when MBWU acquired the Moore Bend
15 system it required significant upgrades and renovations. I described those upgrades in a
16 previous answer, and it is my belief they eliminated the conditions that led DNR to issue
17 the BWO to MBWC. I say this because none of the problems with *E. coli* or total
18 coliform have recurred since MBWU acquired the system.

19 **Q. Please explain when and under what circumstances that BWO went into effect.**

20 A. According to information supplied by DNR, the BWO went into effect because water
21 samples tested in January 2013 tested positive for *E. coli* and total coliform. A positive
22 test means levels of *E. coli* and coliform present in the sample exceed maximums DNR
23 believes are safe for drinking water. It is my understanding the samples taken in March

1 2013 also tested positive for *E. coli* and total coliform. As a result of one or both of those
2 positive tests, DNR issued a BWO to MBWC, which required that company to notify its
3 customers that water drawn from the system was unsafe to drink unless it was first boiled
4 to kill the toxic microorganisms.

5 **Q. In their respective direct testimonies, both Ms. Helmig and Mr. Weis state that**
6 **because of the BWO it is unsafe for MBWU's customers to drink water from the**
7 **company's system without first boiling it. Are those statements correct?**

8 A. I do not believe those statements are correct. Although the BWO has not yet been lifted, I
9 view that as a technicality and not as an indicator of the quality of water MBWU provides
10 its customers. Water from the system meets all DNR safe drinking water requirements,
11 and therefore is safe to drink without boiling.

12 **Q. Please explain why you believe that, despite the BWO, MBWU's customers can**
13 **safely drink water from the company's system without first boiling it.**

14 A. DNR requires water systems to regularly test samples taken from those systems to ensure
15 levels of *E. coli* and total coliform are within limits deemed safe by DNR. Since MBWU
16 acquired the Moore Bend system, all samples tested from both the system's wells have
17 consistently shown *E. coli* and total coliform levels to be within those limits. I have
18 attached to my testimony as Exhibit HHB-2 copies of all monthly test results showing *E.*
19 *coli* and total coliform levels within acceptable limits. Test results included in that exhibit
20 date back to October 20, 2013, which is the day after MBWU's Certificate of
21 Convenience and Necessity took effect, and extend through October 16, 2016, which is
22 the last date prior to filing my testimony for which test results were available.

1 I also have attached to my testimony as Exhibit HHB-3 a printout of data taken
2 from DNR's website that confirms *E. coli* and total coliform levels in water taken from
3 MBWU's system are within acceptable limits.

4 **Q. In his response to a data request from MBWU, Mr. Weis stated, "samples taken**
5 **from [MBWU's] distribution system were positive for the presence of E. coli in**
6 **April 2013 and for Total Coliform in February 2016." How do you respond to that**
7 **statement?**

8 A. My response to Mr. Weis's statement is twofold. First, MBWU did not own the Moore
9 Bend system in April 2013, so I have no knowledge of those test results or what may
10 have caused *E. coli* and/or total coliform in those samples to exceed acceptable levels.
11 What I do know is Mr. Weis's statement illustrates the fact DNR continues to conflate
12 MBWC, the system's previous owner, with MBWU, and to blame MBWU for problems
13 that predate its ownership of the Moore Bend system. As to the February 2016 test results
14 Mr. Weis refers to, I have no explanation as to why DNR's test results for *E. coli* and
15 total coliform are at odds with MBWU's own test results. On February 9, 2016, I
16 personally tested samples from both MBWU wells, and the results for both *E. coli* and
17 total coliform were within allowable limits. On March 11, 2016, I again personally tested
18 samples from both wells, and the results were the same. Exhibit HHB-4 are copies the
19 reports of laboratory test results for both those dates, which confirm *E. coli* and total
20 coliform within acceptable levels. I am confident my testing methods are consistent with
21 best practices and accurately reflect the quality of water from each of MBWU's two
22 wells. I do not know what methods DNR employed to produce the results to which Mr.
23 Weis refers in his testimony, but I do not believe they accurately reflect any problem with

1 the quality of water from MBWU's system. And despite the results DNR reported for that
2 single test, I continue to believe water from the company's system is safe to drink without
3 first boiling.

4 **Q. To your knowledge, are the levels of *E. coli* and total coliform present in water from
5 MBWU's system currently within limits allowed by applicable rules regulations?**

6 A. To the best of my knowledge based on the results of regular laboratory testing, levels of
7 *E. coli* and total coliform are currently within limits allowed by applicable DNR
8 regulations.

9 **Q. Do the conditions that caused DNR to impose the BWO still exist?**

10 A. No, the unsafe drinking water conditions that caused DNR to impose a BWO no longer
11 exist.

12 **Q. Please explain your previous answer.**

13 A. I base my statement on the test results I referred to earlier in my testimony, which
14 consistently have shown *E. coli* and total coliform levels for samples taken from
15 MBWU's system are within limits DNR considers safe. While there may have been
16 elevated and unsafe levels of those microorganisms in two samples tested during the
17 period prior to MBWU's acquisition of the Moore Bend system, every test conducted
18 since the acquisition has shown *E. coli* and total coliform within accepted levels.

19 **Q. You have testified that test results on water from MBWU's system consistently have
20 shown *E. coli*, Total Coliform, and chlorine residuals within acceptable ranges set
21 out in DNR's rules and regulations. Yet in their respective direct testimonies both
22 Ms. Helmig and Mr. Weis state that people should not drink water from MBWU's**

1 **system without first boiling it. How can you reconcile those apparently**
2 **contradictory statements?**

3 A. I can only assume the statements made by Ms. Helmig and Mr. Weis are based on the
4 fact DNR has not formally lifted the BWO. But based on the results of tests conducted by
5 both MBWU and DNR, levels of *E. coli* and total coliform are within acceptable levels.
6 Therefore, water from the Moore Bend system is safe to drink without boiling.

7 **Q. Has MBWU taken any steps to have DNR lift the BWO?**

8 A. Yes, the company has taken steps to have DNR lift or rescind the BWO, and we are
9 hopeful the order will be lifted before the end of this year. To lift a BWO, DNR has
10 informed me I must present photographic evidence for 60 consecutive days that residual
11 chlorine levels on each of MBWU's wells are within minimums required by DNR to
12 control *E. coli* and total coliform. Since the filing of OPC's original complaint, MBWU
13 has taken steps to satisfy that requirement, but because of miscommunications,
14 misunderstandings, or other circumstances, the company has not yet provided the 60
15 consecutive days of data DNR requires.

16 Because DNR will not yet accept results from MBWU's remote chlorine
17 monitoring system – which I will discuss in greater detail later in this testimony –
18 someone is required to travel daily to MBWU's well house to take a photograph of
19 chlorine monitoring gauges attached to each well. Since Ms. Jean resigned in August, that
20 requires me to travel round trip from Ozark's office in Nixa, Missouri, to the MBWU
21 well house – a distance of approximately 130 miles that takes more than two hours to
22 complete.

1 Based on information Ms. Jean provided before she resigned, we initially believed
2 a photograph of the chlorine residual indicator on Well #1 was all DNR required.
3 However, after several weeks of taking those photographs, which we regularly shared
4 with DNR, we were advised photographs of both wells were required. That meant the
5 photographs we had taken thus far were worthless, and the 60 consecutive day process
6 had to start again.

7 After several weeks taking photographs of both wells, the need to deal with
8 family medical issues made it impossible for me to travel to the wells for several days.
9 Because there was no one else at MBWU available to take photographs in my absence,
10 and because DNR required 60 consecutive days of pictures, the process again had to be
11 restarted, and all data collected to that point was rendered worthless.

12 On October 11, 2016, I began my third attempt to comply with DNR's
13 requirements, and I fully expect to provide DNR the required 60 consecutive days of
14 photographs on December 10.

15 **Q. Based on the efforts you just described, do you expect the Boil Water Order will be**
16 **lifted or rescinded in the near future?**

17 A. I was hopeful the photographs I am currently taking would validate chlorine residual
18 levels at both wells and thereby allow DNR to lift or revoke the BWO. But, in his direct
19 testimony in this case, Mr. Weis now advises DNR will not lift the BWO unless and until
20 MBWU hires a certified operator. So it appears the photographs DNR will have on
21 December 10 may not alone be sufficient to lift the BWO. If MBWU is able to hire a
22 certified operator by that date, then I would expect the BWO to be lifted soon thereafter.
23 But because DNR insists on photographic evidence for 60 consecutive days immediately

1 prior to lifting the BWO, if the company is unable to hire a certified operator it appears I
2 will be required to continue to make daily round trips between Nixa and the well house to
3 take photographs of the chlorine gauges on each of MBWU's wells until an operator can
4 be found. How long that would last is anyone's guess.

5 **LACK OF A CERTIFIED WATER SYSTEM OPERATOR**

6 **Q. In her direct testimony, Ms. Helmig states MBWU is currently operating without a**
7 **certified water system operator, as required by DNR's rules. Is Ms. Helmig correct?**

8 A. Ms. Helmig is correct: MBWU does not currently employ or have under contract a
9 certified operator who satisfies DNR's requirements.

10 **Q. Please explain why MBWU is currently operating without a certified operator.**

11 A. Until August 4, 2016, MBWU employed or had under contract a certified operator who
12 satisfied DNR's requirements. But that date our contract operator, Ms. Lori Jean, abruptly
13 resigned. Since then, I have contacted or spoken with several contract operators in Taney
14 County, where MBWU operates, in an effort to fill the position Ms. Jean left, but as of
15 the date of this testimony I have not been able to get any of those operators to agree to
16 work for MBWU.

17 **Q. Who is currently performing the services and functions that normally would be**
18 **performed by a certified operator?**

19 A. The duties that normally would be performed by a certified operator are currently being
20 performed by me and Jeff Colbach, one of MBWU's employees. While I no longer am
21 certified by DNR as an operator, I am very familiar with a water system operator's duties,
22 having performed those duties for several private and public water systems in southwest
23 Missouri. I am primarily responsible for performing the duties a licensed operator would

1 perform – e.g. obtaining samples for water quality tests and monitoring and verifying
2 chlorine residual levels. Mr. Colbach, who holds some, but not all, certificates DNR
3 requires of a water system operator, assists me when necessary.

4 **Q. Do you hope to secure the services of a certified operator in the near future?**

5 A. Yes. I have tried diligently to hire a certified operator since Ms. Jean resigned in August,
6 but thus far those efforts have not been successful. I have even reached out to DNR,
7 OPC, and Staff for ideas and assistance. I currently am in negotiations with a candidate
8 who seems interested in the position, and I am hopeful he will enter into a contract with
9 MBWU before the end of this year. If that effort fails, I will continue my search until I
10 am able to find a certified operator.

11 **REMOTE CHLORINE MONITORING SYSTEM**

12 **Q. At page 1 of his direct testimony, Mr. Weis alleges MBWU “has failed to provide a**
13 **testing method for water samples that complies with DNR regulations” and further**
14 **alleges the company failed to submit valid compliance data demonstrating it has**
15 **“conducted the daily water quality monitoring that is required . . .” Can you**
16 **explain what these allegations mean?**

17 A. In my testimony regarding the BWO, I mentioned the need to make a daily round trip
18 between Nixa and the well house to verify chlorine residuals on each of MBWU’s two
19 wells. In my opinion those trips are completely unnecessary, because the company
20 installed a remote chlorine monitoring system that allows it to remotely monitor chlorine
21 levels via computer. Our system, which was developed by a third-party manufacturer of
22 monitoring systems, allows for continuous monitoring of chlorine levels at each well, and
23 also allows us to store those data in case a question arises regarding chlorine levels at any

1 particular moment. However, because MBWU's remote monitoring system has not been
2 certified as fully compliant with Environmental Protection Agency ("EPA") Method
3 334.0, DNR will not accept as valid data regarding chlorine residuals recorded on that
4 system. When Mr. Weis states that MBWU "has failed to provide a testing method for
5 water samples that complies with DNR regulations," that is what he means.

6 **Q. Please describe the remote chlorine monitoring system to which you referred in**
7 **your previous response.**

8 A. The Water Guard remote monitoring system uses an amperometric sensor to measure
9 chlorine residuals. This type of measurement is allowed by EPA Method 334.0. The
10 system can also monitor the temperature, pH chemical solution tank level, and even if the
11 door to the well house is open. As I mentioned previously, data collected by the system
12 are continually sent to a server where they are stored indefinitely. Readings from the
13 system also can be accessed via computer from anywhere in the United States, which is
14 extremely valuable to a system such as MBWU, which does not have a certified operator
15 on site at all times.

16 **Q. Has MBWU attempted to obtain DNR's approval of the remote monitoring system?**

17 A. Yes, and that process is ongoing. MBWU has had several meetings with Mr. Weis and
18 other DNR personnel to understand exactly what data DNR believes is required to qualify
19 the remote monitoring system under EPA Method 334.0. Based on those discussions, we
20 have compiled all information DNR told us was necessary, and have submitted that
21 information to DNR for review and approval. We are hopeful our system – which met or
22 surpassed all of EPA's standards for accuracy – can be approved before the end of this
23 year.

1 **Q. Would approval of the remote monitoring system be beneficial to MBWU and its**
2 **customers?**

3 A. Yes, approval of the remote monitoring system would benefit MBWU and its customers
4 in several ways. As I indicated in previous answers, maintaining adequate chlorine
5 residuals is critical to controlling *E. coli* and total coliform in drinking water. The remote
6 monitoring system allows the company to constantly monitor chlorine levels to ensure
7 prompt action can be taken if those levels are too low or too high. Without such a system,
8 chlorine levels can be monitored only when an operator is physically present in the well
9 house to personally read chlorine monitoring equipment installed on each well. The
10 remote monitoring system also is less costly and more efficient than the current
11 alternative, which, as I mentioned, is a daily round trip between Nixa and the MBWU
12 well house.

13 **CONCLUSION**

14 **Q. Do you have anything further you want to say to the Commission in response to the**
15 **allegations made against MBWU?**

16 A. Yes, I want to reiterate some of the things I previously have stated in my testimony,
17 which address what I believe are the most serious allegations made in the Complaint and
18 in the testimony filed in support of the Complaint.

19 First and foremost, despite the fact DNR has not rescinded its BWO, water
20 provided to customers by MBWU is now, and has always been since MBWU received its
21 Certificate of Convenience and Necessity, safe to drink. It is safe coming out of the tap,
22 and there is no need to boil water in order to make it safe. Laboratory tests of samples
23 taken from MBWU's two wells have consistently shown levels of *E. coli* and total

1 coliform are within levels deemed acceptable by DNR. This is true because the company
2 has consistently maintained chlorine residuals at levels sufficient to kill those toxic
3 microorganisms.

4 I also want to emphasize that MBWU is working diligently with DNR to take
5 steps necessary to remove the BWO, and we are hopeful those efforts will be completed,
6 and the BWO will be lifted, before the end of this year. Because DNR's witnesses in this
7 case have clearly stated the BWO will not be lifted until MBWU retains the services of a
8 certified water system operator, the achievement of that objective is dependent on our
9 ability to hire a certified operator. Despite diligent efforts to find someone to take that
10 position since our previous operator resigned in August, we have thus far been
11 unsuccessful. We will continue those efforts until we are successful, but MBWU cannot
12 force an operator to work for the company. So finding a certified operator is not
13 something that is completely within MBWU's control.

14 We also will continue to work with DNR to obtain necessary approvals to use the
15 remote chlorine monitoring system we installed several years ago. We believe that
16 system meets all the requirements of EPA Method 334.0, and we believe we have
17 documented that fact to DNR. But as of the date of this testimony, DNR has not yet given
18 its approval, which means I or someone else from company will continue to have to make
19 the round trip between Nixa and MBWU's well house to manually read and record
20 chlorine levels on each well.

21 Testimony filed by DNR's witnesses in support of OPC's complaint document the
22 many problems MBWU has faced in trying to comply with that agency's rules. Both I
23 and the company pledge to do better in the future than we have done in the past, but I

1 hope everyone appreciates how difficult the burdens those rules impose are for a small
2 company like MBWU. Our financial operating margins are slim under the best of
3 circumstances, but there are consequences when we are forced to divert resources – both
4 financial and human resources – to activities not directly related to providing water
5 service to customers. Despite those consequences, I remain confident MBWU is meeting
6 its obligations to provide safe and adequate water service to its customers at fair and
7 reasonable rates.

8 **Q. Does that conclude your rebuttal testimony?**

9 A. Yes it does.

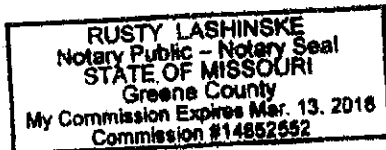
STATE OF MISSOURI)
) ss
COUNTY OF CHRISTIAN)

AFFIDAVIT OF HOLLIS H. BROWER, JR.

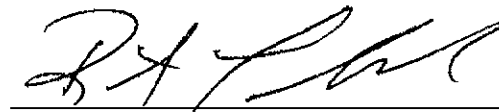
The undersigned affiant, Hollis H. Brower, Jr., being first duly sworn on his oath states: he is Manger of Moore Bend Water Utility, LLC, a Missouri limited liability company ("MBWU"); he has prepared, personally or under his direction and supervision, the rebuttal testimony to which this affidavit is attached; the statements made in that testimony are true and correct to the best of his knowledge and belief; and he is authorized to file the testimony on behalf of MBWU.


HOLLIS H. BROWER, JR.

Subscribed and sworn to before me this 22 day of November, 2016.



My Commission expires: 3-13-18


Notary Public
Rusty LASHINSKE