FINNEGAN, CONRAD & PETERSON, L.C. ATTORNEYS AND COUNSELORS AT LAW

1209 PENNTOWER OFFICE CENTER 3100 BROADWAY KANSAS CITY, MISSOURI 64111

> (616) 753-1122 TELECOPIER (616) 756-0373

JEREMIAH FINNEGAN, P.C. STUART W. CONRAD C. EDWARD PETERSON*

*ALSO ADMITTED IN KANSAS AND MASSACHUSETTS

February 11, 2000

VIA FEDERAL EXPRESS

Mr. Dale H. Roberts Secretary/Chief Regulatory Law Judge Missouri Public Service Commission P.O. Box 360 301 West High R530 Jefferson City, Missouri 65102 FILED

FEB 1 0 2000

Missouri Public Se**rvice Commissio**n

Re: Missouri-American Water Company PSC Case No. WR-2000-281

Dear Mr. Roberts:

Enclosed are the original and fourteen (14) conformed copies of an Application for Rehearing that was previously filed with your office by facsimile, which materials please file in the above matter and call to the attention of the Commission.

An additional copy of the INITIAL PAGE of the material to be filed is enclosed, which kindly mark as received and return to me in the enclosed envelope as proof of filing.

Thank you for your attention to this important matter. If you have any questions, please call.

Sincerely yours,

FINNEGAN CONRAD & PETERSON, L.C.

Stuart W. Conrad

SWC:s

Enclosures

cc: All Parties

F:\DOCS\SWC\19344.1

FILED

STATE OF MISSOURI MISSOURI PUBLIC SERVICE COMMISSION

FEB 1 0 2000

Misso	ouri l	Public	;
Service	Con	azimn	lon

In the Matter of Missouri-American
Water Company's Tariff Sheets De-
signed to Implement General Rate
Increases for Water and Sewer Ser-
vice provided to Customers in the
Missouri Service Area of the Compa-
ny

WR-2000-281 SR-2000-282 (Consolidated)

APPLICATION FOR REHEARING OF AG PROCESSING INC, A COOPERATIVE, FRISKIES PETCARE, A DIVISION OF NESTLE USA AND WIRE ROPE CORPORATION OF AMERICA INC.

COME NOW AG PROCESSING INC, A COOPERATIVE ("AGP"),
FRISKIES PETCARE, A DIVISION OF NESTLE USA ("Friskies") and WIRE
ROPE CORPORATION OF AMERICA INC. ("Wire Rope") and pursuant to
Section 386.500 RSMo. 1994 applies for rehearing of the
Commission's February 1, 2000 Order Concerning Test Year, True
Up, Accounting Authority Order, and Local Public Hearings (hereinafter referred to as "Order") concerning Missouri-American
Water Company (hereinafter "MAWC") on the grounds that such Order
is unconstitutional, unlawful, unjust, unreasonable, arbitrary
and capricious for the reasons set forth herein:

1. By permitting and authorizing a "true-up" of seven (7) months past the close of the test year established in this case, the Commission establishes a circumstance in which two rate cases are prosecuted as one with differing periods and in which context all relevant factors cannot be considered. In so doing the Commission acts unlawfully, arbitrarily and has issued an

43141.1



order that is not supported by competent and substantial evidence on the whole record.

- 2. By permitting and authorizing a "true-up" of seven (7) months past the close of the test year established in this case, the Commission establishes a circumstance in which two rate cases are prosecuted as one with differing periods with one period established exclusively for the consideration of the single issue of the amount of public utility plant that is placed in rate base and in which context all relevant factors cannot and will not be considered in violation of governing law. In so doing the Commission acts unlawfully, arbitrarily and has issued an order that is not supported by competent and substantial evidence on the whole record.
- a. By permitting and appearing to authorize a "trueup" of seven (7) months past the close of the test year established in this case, the Commission establishes a circumstance in
 which two rate cases are prosecuted as one with differing periods
 and in so doing creates a circumstances in which the due process
 rights of these intervenors are denied. In so doing the Commission acts unlawfully, arbitrarily and has issued an order that is
 neither lawful nor supported by competent and substantial evidence on the whole record.
- 4. By failing to recognize that the utility in this case filed its rate case prematurely and attempting to resolve the problem thereby created by accommodating the sole interest of the utility, the Commission acted in a discriminatory manner

- 2 -

against the interests of these ratepayers, wholly failed to properly balance their interests, acted without a record and unlawfully, and issued an order that is neither lawful nor supported by competent and substantial evidence on the whole record.

- issue of the inclusion of the St. Joseph processing plant addition which is the most significant revenue issue in this rate case and attempting to address that issue in an abbreviated fashion without full opportunity for development of and consideration a record to demonstrate the prudence and necessity for such plant, the Commission acts to establish a circumstance in which due process is and will be denied to these intervenors, equal protection of the law is and will be denied to these intervenors, and in so doing acts unlawfully, arbitrarily and discriminatorily in detriment and prejudice to the procedural and substantive rights of these intervenors and further such order is unlawful and unsupported by competent and substantial evidence on the whole record.
- 6. By failing to defer consideration of the issue until evidence was received on which a decision regarding any possible need for a true-up and a hearing thereon could be determined, the Commission has acted arbitrarily and capriciously, in the complete absence of any record to support its decision and thus obviously without competent and substantial evidence on the whole record, has acted to prejudice and predetermine proper

43141.1

consideration of the issue and has thereby denied due process to these intervenors and in so doing so has issued an order that is unlawful and is unsupported by competent and substantial evidence as required by law.

- 7. As additional grounds for this rehearing, these Intervenors incorporate by reference as though fully set out herein the following:
- a. The Suggestions in Opposition to MissouriAmerican's 1. Recommendation Concerning Proper Test Year; 2.

 Motion for True-up Audit and Hearing; and 3. Motion for Accounting Authority Order filed herein on or about November 29, 1999

 (dated November 24, 1999), and
- b. the Office of the Public Counsel's Recommendation Concerning True-Up Audit and Hearing, filed on or about December 7, 1999.

- 4 -

WHEREFORE for the foregoing reasons, these Intervenors seek and request rehearing of the Order aforesaid and that upon such rehearing such Order be withdrawn and a true-up and a hearing thereon be denied.

Respectfully submitted,

EHNNEGAN, CONRAD & PETERSON, L.C.

Stuart W. Conrad Mo. Bar #23966 3100 Broadway, Suite 1209 Kansas City, Missouri 64111 (816) 753-1122

Facsimile (816)756-0373
Internet: stucon@fcplaw.com

ATTORNEYS FOR AG PROCESSING INC., FRISKIES PETCARE, A DIVISION OF NESTLE USA and WIRE ROPE CORPORATION OF AMERICA, INC.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this day served the foregoing Application to Intervene by U.S. mail, postage prepaid addressed to the following persons:

Mr. John Coffman Assistant Public Counsel Office of the Public Counsel P. O. Box 7800 Jefferson City, MO 65102

Mr. Dean Cooper Brydon, Swearengen & England, P.C. 312 East Capitol Avenue P. O. Box 456 Jefferson City, MO 65102-0456

Mr. James B. Deutsch Attorney Reizman & Blitz, P.C. 308 East High Street Suite 301 Jefferson City, MO 65101

Mr. James M. Fischer Law Offices of Jim Fischer 101 West McCarty Street Suite 215 Jefferson City, MO 65101

Louis J. Leonatti Attorney Leonatti & Baker, P.C. 123 E. Jackson St P. O. Box 758 Mexico, MO 65265

Lisa M. Robertson City of St. Joseph City Hall, Room 307 11th & Frederick Ave. St. Joseph, MO 64501

Diana Vuylsteke Attorney Bryan Cave, LLP One Metropolitan Square Suite 3600 St. Louis, MO 63102-2750

Dated: February 11, 2000

Shannon Cook Assistant Public Counsel Office of the Public Counsel P. O. Box 7800 Jefferson City, MO 65102

Mr. Lee Curtis Attorney 130 S. Bemiston Suite 200 Clayton, MO 63105

Mr. William R. England Brydon, Swearengen & England, P.C. 312 East Capitol Avenue P. O. Box 456 Jefferson City, MO 65102-0456

Mr. Keith Krueger Assistant General Counsel Missouri Public Service Commission Truman Office Building - R530 P. O. Box 360 301 West High - P.O. Box 360 Jefferson City, MO 65102-0360

Joseph W. Moreland Attorney Blake & Uhlig, P.A. 2500 Holmes Road Kansas City, MO 64108

Charles B. Stewart Stewart & Keevil 1001 E. Cherry Street Suite 302 Columbia, MO 65201

Martin W. Walter Attorney Blake & Uhlig, P.A. 2500 Holmes Road Kansas City, MO 64108

Stuart W. Conrad