

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of a Proposed Rulemaking to)
Revise Water Utility Rules to Establish an)
Environmental Cost Adjustment Mechanism)

File No. WX-2013-0448

NOTICE OF FINDING OF NECESSITY

Issue Date: April 4, 2013

The Commission is opening this file to propose a new rule establishing an Environmental Cost Adjustment Mechanism in its water utility rules. The Commission intends to incorporate the Environmental Cost Adjustment Mechanism to allow periodic rate adjustments to reflect net increases or decreases in a water utility's prudently incurred costs directly related to compliance with federal, state or local environmental law, regulation, or rules. The Commission finds that the proposed rule is necessary, and will seek comments from interested persons as to whether the proposed rule is appropriately designed and written.

The Commission finds that the subject proposed rule is necessary to carry out the purposes of Section 386.266, RSMo 2000. The Commission will proceed with the formal rulemaking process mandated by Missouri law.

BY THE COMMISSION



Joshua Harden
Secretary

Dated at Jefferson City, Missouri,
on this 4th day of April, 2013.

Woodruff, Chief Regulatory Law Judge