

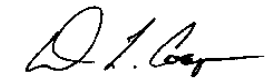
**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of a Working Case to Consider)	
Best Practices for the Recovery of Past-Due)	Case No. AW-2020-0356
Utility Customer Payments After the)	
COVID-19 Pandemic Emergency)	

MISSOURI-AMERICAN WATER COMPANY RESPONSES TO STAFF REPORT

On May 13, 2020, the Missouri Public Service Commission (“Commission”) opened this working case in response to the COVID-19 Emergency to address the collection of past-due payments and other relevant concerns as they relate to the COVID-19 pandemic. Thereafter, on August 12, 2020, the Commission issued an order directing Missouri-American Water Company (MAWC or Missouri-American Water) and other utilities to respond to Staff’s report by August 31, 2020. More specifically, Staff has asked the utilities to address the various stakeholder recommendations described in Staff’s Report. Missouri-American Water hereby submits the attached comments for the Commission’s consideration.

Respectfully submitted,



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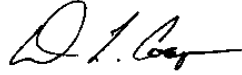
ATTORNEYS FOR MISSOURI-AMERICAN WATER COMPANY

CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the foregoing document was sent by electronic mail or by U.S. Mail, postage prepaid, on August 28, 2020, to the following:

Office of the General Counsel
Governor Office Building
Jefferson City, MO 65101
staffcounsel@psc.mo.gov

Office of the Public Counsel
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Jefferson City, MO 65101
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Missouri American Water Responses to Stakeholder Recommendations

Recommendation	MAWC Response
Missouri Community Action Network	
1. Restore access to service for any utility customer whose service has been cut off without requiring a down payment.	At the outset of the COVID-19 emergency, MAWC voluntarily restored access for all customers without requiring a down payment. As we resume customer disconnections for nonpayment, MAWC has introduced an enhanced payment plan. This plan does not require a down payment for any customer unless they have either defaulted on a payment plan or had a returned check for insufficient funds in the last 12 months.
2. Waive late payment fees and security deposits.	MAWC does not require security deposits. Late fees were waived for customers starting in March 2020. Late fees on current balances will not resume until September 2020.
3. For past-due bills, provide deferred plan options that are affordable based on a household's actual income and expenses.	Under the MAWC's existing deferred payment arrangement procedures, the MAWC has the flexibility to implement deferred payment plans based on a customer's ability to pay. In St. Joseph, Brunswick and Parkville, the MAWC offers a low-income tariff for customers that qualify for LIHEAP (gas and electric assistance program) through local community action agencies.
4. For households with low incomes, use debt forgiveness programs that avoid adding to current monthly bills.	It is unclear if this recommendation is for a utility program or a third-party program. While MAWC does not offer a debt forgiveness program, the Company has not charged late fees on any past due balances since March 2020. For the same reason that moratoriums on disconnections for nonpayment are not sustainable long-term, providing debt forgiveness to certain low-income households creates a new risk, i.e., encouraging further non-payment and shifting unpaid bills to other customers. Allowing utilities to implement their own individual programs designed to assist customers in need and to encourage payment by customers rather than debt forgiveness will help to mitigate cost shifting to other customers.
5. Expand bill payment programs that reduce monthly bills to an affordable level.	MAWC's enhanced payment plan, mentioned above, will extend the repayment term from 6

	months to 12 months, which will help make the payment amounts more manageable.
6. As weatherization crews safely return to work, expand access to comprehensive whole house energy efficiency and retrofit opportunities.	Not applicable to Missouri-American Water.
7. Require more comprehensive utility tracking and reporting of data on residential customer overdue bills, disconnections, and repayment efforts, while still respecting billpayer privacy.	On August 19, 2020, the Commission ordered data reporting related to disconnections. MAWC does not feel any additional reporting is necessary.
<u>Legal Services of Eastern Missouri</u>	
1. Utilities should stop reporting delinquent accounts to credit report agencies	MAWC does not currently report delinquent customer accounts to credit report agencies.
<u>Sierra Club</u>	
1. The Commission should require utilities that do not have voluntary customer-funded programs to create programs allowing customers to decide to pay extra on their bills to assist struggling customers.	MAWC currently has voluntary customer-funded program allowing customers to pay extra on their utility bills.
2. Focusing energy efficiency programs on high-risk customers	Not applicable to Missouri-American Water.
<u>Clean Grid Alliance</u>	
1. The Commission should investigate how utilities could contribute to Missouri’s economic recovery, stating that there is an opportunity to determine if utilities can provide near term projects that are economically beneficial for Missouri.	MAWC is currently investing significant dollars in replacing aging infrastructure throughout Missouri. These investments continue to aid in stimulating the economy and provide local jobs for the people of Missouri.
<u>Other Recommendations</u>	
1. Deferred payment arrangements remain in place for at least 6 months after the Governor’s executive order expires on December 30, 2020.	MAWC’s enhanced payment plan is available for initial customer sign-ups through January 31, 2021. MAWC will continue to evaluate the possibility of extending the program in the future if the COVID emergency remains ongoing.
2. Several other comments related to LIHEAP and LIWAP programs, as well as the Cold Weather Rule.	Not applicable to Missouri-American Water.