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November 30, 2006

FILED³
DEC - 1 2006

Ms. Colleen Dale, Secretary Public Service Commission PO Box 360 Jefferson City, MO 65102

Missouri Public Service Commission

RE: Becker v. Aqua Missouri, Inc.; Case No's. SC-2007-0044 and SC-2007-0045

Dear Ms. Dale:

Please find enclosed for filing on behalf of Jason Becker and Becker Development Company, LLC, complainants, the original and eight (8) copies of complainants' Direct Testimony.

Thank you for your attention and should you have any questions please call.

Sincerely,

HENDREN ANORAE, LLO

Keith A. Wenzel

kwenzel@hendrenandrae.com

KAW:rh

c: Marc Ellinger Kevin Thompson Lewis R. Mills, Jr. Jason Becker

Enclosure

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

Jason Becker & Becker Development)	
Inc.,	
)	
Complainant,	C N CC 2007 0044
)	Case No. SC-2007-0044
vs.	
Aqua Missouri, Inc.	
Respondent.	1 Bana Cara Mari
)	DEC - 1 2006
Jason Becker & Becker Development)	Missouri Public Service Commission
Inc.,	Service Commission
)	
Complainant,)	
)	Case No. SC-2007-0045
vs.)	
)	
Aqua Missouri, Inc.	
Respondent.	

CERTIFICATE OF SERVICE

The undersigned hereby certifies that Direct Testimony of Complainants' Jason Becker and Becker Development Company, LLC were served by mailing a true copy thereof, this day of December, 2006, by prepaid United States mail to: Kevin Thompson, General Counsel's Office, PO Box 360, 200 Madison Street, Ste. 800 Jefferson City, MO 65102; Lewis R. Mills, Jr. PO Box 2230, 200 Madison Street, Ste. 650, Jefferson City, MO 65102; and Marc Ellinger, 308 E. High Street, Ste. 301, Jefferson City, MO 65101.

Respectfully submitted,

HENDREN ANDRAE, LLC

Keith A. Wenzel, 33737

221 Bolivar Street P.O. Box 1069

Jefferson City, MO 65102

(573) 636-8135

Attorneys for Complainants

CERTIFICATE OF SERVICE

I hereby certify that Direct Testimony of Complainants' Jason Becker and Becker

Development Company, LLC, were mailed on December 1, 2006, by prepaid United States

mail to: Kevin Thompson, General Counsel's Office PO Box 360, 200 Madison Street, Ste. 800

Jefferson City, MO 65102; Lewis R. Mills, Jr. PO Box 2230, 200 Madison Street, Ste. 650,

Jefferson City, MO 65102; and Marc Ellinger, 308 E. High Street, Ste. 301, Jefferson City, MO 65101.

Klaw!

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

Jason Becker & Becker Development)	
Inc.,)	
)	
Complainant,)	
)	Case No. SC-2007-0044
vs.)	
)	
Aqua Missouri, Inc.)	
Respondent.)	
-)	
)	
Jason Becker & Becker Development)	
Inc.,)	
)	
Complainant,)	
)	Case No. SC-2007-0045
vs.)	
)	
Aqua Missouri, Inc.)	
Respondent.)	
<u> </u>		

DIRECT TESTIMONY

- 1. I am Jason Becker the complainant and am managing member of Becker Development Company, LLC, the other complainant.
- 2. In 1998, the Lake Carmel Subdivision real estate was purchased by Becker Development Company, LLC and contained a total of seventy-seven (77) lots. At that same time, the sewer and water systems were purchased by Capital Utilities, Inc., the predecessor to Aqua Missouri, Inc. The sale was approved by the Public Service Commission.
- 3. In 1998 sewer and water main construction took place along the north boundary of the property and along W. Brazito Road. All utilities were permitted by the Missouri Department of Natural Resources and accepted by Capital Utilities, Inc. for service.
- 4. In 1999, Capital Utilities, Inc. was purchased by Aqua Source/CU, Inc. and assumed all of Capital Utilities, Inc.'s obligations including the provision of water and sewer services.

- 5. In 2000, as a result of the death of James Becker, the managing member of Becker Development Company, LLC, Becker Development Company, LLC was put into Mr. Becker's Trust.
- 6. It is my recollection that Aqua Source/CU, Inc. was purchased by Aqua America in 2000 and in 2004, Aqua Source/CU, Inc.'s name was changed to Aqua Missouri, Inc.
- 7. In 2001, Muldoon Engineering was hired by Becker Development Company, LLC to complete the design of the collecting mains and water mains in the remainder of the unplatted subdivision.
- 8. In 2002, Jason Becker and Christopher Becker purchased Becker Development Company, LLC from the James Becker Trust.
- 9. Between 1999 and 2002, eight (8) sewer connections were made by Aqua Missouri, Inc. and its predecessor and at no time was the sewer system capacity an issue.
- 10. In late 2002 and early 2003, Becker Development Company, LLC submitted extension applications to Aqua Missouri, Inc. for the extension of the sewer and water mains to the previously unplatted part of the subdivision. These extensions would serve an additional forty-seven (47) lots.
- 11. In 2003, Aqua Missouri, Inc. accepted the water main application but rejected the sewer application for the stated reason that the sewer system was over capacity.
- 12. Although Aqua Missouri, Inc. took the position that the sewer system was over capacity, it has taken no action to improve the system.
- 13. In 2004, Becker Development Company, LLC retained Professional Waste Water Solutions to engineer a STEP system to handle undeveloped lots without sewer mains present.
- 14. In 2005, Becker Development Company, LLC submitted Professional Waste Water Solutions' plans and specifications for the STEP System to Aqua Missouri, Inc.
- 15. Aqua Missouri, Inc. failed to formally respond to the STEP System proposal.
- 16. In 2005, the Missouri Department of Natural Resources required a water quality review and waste load allocation be performed on the receiving stream and

recommended that the current lagoon system be replaced with a regionalized mechanical plant.

- 17. In 2005, Becker Development Company, LLC retained Professional Waste Water Solutions to engineer a regionalized system and proposed a cost-sharing plan with Aqua Missouri, Inc.
 - 18. Aqua Missouri, Inc. rejected the proposal.
- 19. Becker Development Company, LLC has had three (3) engineering reports completed to address a perceived sewer capacity problem on a sewer system owned by Aqua Missouri, Inc. and for which Aqua Missouri, Inc. received compensation for water and sewer service.
- 20. Sometime in late 2005, I was informed that Aqua Missouri, Inc. had a rate increase pending before the Public Service Commission and if the rate increase was approved, funds should be available to expand the sewer system.
- 21. On August 29, 2005, representatives from Becker Development Company, LLC, Aqua Missouri Inc., the Public Service Commission and the Missouri Department of Natural Resources met to outline a proposed solution. Several other meetings occurred prior to August 29, 2005 and subsequent to August 29, 2005 by and among the interested parties and regulators with attempts to resolve any issues.
- 22. As a result of these meetings, several letters were generated by representatives of the Public Service Commission directed to Aqua Missouri, Inc. I incorporate herein by reference those written communications which were attached as Exhibit A, B, and C to my complaint.
- 23. After demonstrating additional capacity in the sewer system, Aqua Missouri, Inc. continues to refuse to extend sewer service.

1.13n/2no0 Date

Signature of Complaina