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

In the Matter of a Proposed Rule )

Regarding An Environmental Improvement ) **File No. AX-2018-0241**

Contingency Fund )

**COMMENTS OF MISSOURI-AMERICAN WATER COMPANY**

COMES NOW Missouri-American Water Company (“MAWC” or “Company”) and, pursuant to the Notice to Submit Comments in this docket published in the Missouri Register, hereby submits these comments on the proposed adoption of 4 CSR 240-10.095, as follows:

1. The Commission has stated that the goal behind this rulemaking is “to provide parameters and procedures for small water or sewer utilities or both to request a special fund to collect revenues from customers to make improvements necessitated by environmental regulations.” The Company supports this goal.
2. In its current form, the rule is only available to a water or sewer utility serving eight thousand (8,000) customers or less. MAWC submits that such a rule should be available to all regulated water and sewer utilities in Missouri. It should not be limited to water and sewer utilities with less than 8,000 customers, or those utilities that happened to be owned by a parent company that sets up each water and sewer company it owns in Missouri a separate legal entity, which may result in keeping the individual water and sewer companies under the eight thousand customer threshold. Further, section (3) of the rule requires the staff to investigate the “small utility’s financial resources and its ability to finance capital improvements. “ These requirements would make the rule unavailable to MAWC and place the Company on an uneven playing field with other water and sewer companies in Missouri.
3. In regard to possible improper usage of the EICF funds, 4 CSR 240.095(8) indicates a complaint may be filed “seeking civil penalties . . .”  Perhaps the rule should be amended to make it clear that the Commission’s role in this regard would be to authorize its General Counsel to seek such civil penalties in the circuit courts.

The Company appreciates the opportunity to provide these comments.

Respectfully submitted,

 **MISSOURI-AMERICAN WATER COMPANY**

 /s/ Timothy W. Luft

 Timothy W. Luft, #40506

 727 Craig Road

 St. Louis, Missouri 63141

 314-996-2270

 tim.luft@amwater.com

Dated: August 1, 2018