

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

In the Matter of Missouri-American Water )	
Company's Request for Authority to )	
Implement a General Rate Increase for )	File No. WR-2017-0285
Water and Sewer Service Provided In )	File No. SR-2017-0286
Missouri Service Areas )	

**EMPIRE DISTRICT ELECTRIC COMPANY'S RESPONSE TO MAWC'S MOTION FOR  
EXPEDITED TREATMENT AND APPROVAL OF COMPLIANCE TARIFFS**

COMES NOW The Empire District Electric Company ("*Empire*"), and for its Response to MAWC's Motion for Expedited Treatment and Approval of Compliance Tariffs, and states as follows:

1. Empire is a high-volume customer of Missouri-American Water Company ("*MAWC*") pursuant to that certain Interruptible Industrial Water Supply Agreement dated January 18, 2012, as amended. The commodity charge under the Empire special contract at current rates is two dollars per thousand gallons. *See, e.g.*, Exhibit 16, page 174 (Schedule CEH-15 to Rebuttal Testimony- Cost of Service Rate Design- of Constance E. Heppenstall) (EFIS No. 295).
2. Paragraph 20 of the Stipulation and Agreement filed on March 1, 2018 (EFIS No. 261, the "*March 1 Stipulation*") states "[t]he Signatories agree that the special contracts currently in effect should continue without any material changes, with the exception of the contract with Triumph Foods, LLC, in which the commodity charge will be revised consistent with the confidential Rebuttal Testimony of Staff Witness Matthew J. Barnes."
3. On May 2, 2018, the Missouri Public Service Commission (the "*Commission*") issued an Order Approving Stipulations and Agreements (EFIS No. 445). Paragraph 2 of the

Order Approving Stipulations and Agreements approved the March 1 Stipulation and ordered the signatories (including MAWC) to comply with the March 1 Stipulation.

4. On May 2, 2018, the Commission (“*Commission*”) entered a Report and Order (EFIS No. 446) that directed Missouri-American Water Company (“*MAWC*”) to file tariff sheets in compliance with the Report and Order. On May 4, 2018, MAWC filed tariff sheets (EFIS No. 454, the “*May 4 Tariff Sheets*”). This filing was not provided to Empire’s counsel of record (Empire became aware of it through EFIS).
5. On May 4, 2018, MAWC also filed a Motion for Expedited Treatment and Approval of Compliance Tariffs (EFIS No. 453, the “*Motion*”). MAWC did not serve this motion on Empire (Empire became aware of it through EFIS). In support of the Motion MAWC stated in part that the May 4 Tariff Sheets were being filed in compliance with the Commission’s Report and Order.
6. Nothing in the May 4 Tariff Sheets, or in any Commission action in this proceeding, impose or permit a change to Empire’s rate under its special contract. In that sense Empire does not object to the May 4 Tariff Sheets themselves.
7. However, on Monday, May 7, 2018, MAWC provided workpapers in support of the May 4 Tariffs. Those workpapers indicate an intent by MAWC to seek an increase in Empire’s rate from the current two dollars per thousand gallons to \$2.51447. Empire wants to be clear that it objects to, and does not agree to pay, any such increase. Empire therefore objects to the workpaper, and to the May 4 Tariffs to the extent they may be based on the increased Empire rate indicated in the workpaper.
8. MAWC may not unilaterally impose a change to Empire’s special contract rate, and a change in Empire’s rate would violate the March 1 Stipulation. As noted above, the March 1 Stipulation provides that the only material change to special contracts as a result of this case would be to the Triumph commodity charge.

9. The record in this case does not support a change to the rate charged to Empire, and MAWC did not receive authority from the Commission to change Empire's rate. In fact, in initiating this proceeding MAWC did not file tariff sheets relating to Empire's rate, or file a petition or motion requesting relief from the Commission with respect to Empire's contract (it filed tariff sheets relating to other special contracts). The special contract and related documentation is not part of the record in this proceeding. MAWC cannot seek to impose a rate increase after the case has finished, particularly in light of the March 1 Stipulation.
10. There is nothing in the May 4 Tariffs or in any Commission order in this proceeding that requires or permits MAWC to impose a rate increase on Empire. Empire's objection is to the workpapers used to support the May 4 Tariffs and MAWC's evident intent. The workpapers themselves do not grant any authority to MAWC to increase Empire's rate, and the effectiveness of the May 4 Tariffs would not change that fact. Empire simply wishes to be clear that it will continue to pay the current two dollar per thousand gallon rate under its special contract with MAWC. To the extent the May 4 Tariffs do not result in MAWC's full recovery of the revenue requirement determined in this case, MAWC cannot make up any difference by imposing an increase on Empire.

WHEREFORE, Empire respectfully requests that the Commission either (a) deny MAWC's request to approve the May 4 Tariffs on an expedited basis or otherwise, and require MAWC to file tariffs that are supported by a correct workpaper that shows no increase to the rate under the Empire special contract, or (b) if the Commission determines to approve MAWC's request to approve the May 4 Tariffs, that it do so without granting MAWC any authority to increase the rate under the Empire special contract, and granting such other and further relief as the Commission deems necessary or appropriate.

Respectfully submitted,

/s/ Sharrock Dermott  
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**ATTORNEY FOR THE EMPIRE DISTRICT  
ELECTRIC COMPANY**

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that the foregoing pleading has been served by electronic means on all parties of record as reflected in the records maintained by the Secretary of the Commission through the EFIS system.

Dated: May 10, 2018

/s/ Sharrock Dermott  
Sharrock Dermott