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

In the Matter of the Application of	)	
the Application of a Rate Increase of	)	
Raytown Water Company	)	Case No. WR-2023-0344
	)	
	)	
	)	

## OFFICE OF THE PUBLIC COUNSEL PLEADING AND REQUEST FOR AN EVIDENTIARY HEARING

**COMES NOW** the Office of the Public Counsel ("OPC") and for its opposition to the Non-Unanimous Disposition Agreement and request for an evidentiary hearing, states:

- 1. On April 4, 2023, Raytown Water Company ("RWC," "Raytown," or "Company") sent the Public Service Commission ("Commission") a letter requesting a \$735,102.73, or 14.20%, increase in annual operating revenue.
- 2. After conducting an audit and investigation, Public Service Commission Staff ("Staff") and Raytown filed a Non-Unanimous Disposition Agreement ("Agreement") with supporting documentation.
- 3. In conducting its own investigation, the OPC discovered several questions and concerns regarding the Company's rate increase request and Staff's subsequent investigation.
- 4. The questions and concerns the OPC's audit and investigation of RWC uncovered centered around the following issues:

- a. The stark difference between the initial rate increase amount that the Company proposed, and the rate increase amount that Staff and RWC agreed to;
- b. The Company's decision to install AMI, the capabilities available with the chosen AMI; and the process by which they chose the AMI provider;
- c. The numerous negligence lawsuits RWC has lost in the past few years, how those lawsuits have effected insurance premiums, and how the Company is handling payment for those insurance premiums;
- d. Raytown's use of customer fees to increase company revenues;
- e. The Company's choice to drastically increase the amount of money its employees are paid, as well as the employees' classifications as either hourly or salaried;
- f. Raytown's Cost of Capital;
- g. RWC's use and handling of non-regulated affiliates;
- h. The Company's customer service capabilities, including issues around its website and the Customer Service call line:
- i. The Agreement's silence around the depreciation reserve;
- j. The substantial increase and lack of certainty around the company's actual operation and maintenance (O&M) expenses; and

- k. The Company's management practices and the need for a management audit.
- 5. The OPC reserves the right to include other concerns, as they arise.
- 6. Due to the expedited timeline of the case, the OPC would like to shorten the time period the parties have to respond to data requests to ten (10) days.
- 7. Further, the OPC respectfully requests an evidentiary hearing around Raytown's request for a rate increase following the attached, or a substantially similar, proposed procedural schedule.

WHEREFORE, the Office of the Public Counsel respectfully requests that the Commission adopt the attached proposed procedural schedule, if not a schedule with a similar timeline.

Respectfully submitted,

/s/ Anna Martin

Anna Martin (Mo Bar #72010) Missouri Office of Public Counsel P. O. Box 2230 Jefferson City MO 65102 (573) 751-5318 (573) 751-5562 FAX Anna.Martin@opc.mo.gov

## **CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been mailed, emailed or handdelivered to all counsel of record this 19th day of September, 2023.

/s/ Anna Martin