

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

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

**PUBLIC COUNSEL DATA REQUEST NO. 2050-2074**

The Office of Public Counsel (Public Counsel), in accordance with its authority to “represent and protect the interests of the public in any proceeding” before the Commission (§ 386.710(2) RSMo) submits the following Data Requests to Raytown Water Company (“Raytown” or “Company”) pursuant to Commission Rule 20 CSR 4240-2.090. Please provide electronic responses within five (5) days to [opcservice@opc.mo.gov](mailto:opcservice@opc.mo.gov), [geoff.marke@opc.mo.gov](mailto:geoff.marke@opc.mo.gov), and [anna.martin@opc.mo.gov](mailto:anna.martin@opc.mo.gov). These data requests are continuing in nature and require supplemental responses as each recipient obtains further or different responsive information.

**RWC RESPONSES TO DATA REQUESTS**

2050. The rebuttal testimony of Chiki Thompson p. 2, 8-11 states:

*Q. Does Raytown have a fully “exclusive” service territory?*

*A. No. The Raytown Water service territory overlaps in places with the Jackson County Water District No. 2 and the City of Independence.*

Are Raytown customers able to switch their water service provider to Jackson County Water District No. 2 or the City of Independence? If so, are there any additional costs for a customer who elects to switch provider?

**We do not believe so. Only new construction customers have a choice of water provider where there are other water providers available. We assume the Customer would need to pay for tapping fees and expenses at the rate of the entity chosen.**

2051. Referencing OPC DR-2050 above, if customers may switch water providers, how many customers have elected to be served by Jackson County District No. 2 and/or the City of Independence in each of the past five years? **N/A**
2052. Referencing OPC DR-2050 above, if customers may switch water providers, how many previous customers have elected to switch to Raytown Water that were formerly served by Jackson County District No. 2 and the City of Independence in each of the past five years? **N/A**
2053. The rebuttal testimony of Chiki Thompson p. 4, 10-12 states:

*As I will discuss later, the annual maintenance fee associated with these meters that was referenced by Dr. Marke (Dir., p. 11) did not start until September of 2023.*

Please provide a copy of the contract, terms, and/or warranty surrounding the AMI maintenance fee.

**The employee with possession of this document is out of the office as of this date. RWC expects to provide this document on Monday, November 6, 2023.**

2054. Please confirm whether Raytown Water expects to issue its exception list for the Company, or, is that feature now dependent on the customer affirming it on the individual customer portal.

**Company will continue to review the exception list at time of billing. Customers will have the opportunity to sign-up if they want to receive automatic alerts from Aclara between billings.**

2055. The rebuttal testimony of Chiki Thompson p. 7, 19-22 states:

*The Company last installed meters during the 2009-2015 timeframe as part of the meter replacement program (approximately 1/10<sup>th</sup> of the system each year). After 2015, meters were changed only as needed due to damage.*

Please provide an excel spreadsheet of the meter replacements by year for the years 2009-2015 as well as after 2015.

**Please see attached spreadsheet for all meters in the system prior to the new installations which began after March 15, 2023.**

2056. Regarding OPC DR-2055, what types of meters were utilized in Raytown Water's last meter installment and how many of these meters were AMR capable?

**All were Neptune T-10 Direct read meters, with the exception of 46 AMR Mueller HotRod meters.**

2057. How many years has Raytown Water utilized meter readers in its history?

**Since 1925, 98 years.**

2058. Does Raytown water plan on seeking a waiver of the Commission rules for 20 CSR-4240-10.030(38)? If yes, when? If no, why not?

**No. Company intends to continue with recommended meter testing and change out schedule to ensure accuracy of water consumption, as long as the Commissions still believes those time periods to be appropriate.**

2059. The rebuttal testimony of Chiki Thompson p. 8 lines 9-12 state:

*Q. As of 2023, approximately what percentage and number of Raytown Water meters were due to be removed and replaced?*

*A. Approximately 80% of the 5/8 x 3/4 meters and 100% of meters 1 inch and larger.*

Please provide any and all documentation that substantiates the claim that 80% of 5/8 inch and 100% of 1 inch meters had to be removed or replaced in 2023.

**See Excel spreadsheet provided in response to DR 2055.**

2060. Regarding OPC DR-2059, please provide a narrative explanation as to why these meters needed to be replaced in 2023.

**Please see Commission Rule 20 CSR-4240-10.030(38).**

2061. Regarding OPC DR-2059, please provide a copy of the request for proposal Raytown issued to water meters vendors "in anticipation of the AMI 2020 project" as stated in the rebuttal testimony of Chiki Thompson p. 8, 2.

**The Company did not separately seek bids for meters. Meters were purchased thru Aclara as part of their bid package.**

2062. The rebuttal testimony of Chiki Thompson p. 8, 13-19 states:

*Q. Given your experience in the industry, what would be an approximate cost per meter for the Company to replace that number of meters with non-AMI meters?*

*A. Manufacturers have generally moved beyond read meters. The new meters are AMR/AMI. As an example, attached as Schedule CT-I-R is an email I received from our manufacturer representative as to this matter.*

Ms. Thompson did not answer the question posed. What would be the cost (or cost range) of a non-AMI water meter? Please provide any supporting documentation for this conclusion.

**As indicated in Ms. Thompson's Rebuttal Testimony, we are not able to obtain a current price for direct read Neptune meters as they are no longer being manufactured. The Company has tested several other meters such as Zenner, Master Meter, ABB, Octave, Sensus and Badger in our system over the past 10 years and found that Neptune has been the most reliable meter we have used for the price.**

**The estimated cost was calculated based upon current information and products available from the vendor.**

2063. Referencing OPC DR-2062, does Ms. Thompson believe that the only water meters available for sale are AMI in nature?

**Yes, only AMR or AMI for Neptune meters.**

2064. Referencing OPC DR-2062, has Ms. Thompson made any other inquiries into water meter availability and cost beyond the phone/email conversation that occurred on October 19, 2023? If yes, please provide documentation to substantiate the claim. If no documentation exists, please provide names of individuals and/or companies and the approximate time these discussions occurred.

**No. Schulte is the approved local Vendor for Neptune meters.**

2065. Please clarify what Ms. Thompson means by "direct read meters" as referenced on page 8, 19-21.

**Direct read meters do not transmit readings. Readings can only be obtained by physically/directly looking at the meter register.**

2066. Does RWC believe that its meters would have to have AMR technology if it did not select the AMI option? **Yes, because of meter availability/unavailability.**

2067. Based on Ms. Thompson's professional experience, what is the cost per meter difference between regular diaphragm meter (meter reader required to visually see the output number), an AMR meter (meter reader drives a vehicle within signal distance to obtain meter reading number) and an AMI meter (meter reads sent directly to the Company). Please include all assumed hardware and software costs in an excel spreadsheet.

**Cost difference between regular diaphragm meter (direct read) and AMI/AMR cannot be calculated as we are not able to obtain current prices for direct read meters.**

2068. What sources did Ms. Thompson rely on for her Schedule CT-2-R)? Please provide citations and/or explanations for each of her inputs.

**Water Loss Calculation completed by Leslie Smart, Sr. Accountant.**

**Calculation: Kansas City Water Dept bill Gallons purchased – Gallons sold to customers during same time period = Water Loss.**

2069. The rebuttal testimony of Chiki Thompson p. 9, 1-7 states:

*I have estimated the costs of completing the needed meter replacement with non-AMI meters. It is my belief that such a replacement would have cost at least \$2,685,495.48 (See Schedule CT-2-R). The meters acquired at this price would be for radio read (AMR) but would not have any additional wiring or equipment necessary to be read by radio. The Company would still be required to direct read. If Raytown Water later tried to go to AMI with these meters, they would have to be retro-fit, which would likely be significant additional expense down the road.*

Why would RWC purchase radio read (AMR) meters without the radio equipment necessary for it be functional?

**Pricing for direct read meters is not available. Thus, the only way to come up with an estimated cost was to use pricing for AMR meters without all of the wiring and equipment.**

**Having said this, it was the Company experiment/experience with AMR meters that helped direct it to AMI.**

**Among other things, AMI offers more benefits and features than AMR such as availability of daily and hourly reads at Company to assist customer inquiries, thus reducing the research time needed to help resolve customer.**

**EXAMPLE: Customer calls stating they think they fixed a leak after receiving a high usage notice from the Company but wanted to make sure.**

**AMR -Company issues a work order to have meter read and check leak detector on meter. This is a minimum delay of 24 hours (72 hours if work order is issued on a Friday) before a new reading can be obtained and leak detector checked.**

- **Issue work order to have meter read and check leak detector**
- **Meter Reader drives to location**
- **Meter Reader completes work order and returns to Customer Service Tech to close out with results.**
- **Customer Service Tech returns call to customer with results and may need to leave message for customer call office back for further discussion.**

**AMI – result can be obtained in minutes by looking on Aclara 1 portal.**

- **Save 24-72 hours of lost time to resolve issue.**
- **Help customer reduce water loss by shortening the time to verify meter reads.**
- **Eliminate need for Customer and Company on return call with results.**
- **Save time for both customer and company.**
- **Reduces risk of Company personnel being exposed to hazardous conditions.**
- **Reduce vehicle expense.**

2070. Regarding OPC DR-2069, has Ms. Thompson conducted any estimate of what the cost would be for traditional non-AMR or non-AMI water meter? If not, why not?

**Pricing for traditional non-AMR or non-AMI water meter is not available.**

2071. What is the cost basis for setting late fees at either \$5 or 1% of a monthly bill (whichever is greater)?

**It is our memory that the \$5 or 1% provision was implemented in Case No. WR-2009-0098 based on a Staff proposal. We believe costs will not have been reduced during that time. Also, see the response to DR 2072 below.**

2072. Would the Company be opposed to setting late fees at just 1%? If not, why not?

**Yes, the Company would be opposed. Late fees at 1% of a monthly bill, would not cover our current costs just to issue the late notices. The average bill is around \$45. 1% of \$45 is only \$0.45. 1% would not cover the cost of the first delinquent notice expense, let alone the cost of a second notice.**

**Estimated Cost of 1 delinquent notice = \$1.14 each, which does not include Overhead or taxes, or any impact of delayed cash flow on RWC's operations.**

- **Billing stock - \$0.02 ea**
- **Envelopes - \$0.14 ea**
- **Postage - \$0.68 ea**
- **Printing - \$ .04 ea**
- **Labor: min 2 hr. @ \$52.28/hr for a batch of such notices (includes taking to post office) \$0.26 ea**

2073. The rebuttal testimony of Chiki Thompson p. 10 18-21 & p. 11, 1-2 states:

*Q. Are there any costs that will increase as a result of an elimination of the late fees?*

*A. The cost of printing, envelopes and postage would increase along with cost associated with a new employee, if one can be hired, or additional overtime, in the alternative. The costs associated with actual disconnection and reconnection would also increase?*

Please provide, in detail, the reasoning behind Ms. Thompson's assertion.

**It is our opinion that some number of Customers pay to avoid additional costs like a \$5 late fee, which helps keep our revenue stream more constant. Those who are late and on the disconnect list are almost the same people each month. With no incentive to pay timely, more customers will be delinquent therefore, the number of late notices would increase.**

**The weekly collection process currently takes approximately 2 full working days for minimum 2-3 employees. See the attached collection/disconnection procedures. I anticipate this time to increase as the number of customers on the disconnect list increases.**

2074. Regarding OPC DR-2075, please provide any documentation, internal cost study or secondary empirical research for any utility (anywhere or at anytime) that substantiates this assumption.

**We are unsure what assumption will be referenced in OPC DR 2075.**

Submitted by Geoff Marke October 26, 2023

Answers provided November 3, 2023

Responsible Person: Chiki Thompson