BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Missouri-American Water) Company's Request for Authority to Implement) General Rate Increase for Water and Sewer) Service Provided in Missouri Service Areas.)

Case No. WR-2024-0320 Case No. SR-2024-0321

APPLICATION TO INTERVENE OF AARP

COMES NOW **AARP**, by and through counsel, pursuant to Commission Rule 4 CSR 240-2.075 and applies for intervention as a party to this case involving proposed rate increases by Missouri-American Water Company ("Company" or "MAWC").

In support of this application, AARP states as follows:

1. AARP¹, is a nonpartisan, nonprofit, nationwide organization that helps people turn their goals and dreams into real possibilities, strengthens communities and fights for the issues that matter most to families such as healthcare, employment and income security, retirement planning, affordable utilities and protection from financial abuse. AARP has over 700,000 members in Missouri, many of whom are residential water customers of the Applicant Company.

2. AARP promotes the well-being of older persons through advocacy, cation, and service on a number of priority issues. AARP advocates for affordable utility rates and service for seniors. Older customers are particularly vulnerable to increases in utility prices, which are related to public health and safety. AARP has been an active

¹ In 1999, the "American Association of Retired Persons" changed its name to simply "AARP" (not an acronym), in recognition of the fact that people do not have to be retired to become members.

participant in several previous and ongoing cases at the Missouri Public Service Commission ("Commission").

3. AARP's interest in this matter relates to how the proposed rate increase may impact those older Missouri customers who are currently receiving water service from Company. AARP is concerned about how decisions made in this case may impact the rates, terms and conditions of service for the Company's residential water customers, including older residential customers. This interest is different than the general public interest.

4. Correspondence, communications, orders and the decision in this matter should be addressed to:

John B. Coffman John B. Coffman, LLC 871 Tuxedo Blvd. St. Louis, MO 63119-2044 Ph: (573) 424-6779

E-mail: john@johncoffman.net

5. MAWC is proposing to raise the average monthly residential water bill (using 5,000 gallons a month) by approximately \$17.77, or **32.4%** in St. Louis County and approximately \$17.29, or **31.3%**, for customers outside of St. Louis County. Due to the dramatic size of this monopoly rate proposal, AARP wishes to explore further, as a party with discovery rights.

6. AARP is opposed to increases to the utility's revenue requirement to the extent that those increase are based on unjust or unreasonable actions.

7. AARP supports a thorough audit of the actual results of an historical test year in this rate case.

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8. AARP is opposed to Company's proposed production cost tracker. This mechanism would allow Company to defer the difference between incurred production costs and those production costs authorized in its most recent rate case as a regulatory asset or liability. This requested ratemaking treatment requires significant review, as it appears to shift risk for capital investments from the Company to customers.

9. AARP is opposed to Company's proposed revenue decoupling mechanism, which it calls a Revenue Stabilization Mechanism ("RSM"), and which would adjust customer rates between general rate cases. The proposed RSM could create significant additional costs for customers and deserves significant additional review in this docket, as the RSM would further shift MAWC's business risks to customer bills.

10. AARP is opposed to unfair or discriminatory cost allocations (those allocations between customer classes, as well as those allocations between distinct and non-connected service areas). AARP is also opposed to unreasonable residential rate design components, such as high fixed monthly charges.² AARP reserves the right to provide the Commission with more detailed positions in this rate case, following discovery and further review.

11. AARP believes that its intervention and participation in this proceeding would serve the public interest, and it wishes to become a party to this case for all purposes.

² The Company has requested increase residential water fixed monthly (5/8) meter charges for most of its customers from the current level of \$10.00 to \$21.34, which is an approximately 113% increase.

WHEREFORE, **AARP** respectfully requests that the Commission grant this Application to Intervene, entitling it to fully participate in this proceeding.

Respectfully submitted,

/s/ John B. Coffman

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Attorney for AARP

Dated: July 17, 2024

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, emailed or handdelivered to all parties listed on the official service list on this 17th day of July 2024.

/s/ John B. Coffman