

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

In the Matter of the Proposed Rescission            )  
of the Commission’s Rule 20 CSR 4240-            )  
50.050 Environmental Cost Adjustment            )  
Mechanism    )  
**File No. WX-2025-0032**

**STAFF COMMENTS**

**COMES NOW** the Staff of the Missouri Public Service Commission and states as follows:

1. Staff supports the proposed rescission of the Commission’s Rule 20 CSR 4240-50.050, published in the Missouri Register dated September 16, 2024. As set forth in more detail in the attached Staff’s Comments, the proposed rule is being rescinded as no utilities have utilized this rule.

**WHEREFORE**, Staff respectfully submits these comments for the Commission’s consideration and supports the proposed rescission of 20 CSR 4240-50.050.

Respectfully submitted,

**/s/ J. Scott Stacey**  
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Missouri Public Service Commission  
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**ATTORNEY FOR STAFF OF THE  
PUBLIC SERVICE COMMISSION**

**CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been transmitted by electronic mail to counsel of record this 3<sup>rd</sup> day of October, 2024.

**/s/ J. Scott Stacey**

**Missouri Public Service Commission Staff Comments on the  
Rescission of 20 CSR 4240-50.050 Environmental Cost Adjustment Mechanism.**

Summary: Staff supports the proposed rescission of Commission Rule 20 CSR 4240-50.050.

Discussion: This rule allowed the establishment of an Environmental Cost Adjustment Mechanism (ECAM), which allowed periodic rate adjustments to reflect net increases or decreases in a water utility's prudently incurred costs directly related to compliance with federal, state, or local environmental laws or regulations. However, because compliance with such laws and regulations generally requires a significant capital investment, utilities needed a rate case to begin recovering the investment as well as their return on that investment. Relatively small adjustments through the ECAM were not effective for helping companies, and this regulation has never been utilized.

Based on the information above and the non-use of the Commission Rule, Staff supports the proposed rescission of 20 CSR 4240-50.050.

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50.050 Environmental Cost Adjustment )  
Mechanism )

**AFFIDAVIT OF CURT B. GATELEY**

STATE OF MISSOURI )  
 ) ss.  
COUNTY OF COLE )

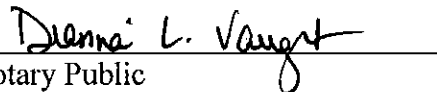
**COMES NOW CURT B. GATELEY**, and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Staff Comments*; and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.

  
CURT B. GATELEY

**JURAT**

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 3rd day of October 2024.

  
Notary Public

DIANNA L. VAUGHT  
Notary Public - Notary Seal  
State of Missouri  
Commissioned for Cole County  
My Commission Expires: July 18, 2027  
Commission Number: 15207377