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

In the Matter of the Petition of	)	File No. WR-2025-0009
Missouri-American Water Company for	)	Tariff No. JW-2025-0026
Approval to Change a Water and Sewer	)	
Infrastructure Rate Adjustment.	)	File No. SR-2025-0014
3	)	Tariff No. JS-2025-0027

#### RESPONSE TO STAFF RECOMMENDATION

**COMES NOW** Missouri-American Water Company ("MAWC") and as its *Response to*Staff Recommendation respectfully states as follows to the Missouri Public Service Commission ("Commission"):

- 1. On September 3, 2024, MAWC filed its *Petition to Change a Water and Sewer Infrastructure Rate Adjustment (WSIRA)* ("Petition") pursuant to the provisions of the Missouri Water and Sewer Infrastructure Act, Sections 393.1500 and 393.1509, RSMo., and Commission Rule 20 CSR 4240-2.060(1). The WSIRA Petition was filed based the actual WSIRA eligible investment placed in service for the period May 1, 2024, to July 31, 2024, with estimated WSIRA costs for August 1, 2024, through October 31, 2024, also included. MAWC supplied the actual WSIRA investments for August 1, 2024, through October 31, 2024, during the course of this case.
- 2. On December 2, 2024, the Staff of the Commission ("Staff") filed its *Staff Recommendation* concerning the Petition.
- 3. MAWC has reviewed the *Staff Recommendation* and does not object to Staff's recommended incremental pre-tax WSIRA revenues of \$12,585,444 from St. Louis County water customers, \$3,047,411 from All Other water customers, \$9,783 from Arnold sewer customers, and \$194,719 from All Other sewer customers for a total in this filing of \$15,837,357.

4. Accordingly, attached as <u>Appendix A</u> (water) and <u>Appendix B</u> (sewer) are exemplar tariff sheets that MAWC would file and seek approval of as a result of the revenue requirements identified in the *Staff Recommendation*.

**WHEREFORE**, MAWC respectfully submits this *Response to Staff Recommendation* and requests that the Commission issue an order approving the WSIRA revenues for MAWC as described herein.

Respectfully submitted,

Dean L. Cooper MBE #36592

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#### ATTORNEYS FOR MISSOURI-AMERICAN WATER COMPANY

### **CERTIFICATE OF SERVICE**

I hereby certify that a copy of the above and foregoing document was sent via electronic mail on this 9<sup>th</sup> day of December 2024, to all counsel of record.

FORM NO. 13 P.S.C MO NO. 13

APPENDIX A

9<sup>th</sup> Revised Sheet No. <u>RT 11.1</u>

Cancelling 8<sup>th</sup> Revised Sheet No. <u>RT 11.1</u>

WR-2025-0009

Missouri-American Water Company	For	St. Louis County
Name of Issuing Cornoration		Community Town or City

# Rate W Water & Sewer Infrastructure Replacement Surcharge (WSIRA)

<u>DESCRIPTION</u> - Rate W is designed to recover costs associated with the Company's eligible infrastructure projects:

1) Replacement of or cleaning and relining of existing mains, hydrants, meters, service lines, laterals, sewer taps, curbstops and manholes, 2) Replacement of lead mains, goosenecks, lead service lines and associated valves and meters, 3) Replacement of booster station and lift station pumps, with equipment of similar capacity and operation, as well as related pipes, valves and meters, 4) Facilities relocations required due to construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain; provided that the costs related to such projects have not been reimbursed to the water or sewer corporation; 5) Replacement of water and wastewater treatment mechanical equipment with equipment of similar capacity and operation, including well and intake pumps, transfer pumps, high service or discharge pumps, and metering pumps, 6) Replacement of Supervisory Control and Data Acquisition Systems (SCADA) components necessary for the operation and monitoring of remote installations including radio and cellular communication equipment, and programmable logic controllers. The WSIRA rate is calculated and implemented in accordance with the provisions of sections 393.1500 to 393.1509 RSMO. Any future changes to this rate will also be made in accordance with those provisions.

<u>APPLICABILITY</u> - This rate is applicable to any customer class who benefits from the subject utility plant projects eligible for WSIRA recovery. The surcharge is calculated consistent with the customer class cost-of-service study recognized by the Missouri Commission in the Company's most recent general rate proceeding.

**RATE COMPONENTS** - In addition to the other charges provided for in the Company's tariffs, a separate charge for the WSIRA will apply for service rendered on and after the effective date.

<b>Customer Rate Class</b>	Rate per 100 Gallons	Rate per 1,000 Gallons
Rate A	\$0.15886	\$1.58864
Rate B	\$0.04890	\$0.48896
Rate J	\$0.03445	\$0.34453

<u>RULES AND REGULATIONS</u> – The General Rules and Regulations set forth in this tariff shall govern the supply of service under this rate.

<u>PAYMENT TERMS</u> - All bills for service under this schedule will be rendered in arrears on a monthly or quarterly basis. The due date on the tariff shall be ten (10) days after the "date of rendition" of the bill to the customer. The customer's bill will be due and payable after this due date. The delinquent date printed on the bill will not be less than twenty-one (21) days after the date of the postmark of the bill. Any accounts remaining unpaid at the expiration of twenty-one (21) days shall be considered delinquent and the Company may take such action as specified in its filed rules and regulations.

<u>TAXES</u> - These rates do not include any municipal, state or federal taxes computed on either billing or consumption basis. Any such taxes applicable shall be added as separate items in rendering each bill.

\* Indicates new rate or text

+ Indicates change

Date of Issue: December XX, 2024 Effective Date: January XX, 2025

Issued By: Rich C. Svindland, President

FORM NO. 13 P.S.C MO NO. 13

APPENDIX A

9<sup>th</sup> Revised Sheet No. <u>RT 11.2</u>

Cancelling 8<sup>th</sup> Revised Sheet No. <u>RT 11.2</u>

Missouri-American Water Company

Name of Issuing Corporation

For

All Missouri Service Areas Outside of St. Louis County

Community, Town or City

WR-2025-0009

Rate W
Water & Sewer Infrastructure Replacement Surcharge (WSIRA)

**DESCRIPTION** - Rate W is designed to recover costs associated with the Company's eligible infrastructure projects:

1) Replacement of or cleaning and relining of existing mains, hydrants, meters, service lines, laterals, sewer taps, curbstops and manholes, 2) Replacement of lead mains, goosenecks, lead service lines and associated valves and meters, 3) Replacement of booster station and lift station pumps, with equipment of similar capacity and operation, as well as related pipes, valves and meters, 4) Facilities relocations required due to construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain; provided that the costs related to such projects have not been reimbursed to the water or sewer corporation; 5) Replacement of water and wastewater treatment mechanical equipment with equipment of similar capacity and operation, including well and intake pumps, transfer pumps, high service or discharge pumps, and metering pumps, 6) Replacement of Supervisory Control and Data Acquisition Systems (SCADA) components necessary for the operation and monitoring of remote installations including radio and cellular communication equipment, and programmable logic controllers. The WSIRA rate is calculated and implemented in accordance with the provisions of sections 393.1500 to 393.1509 RSMO. Any future changes to this rate will also be made in accordance with those provisions.

<u>APPLICABILITY</u> - This rate is applicable to any customer class who benefits from the subject utility plant projects eligible for WSIRA recovery. The surcharge is calculated consistent with the customer class cost-of-service study recognized by the Missouri Commission in the Company's most recent general rate proceeding.

**RATE COMPONENTS** - In addition to the other charges provided for in the Company's tariffs, a separate charge for the WSIRA will apply for service rendered on and after the effective date.

<b>Customer Rate Class</b>	Rate per 100 Gallons	Rate per 1,000 Gallons
Rate A	\$0.09825	\$0.98247
Rate B	\$0.02522	\$0.25222
Rate J	\$0.03239	\$0.32392

<u>RULES AND REGULATIONS</u> – The General Rules and Regulations set forth in this tariff shall govern the supply of service under this rate.

<u>PAYMENT TERMS</u> - All bills for service under this schedule will be rendered in arrears on a monthly or quarterly basis. The due date on the tariff shall be ten (10) days after the "date of rendition" of the bill to the customer. The customer's bill will be due and payable after this due date. The delinquent date printed on the bill will not be less than twenty-one (21) days after the date of the postmark of the bill. Any accounts remaining unpaid at the expiration of twenty-one (21) days shall be considered delinquent and the Company may take such action as specified in its filed rules and regulations.

<u>TAXES</u> - These rates do not include any municipal, state or federal taxes computed on either billing or consumption basis. Any such taxes applicable shall be added as separate items in rendering each bill.

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Date of Issue: December XX, 2024 Effective Date: January XX, 2025

Issued By: Rich C. Svindland, President

FORM NO. 13 P.S.C MO NO. 26

APPENDIX B
8<sup>th</sup> Revised Sheet No. <u>RT 11.1</u>
Cancelling 7<sup>th</sup> Revised Sheet No. <u>RT 11.1</u>
City of Arnold and Surrounding Area

Missouri-American Water Company

Name of Issuing Corporation

For

Community, Town or City

WR-2025-0009

## Rate W Water & Sewer Infrastructure Replacement Surcharge (WSIRA)

<u>DESCRIPTION</u> - Rate W is designed to recover costs associated with the Company's eligible infrastructure projects:

1) Replacement of or cleaning and relining of existing mains, hydrants, meters, service lines, laterals, sewer taps, curbstops and manholes, 2) Replacement of lead mains, goosenecks, lead service lines and associated valves and meters, 3) Replacement of booster station and lift station pumps, with equipment of similar capacity and operation, as well as related pipes, valves and meters, 4) Facilities relocations required due to construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain; provided that the costs related to such projects have not been reimbursed to the water or sewer corporation; 5) Replacement of water and wastewater treatment mechanical equipment with equipment of similar capacity and operation, including well and intake pumps, transfer pumps, high service or discharge pumps, and metering pumps, 6) Replacement of Supervisory Control and Data Acquisition Systems (SCADA) components necessary for the operation and monitoring of remote installations including radio and cellular communication equipment, and programmable logic controllers. The WSIRA rate is calculated and implemented in accordance with the provisions of sections 393.1500 to 393.1509 RSMO. Any future changes to this rate will also be made in accordance with those provisions.

<u>APPLICABILITY</u> - This rate is applicable to any customer class who benefits from the subject utility plant projects eligible for WSIRA recovery. The surcharge is calculated consistent with the customer class cost-of-service study recognized by the Missouri Commission in the Company's most recent general rate proceeding.

**RATE COMPONENTS** - In addition to the other charges provided for in the Company's tariffs, a separate charge for the WSIRA will apply for service rendered on and after the effective date. The WSIRA charge is calculated as a percentage of the customer's total bill, prior to any taxes.

**All Customers:** 

0.4375%

of the total bill

<u>RULES AND REGULATIONS</u> – The General Rules and Regulations set forth in this tariff shall govern the supply of service under this rate.

PAYMENT TERMS - All bills for service under this schedule will be rendered in arrears on a monthly or quarterly basis. The due date on the tariff shall be ten (10) days after the "date of rendition" of the bill to the customer. The customer's bill will be due and payable after this due date. The delinquent date printed on the bill will not be less than twenty-one (21) days after the date of the postmark of the bill. Any accounts remaining unpaid at the expiration of twenty-one (21) days shall be considered delinquent and the Company may take such action as specified in its filed rules and regulations.

<u>TAXES</u> - These rates do not include any municipal, state or federal taxes computed on either billing or consumption basis. Any such taxes applicable shall be added as separate items in rendering each bill.

\* Indicates new rate or text

+ Indicates change

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Issued By: Rich C. Svindland, President

FORM NO. 13 P.S.C MO NO. 26 WR-2025-0009 APPENDIX B

Community, Town or City

8<sup>th</sup> Revised Sheet No. RT 11.2 Cancelling 7<sup>th</sup> Revised Sheet No. RT 11.2

All Missouri Service Areas Outside of City of Arnold

Missouri-American Water Company Name of Issuing Corporation

For

#### Rate W Water & Sewer Infrastructure Replacement Surcharge (WSIRA)

**DESCRIPTION** - Rate W is designed to recover costs associated with the Company's eligible infrastructure projects: 1) Replacement of or cleaning and relining of existing mains, hydrants, meters, service lines, laterals, sewer taps, curbstops and manholes, 2) Replacement of lead mains, goosenecks, lead service lines and associated valves and meters, 3) Replacement of booster station and lift station pumps, with equipment of similar capacity and operation, as well as related pipes, valves and meters, 4) Facilities relocations required due to construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain; provided that the costs related to such projects have not been reimbursed to the water or sewer corporation; 5) Replacement of water and wastewater treatment mechanical equipment with equipment of similar capacity and operation, including well and intake pumps, transfer pumps, high service or discharge pumps, and metering pumps, 6) Replacement of Supervisory Control and Data Acquisition Systems (SCADA) components necessary for the operation and monitoring of remote installations including radio and cellular communication equipment, and programmable logic controllers. The WSIRA rate is calculated and implemented in accordance with the provisions of sections 393.1500 to 393.1509 RSMO. Any future changes to this rate will also be made in accordance with those provisions.

**APPLICABILITY** - This rate is applicable to any customer class who benefits from the subject utility plant projects eligible for WSIRA recovery. The surcharge is calculated consistent with the customer class cost-ofservice study recognized by the Missouri Commission in the Company's most recent general rate proceeding.

**RATE COMPONENTS** - In addition to the other charges provided for in the Company's tariffs, a separate charge for the WSIRA will apply for service rendered on and after the effective date. The WSIRA charge is calculated as a percentage of the customer's total bill, prior to any taxes.

All Customers:

4.8961%

of the total bill

**RULES AND REGULATIONS** – The General Rules and Regulations set forth in this tariff shall govern the supply of service under this rate.

**PAYMENT TERMS** - All bills for service under this schedule will be rendered in arrears on a monthly or quarterly basis. The due date on the tariff shall be ten (10) days after the "date of rendition" of the bill to the customer. The customer's bill will be due and payable after this due date. The delinquent date printed on the bill will not be less than twenty-one (21) days after the date of the postmark of the bill. Any accounts remaining unpaid at the expiration of twenty-one (21) days shall be considered delinquent and the Company may take such action as specified in its filed rules and regulations.

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