

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

In the Matter of the Application of)
Missouri-American Water Company,)
for the approval of an Agreement with the) File No. _____
City of St. Peters, Missouri to Sell and Deliver)
Water for Resale and Related Tariff Sheets)

**APPLICATION FOR THE APPROVAL OF AGREEMENT AND TARIFF
AND MOTION FOR WAIVER**

COMES NOW Missouri-American Water Company ("MAWC" or "Company") and, in support of its Application for the approval of an agreement with the City of St. Peters (hereinafter "City") to sell and deliver water for resale, and a related tariff sheet, respectfully represents and states as follows to the Missouri Public Service Commission ("Commission"):

BACKGROUND

1. MAWC is a Missouri corporation, active and in good standing with the Missouri Secretary of State, with its principal office and place of business at 727 Craig Road, St. Louis, Missouri 63141. Pursuant to Commission regulation 20 CSR 4240-2.060(1)(G), MAWC incorporates by reference the certified copies of its articles of incorporation and its certificate of good standing previously filed in File No. WO-2021-0343.

2. MAWC currently provides water service to approximately 484,000 customers and sewer service to approximately 24,000 customers in several counties throughout the state of Missouri. MAWC is a "water corporation," a "sewer corporation" and a "public utility" as those terms are defined in Section 386.020 and is subject to the jurisdiction and supervision of the Commission as provided by law. MAWC has no overdue Commission annual reports or assessment fees. There is no pending action or final unsatisfied judgment or decision against

MAWC from any state or federal agency or court which involves customer service or rates, which action, judgment, or decision has occurred within three years of the date of this Application.

3. Pleadings, notices, orders and other correspondence concerning this Application should be addressed to:

Missouri-American Water Company
727 Craig Road
St. Louis, MO 63141
Attention: Tim Luft
Telephone 314-996-2279

4. The statutory provisions under which MAWC makes this Application are Sections 393.140 and 393.150, RSMo. Section 393.140 gives Commission general jurisdiction over and access to the company books and records, and Section 393.150 states in pertinent in part:

393.150. Commission may fix rates after hearing-stay increase-burden of proof.—

1. Whenever there shall be filed with the commission by any...water corporation...any new form of contract or agreement...relating to...any privilege...the commission shall have, and it is hereby given, authority, to enter upon a hearing concerning the propriety of such...form of contract or agreement...; and after full hearing; whether completed before or after the...form of contract or agreement...goes into effect, the commission may make such order in reference to such...form of contract or agreement...or practice as would be proper in a proceeding ...

Case law indicates that the Commission may act upon such an application without a hearing under the file and suspend provisions of Section 393.150, when it so determines.

PROPOSED TRANSACTION

5. The City has requested to supplement its water supply and purchase water from MAWC at wholesale to be sold and delivered for resale by the City. MAWC has water supply available in its St. Charles district for this purpose and is agreeable to providing the water supply

desired to the City. The rate the City will pay MAWC per the agreement exceeds the Company's net marginal cost of water production and will thus be of benefit to existing customers.

6. Attached hereto as **Appendix A** is the City of St. Peters Ordinance No. 8006 dated August 8, 2024, approving the Agreement on behalf of the City. Included with that Ordinance is the proposed agreement between MAWC and the City (the "Agreement"). Attached hereto and marked as **Appendix B-C** is the proposed agreement between MAWC and the City (the "Agreement"). Appendix B-C has been identified as Confidential in accordance with Commission Rule 20 CSR 4240-2.135(2)(A).4. Attached hereto as **Appendix C** is a proposed tariff sheet – "Rate P Special Retail Sale Contract Rate" – which is designed to implement the provisions of the Agreement.

7. MAWC requests that the Commission authorize it to enter into and perform in accordance with the Agreement.

8. The Agreement is in the public interest because MAWC has the necessary water available, the City benefits in that it will obtain a reliable source of supply at reduced costs when compared to its current vendor, and the agreed price is greater than MAWC's marginal cost to produce the water. Accordingly, the Agreement will offset certain existing fixed costs and thereby benefit existing MAWC customers.

9. The water source for the St. Charles district of Missouri-American Water Company comes from our Central Plant in St. Louis County, located at 901 Hog Hollow Road, Chesterfield, Missouri 63107. The maximum capacity at the Central Plant is 217 million gallons per day. The next marginal cost of water production from the source is \$ 0.56/1,000gallons.

10. Additional information related to the water source is as follows:

(1) Max daily output for 2021, 2022 and 2023:

2021 (6/18/2021) – 163.9 million gallons

2022 (7/23/2022) – 166.5 million gallons

2023 (6/3/2023) – 158.5 million gallons

(2) Average daily output for 2021, 2022 and 2023:

2021 – 89.3 million gallons

2022 – 93.9 million gallons

2023 – 91.3 million gallons

11. To determine the cost of water, the Company used Total Operating Expense, net for cost center E170253, St. Louis County Plant, for the year ending December 31, 2023. Additionally, Purchased Power expense was allocated to the Central Plant as that expense is not recorded at the cost center level in St. Louis County.

MOTION FOR WAIVER

12. Commission Rule 20 CSR 4240-4.017(1) provides that “(a)ny person that intends to file a case shall file a notice with the secretary of the commission a minimum of sixty (60) days prior to filing such case.” A notice was not filed 60 days prior to the filing of this Application. As such, and to the extent required, MAWC seeks a waiver of the 60-day notice requirement.

13. Rule 20 CSR 4240-4.017(1)(D) provides that a waiver may be granted for good cause. In this regard, MAWC declares (as verified below) that it has had no communication with the Office of the Commission (as defined by Commission Rule 20 CSR 4240-4.015(10)) within the prior 150 days regarding any substantive issue likely to be in this case, other than those pleadings filed for record. Accordingly, for good cause shown, MAWC moves for a waiver of the 60-day notice requirement of Rule 20 CSR 4240-4.017(1) and acceptance of this Application at this time.

WHEREFORE, MAWC respectfully requests that the Commission issue its Order:

(a) Granting MAWC’s Motion for Waiver;

- (b) Authorizing MAWC to enter into an Agreement in substantial from attached hereto as **Appendix B-C**;
- (c) Authorizing MAWC to file the tariff sheet attached hereto as **Appendix C**;
- and,
- (d) Granting such further relief as is consistent with this application.

Respectfully submitted,

/s/ Timothy W. Luft
Timothy W. Luft, MBE #40506
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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 11th day of December 2024 to:

Office of the General Counsel
Governor Office Building
Jefferson City, MO 65101
staffcounsel@psc.mo.gov

Office of the Public Counsel
Governor Office Building
Jefferson City, MO 65101
opcservice@opc.mo.gov

/s/ Timothy W. Luft

VERIFICATION

State of Missouri)
) ss
County of St. Louis)

I, Timothy W. Luft, under penalty of perjury, and pursuant to Section 509.030, RSMo, state that I am Vice-President - Legal of Missouri-American Water Company, that I am duly authorized to make this affidavit on behalf of MAWC, that I have knowledge of the matters stated herein, and that said matters are true and correct to be best of my knowledge and belief. Additionally, no representative of MAWC has had any communication with the office of the Missouri Public Service Commission as defined in Commission Rule 20 CSR 4240-4.015(10) within the immediately preceding 150 days regarding the subject matter of this Application.


