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 Increases for Water and Sewer) Service Provided in Missouri Service Areas)

Case No. WR-2024-0320

STAFF RESPONSE TO MAWC'S OBJECTION AND MOTION TO STRIKE

COMES NOW the Staff of the Missouri Public Service Commission ("Staff"), and in response to *MAWC's Objection to Motion for Leave to File Corrected Testimony* ("Objection"), Staff states as follows:

I. <u>Staff Response to MAWC's Objection</u>

1. On March 5, 2025, the Commission held an evidentiary hearing regarding issue 9, Return on Equity/Capital Structure/Cost of Debt, as described in the *Amended List of Issues, List and Order of Witnesses, Order of Opening, and Order of Cross Examination.*

2. During the evidentiary hearing on March 5, 2025, Staff moved to enter the corrected Direct/Rebuttal Testimony of Kelli Malki. Missouri American Water Company ("MAWC" or "Company") objected, and the regulatory law judge reserved ruling on the objection at a later date.¹ The regulatory law judge further directed Staff to file Ms. Malki's corrected testimony in the Commission's Electronic Filing and Information System ("EFIS").² Staff filed its *Motion for Leave to File Corrected Testimony (Kelli Malki)* in EFIS on March 7, 2025.

¹ Transcript Volume 9 (Evidentiary Hearing – Jefferson City, MO – March 5, 2025), pg. 107, ln. 11-22; pg. 108, ln. 4-6, pg. 125, ln. 8-9.

² *Id*, pg. 106, ln. 20-25 and pg. 107, ln. 1.

3. Staff, MAWC, and the other parties to this proceeding filed a *Revenue Requirement Stipulation and Agreement* ("Agreement") at approximately 3:11 P.M. on March 17, 2025. This Agreement referenced that the parties had reached a settlement regarding issue 9, Return on Equity/Capital Structure/Cost of Debt.³

4. Paragraph 3 of the Agreement stated the following:

The Signatories consent to the admission of, and request that the Commission admit into the record in this proceeding, without the need for witnesses to take the stand, <u>all written testimony that has been filed regarding the above referenced issues and not yet admitted.</u> (emphasis added)

5. Ms. Malki's corrected testimony was filed "regarding the above referenced issues and not yet admitted." Further, nowhere in the Agreement is there any language exempting Ms. Malki's corrected testimony, or language providing any signatory a chance to object to another signatory's testimony regarding any of the settled issues.

6. At approximately 5:10 P.M. on March 17, 2025, and despite the clear language of paragraph 3 from the Agreement, MAWC filed its *Objection to Motion for Leave to File Corrected Testimony*, opposing the admission of Ms. Malki's corrected testimony regarding the settled issue 9.

7. Based upon the clear language of the Agreement, signed and agreed to by MAWC, Staff requests that the Commission issue an order overruling the Objection, and entering Ms. Malki's corrected testimony into the record pursuant to the Agreement reached by the parties.

³ Revenue Requirement Stipulation and Agreement, pg. 1, para. 2.

II. <u>Motion to Strike</u>

8. MAWC's Objection includes an "affidavit" from MAWC witness Ann E. Bulkley, identified as Appendix A, basing the objection on the fact that Staff did not agree with all of Ms. Bulkley's alleged corrections asserted in her testimony.

9. It should be clear, without the need for further testimony, that Staff did not incorporate all of Ms. Bulkley's alleged corrections because Staff disagrees and believes Ms. Bulkley is the one who is incorrect.

10. Instead of recognizing this, Ms. Bulkley expends three pages of her "affidavit" improperly supplementing her earlier testimony, in violation of Commission Rule 20 CSR 4240-2.130(10), which states that "No party shall be permitted to supplement prefiled prepared direct, rebuttal, or surrebuttal testimony <u>unless ordered by the presiding officer or the commission</u>." (emphasis added)

11. As of the date of this filing, there has been no such order from the presiding officer or the Commission.

12. MAWC also attempts to use 20 CSR 4240-2.130(10) to justify the improper supplementation of Ms. Bulkey's testimony by arguing that the Company needs to have a "reasonable opportunity to address matters not previously disclosed which arise at the hearing." Since this is addressing an issue the Agreement itself states is settled, it is not clear what MAWC needs to address.

13. In light of the improper supplementation of Ms. Bulkley's testimony after the filing of the Agreement, Staff requests that the Commission issue an order striking Ms. Bulkley's "affidavit" labeled as Appendix A to MAWC's Objection.

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WHEREFORE, Staff prays that the Commission issue an order overruling MAWC's Objection, striking the improper supplemental testimony of Ms. Bulkley identified as Appendix A to MAWC's Objection, and for such other and further relief as is just and proper under the circumstances.

Respectfully submitted,

/s/ Travis J. Pringle

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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 all parties and/or counsel of record this 21st day of March, 2025.

/s/ Travis J. Pringle