

BEFORE THE PUBLIC SERVICE COMMISSION  
STATE OF MISSOURI

In the Matter of the Joint Application of )  
Missouri-American Water Company and )  
the Public Water Supply District No. 2 )  
of St. Charles County, Missouri for )  
Approval of a Territorial Agreement )  
Concerning Territory in St. Charles )  
County, Missouri. )

Case No. WO-2001-441

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FILED<sup>2</sup>  
APR 16 2001  
Missouri Public  
Service Commission

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OFFICE OF THE PUBLIC COUNSEL

UNANIMOUS STIPULATION AND AGREEMENT

COMES NOW the Staff of the Missouri Public Service Commission ("Staff"), Missouri-American Water Company ("MAWC" or "Company"), the Public Water Supply District No. 2 of St. Charles County, Missouri ("Water District"), and the Office of the Public Counsel ("OPC"), and for their Unanimous Stipulation and Agreement ("Stipulation") stipulate and agree as follows:

1. On October 4, 2000, the Water District and MAWC ("Applicants") executed a Territorial Agreement pursuant to Section 247.172, RSMo 2000. On February 13, 2001, the Applicants filed with the Missouri Public Service Commission ("Commission") a Joint Application for Approval of Territorial Agreement. Concurrent with the filing of this Joint Application, the Applicants submitted the required filing fee to the Commission. Thereafter, on February 23, 2001, the Commission issued an Order and Notice which required that notice of this proceeding be given to the County Commission of St. Charles County, the members of the General Assembly representing the Applicants' service areas and the newspapers that serve the Applicants' service areas. The Commission's Order set an intervention deadline date of March 15, 2001. The Order and Notice also ordered the Applicants, OPC and the Staff to file a proposed procedural schedule by no later than March 26, 2001, with a hearing to be held no later

than May 11, 2001.

2. No requests for intervention in the case were received by the intervention deadline date, nor have any late-filed requests for intervention been received.

3. On March 26, 2001, the Staff, on its own behalf and on behalf of the Water District, the Company and the OPC, filed a Proposed Procedural Schedule as directed by the Commission's Order and Notice. The proposed schedule stated that the parties would file a stipulation and agreement by no later than April 16, 2001, and it requested that the required evidentiary hearing be held on May 1, 2001.

4. On April 5, 2001, the Commission issued an Order Adopting Procedural Schedule wherein it scheduled an evidentiary hearing in this case for May 1, 2001, beginning at 1:30 p.m.

5. Since the Territorial Agreement will only apply to new customers of the Water District and the Company, it was not necessary for the Applicants to attach a listing of customers affected by the Territorial Agreement to the Joint Application.

6. The Territorial Agreement designates the boundaries of the respective water service areas of the Water District and the Company, as set forth in Appendix 4 attached to the Territorial Agreement.

7. The Territorial Agreement specifies any and all powers granted to the Water District by the Company to operate within the Company's certificated service area. The Territorial Agreement specifies any and all powers granted to the Company by the Water District to operate within the boundaries of the Water District.

8. The Territorial Agreement will enable the Applicants to avoid wasteful and costly duplication of water utility services within the affected service areas and will displace destructive competition between the Applicants, all to the benefit of the Applicants' respective customers.

9. The Joint Application acknowledges that the Territorial Agreement in no way affects or diminishes the rights and duties of any water supplier that is not a party to the Territorial Agreement to provide service within the boundaries designated in the Territorial Agreement.

10. The Parties agree that the Territorial Agreement meets the requirements of Section 247.172, RSMo 2000. The Parties further agree that the Territorial Agreement is not detrimental to the public interest and that the Commission should so find.

11. The Parties agree that the testimony to be provided at the evidentiary hearing for this case will be limited to the Staff calling one witness to provide testimony in support of the Joint Application, the Territorial Agreement and this Stipulation, unless otherwise requested by the Commission in advance of the hearing. The Applicants will, however, have representatives available at the evidentiary hearing to answer questions from the Commission and the presiding officer.

12. This Stipulation has resulted from negotiations among the Parties and the terms hereof are interdependent. In the event the Commission does not adopt this Stipulation in total, then this Stipulation shall be void and no signatory shall be bound by any of the agreements or provisions hereof. The stipulations herein are specific to the resolution of this proceeding, and all stipulations are made without prejudice to the rights of the Parties to take other positions in other proceedings.

13. Inasmuch as there will be an evidentiary hearing in this case, as required by statute, the Staff shall only submit a memorandum explaining its rationale for entering into this Stipulation if the Commission requests such a memorandum in advance of the evidentiary hearing for this case. Each Party to the case shall be served with a copy of any such

memorandum and shall be entitled to submit to the Commission, within five business days of receipt of Staff's memorandum, a responsive memorandum that shall also be served on all parties. All memoranda submitted to the Commission under the terms of this paragraph shall be considered privileged in the same manner as are settlement discussions under the Commission's rules and shall thus be maintained on a confidential basis by all Parties. Such memoranda shall not become a part of the record of this proceeding or bind or prejudice the party submitting such memorandum in any future proceeding, whether or not the Commission approves and adopts this Stipulation. The contents of any memorandum submitted to the Commission under the terms of this paragraph by any Party are its own and are not acquiesced in or otherwise adopted by the other signatories to this Stipulation, whether or not the Commission approves and adopts this Stipulation.

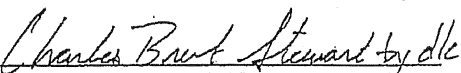
14. The Staff shall also have the right to provide, at any agenda meeting at which this Stipulation is noticed to be considered by the Commission, whatever oral explanation the Commission requests, provided that the Staff shall, to the extent reasonably practicable, provide the other Parties with advance notice of when the Staff shall respond to the Commission's request for such explanation once such explanation is requested from the Staff. The Staff's oral explanation shall be subject to public disclosure, except to the extent it refers to matters that are privileged or protected from disclosure pursuant to any protective order issued in this case.

15. As noted above, the Staff will provide its testimony in support of the Joint Application, the Territorial Agreement and this Stipulation at the evidentiary hearing scheduled for May 1, 2001.

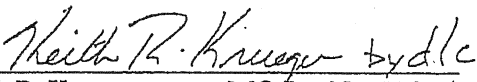
WHEREFORE, the parties respectfully request that the Commission issue its Order approving the Joint Application, the Territorial Agreement and this Stipulation.

Respectfully submitted,

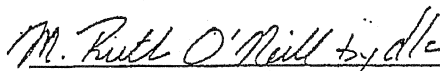
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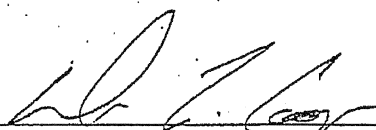
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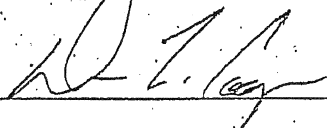
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#### Certificate of Service

I hereby certify that copies of the foregoing have been mailed or hand-delivered to all counsel of record as shown on the attached service list this 16<sup>th</sup> day of April 2001.



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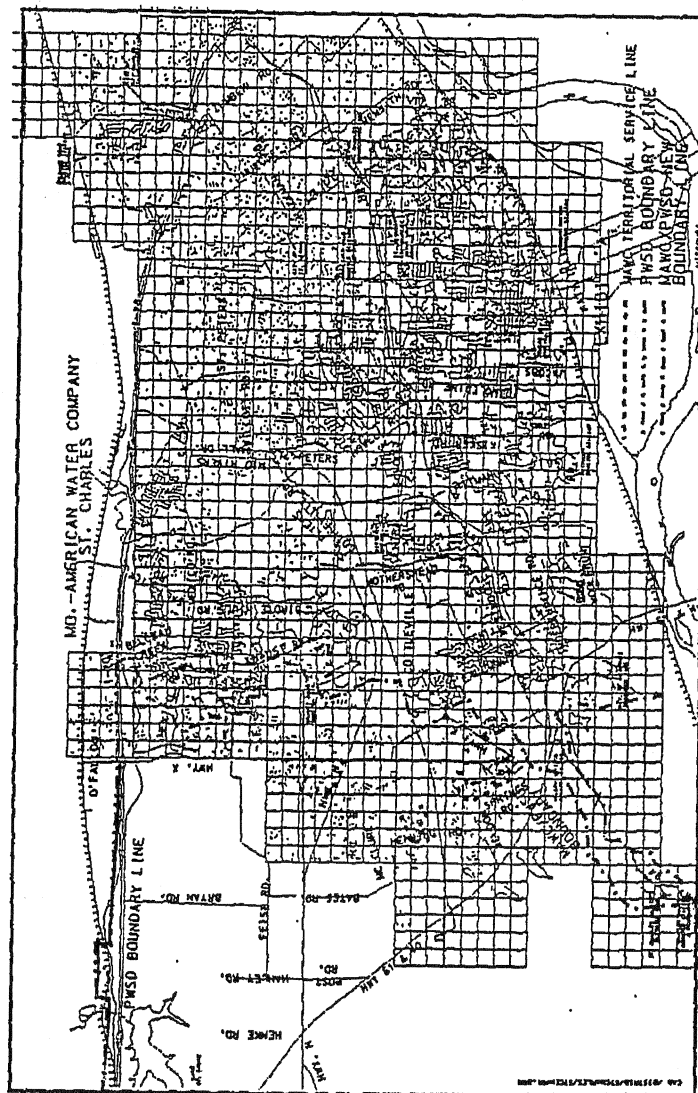
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Missouri-American Water Company For St. Charles County

Missouri Public

REC'D JUN 25 2001

PWSD NO. 2 SERVICE AREA AS ESTABLISHED BY Service Commission  
TERRITORIAL AGREEMENT



Missouri Public

FILED JUL 25 2001

Service Commission

Date of Issue: June 25, 2001 Date Effective: July 25, 2001

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