

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Missouri-American Water)
Company for a Certificate of Convenience)
and Necessity Authorizing it to Install,)
Own, Acquire, Construct, Operate,) **File No. WA-2026-0072**
Control, Manage and Maintain a Water)
System and Sewer System in and around)
the City of Neosho, Missouri)

STAFF REPORT AND RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission ("Staff"), by and through counsel, and for its *Staff Report and Recommendation* states as follows:

1. On September 24, 2025, Missouri-American Water Company ("MAWC") filed a Certificate of Convenience and Necessity ("CCN") application with the Missouri Public Service Commission ("Commission"), pursuant to Section 393.170, RSMo.
2. Staff has fully investigated the Application and prepared the Report – setting out fully and in complete detail its investigation, findings, conclusions, and recommendations. It is attached and incorporated as "Attachment A" to this cover pleading.
3. In its investigation, Staff concluded that all Tartan factors are satisfied.¹ As such, Staff recommends that the Commission grant MAWC a CCN to provide water and sewer service in the proposed Neosho service area, subject to Staff's proposed conditions.

¹ In the Matter of the Application of Tartan Energy Company, LC, Commission File No. GA-94-127.

WHEREFORE, Staff respectfully submits this *Staff Report and Recommendation* for the Commission's consideration and prays the Commission grant further relief as it deems just and reasonable.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been transmitted by electronic mail to counsel of record this 29th day of January 2026.

/s/ Andrea B. Hansen

MEMORANDUM

TO: Missouri Public Service Commission
Official Case File, Case No. WA-2026-0072
Missouri-American Water Company

FROM: Ashley Sarver – Auditing Department
Christopher L. Boronda – Auditing Department
Lisa Stockman – Customer Experience Department
Kelli Malki – Financial Analysis Department
Jarrod J. Robertson – Water, Sewer, Gas, and Steam Department
Dave Spratt – Water, Sewer, Gas, and Steam Department
Adam Stamp – Water, Sewer, Gas, and Steam Department

/s/ Jarrod J. Robertson 1/29/2026

Case Manager / Date

SUBJECT: Staff's Recommendation to Approve Request for Certificate of Convenience and Necessity with Conditions

DATE: January 29, 2026

EXECUTIVE SUMMARY

In its *Application and Motion for Waiver* (“Application”) requesting a Certificate of Convenience and Necessity (“CCN”) authorizing it to install, own, acquire, construct, operate, control, manage, and maintain the water and sewer systems in and around the City of Neosho, Missouri, currently owned and operated by the City of Neosho (“Neosho”), Missouri-American Water Company (“MAWC”) has elected to exercise an option provided by §393.320, RSMo, which provides large water public utilities an alternative procedure to value acquisitions of small water utilities¹ for ratemaking purposes (also known as the “appraisal method”).

The appraised value, and the agreed upon purchase price, in this case is \$34,500,000 (\$17,400,000 water and \$17,100,000 sewer).² Staff reviewed the Application and its supporting documents, performed a physical inspection of the utilities, reviewed data request responses, and reviewed

¹ Section 393.320, RSMo., is amended by Senate Bill 4, which was signed by Governor Kehoe on April 9, 2025. The new provisions of Section 393.320, RSMo., became effective on August 28, 2025. According to the Application, the selection of appraisers and the appraisal was completed prior to the effective date of changes to Section 393.320.

² Application, Page 5, Paragraph 12, Line 5. Information is public, not confidential.

available documentation from the Missouri Department of Natural Resources (“DNR”) and Neosho.

Staff recommends approval of MAWC’s Application to purchase the water and sewer system assets from Neosho, and request for a CCN with conditions that will be explained in detail later in this memorandum.

For purposes of assessing compliance with §393.320, RSMo., the appraisal is discussed in further detail later in this memorandum.

CASE BACKGROUND

On September 24, 2025, MAWC filed an Application with the Missouri Public Service Commission (“Commission”) for a CCN authorizing it to install, own, acquire, construct, operate, control, manage, and maintain the water and sewer supply system (“Systems”) in Neosho, Missouri.

On September 24, 2025, MAWC filed a *Motion to Consolidate*. On the same day, the Commission issued its *Order Directing Notice, Consolidating Cases, Setting Intervention Deadline, and Directing Staff Recommendation* (“Order”), granting consolidation of the water and sewer Case Nos., WA-2026-0072 and SA-2026-0073, respectively, with WA-2026-0072 being the lead case. The Commission set an intervention deadline of October 8, 2025, and directed Staff to file a pleading indicating when it could file a recommendation regarding this Application by October 23, 2025.

On October 15, 2025, Staff filed a *Status Report* stating Staff would file a Recommendation no later than January 22, 2026. The Commission issued its *Order Granting Extension of Time*, approving of Staff’s requested filing date.

On October 27, 2025, Staff filed a *Request for Local Public Hearing*, and on November 7, 2025, the Commission filed its *Order Setting Local Public Hearing* for December 8, 2025, at 6:00 p.m. in Neosho, Missouri.

As of the date of this filing, no parties sought to intervene in the case. As of this filing, three public comments have been submitted.

BACKGROUND OF MAWC

MAWC is an existing water and sewer corporation and public utility subject to the jurisdiction of the Commission. MAWC is currently providing water service to approximately 485,000 customers and sewer service to more than 24,000 customers in several service areas throughout Missouri.

MAWC is a subsidiary of American Water Works Company, Inc. (“American Water”), and is affiliated with other American Water companies that undertake some of the tasks associated with utility service, such as customer billing, and share technical resources.

THE SYSTEMS TO BE ACQUIRED

The following is a description of the existing Systems, as submitted with the Application:

Description of water system

The Neosho water system is supplied by a 3.6 Million Gallons per Day (“MGD”) surface water treatment plant that was constructed in 1942 and draws its water supply from Shoal Creek. Neosho maintains two active wells for secondary supply and a third well that is inactive.

The distribution system consists of two ground storage tanks, three elevated tanks, and approximately 750,000 feet of main that ranges in size from 1-inch to 20-inch. A majority of the main is constructed with PVC, cast iron or ductile iron, but small portions include copper, galvanized, or unknown materials.

Neosho expects moderate growth over the next five years but does not have projected numbers as of this application. The water demand by customer category was not available at the time of this application.

Description of sewer system (collection and treatment)

The Neosho sewer system is treated by a 3.0 MGD oxidation ditch wastewater treatment plant that was constructed in 1985 and discharges into Shoal Creek.

The collection system consists of five lift stations, approximately 575,000 feet of gravity main, and 47,000 feet of force main. The gravity mains range in size from 8-inch to 48-inch and are constructed of various materials including vitrified clay, PVC, cured in place, and reinforced

concrete pipe. The force mains range in size from 10-inch to 16-inch and are constructed of ductile iron pipe.

The permitted design population listed by the DNR is 30,000. Neosho expects moderate growth over the next five years but does not have projected numbers as of this Application.

Neosho, as a public water and sewer utility, while under the regulation of DNR, is not currently subject to the jurisdiction of the Commission.

STAFF'S INVESTIGATION

Introduction

Staff met with representatives of Alliance Water Resources (the current contract operations company) for Neosho, and MAWC on November 3, 2025, to view the water and sewer systems. The Systems are old and in need of maintenance and upgrades. A large portion of the water system and the pipes in the ground were installed in 1942 when Camp Crowder was opened in Neosho during World War II. An appraisal of the water and sewer systems determined that the Systems should be valued at \$34.5 million.

Water System

A Neosho Appraisal Report and Engineering Report (“Appraisal”) submitted with the Application for this CCN request has been prepared using three appraisers: Dinan Real Estate Advisors, Inc.; Goodman Appraisal Consultants, LLC; and Utility Valuation Experts, Inc. The report has been submitted by MAWC as Appendix C in its Application. According to the Application, Neosho provides water service to 5,783 connections through about 158 miles of water mains of various sizes ranging up to 20 inches in diameter. Of those connections, approximately 778 are commercial customers and 23 are considered industrial customers. MAWC has confirmed in its response to Staff Data Request (“DR”) No. 0020 that the customers being served all fall within the service area. The residents of Neosho receive an adequate supply of water daily from two sources: a surface water plant and two active ground water wells. There is also an inactive well that has not been used for several years.

DNR Inspection Report

Staff reviewed the DNR inspection report from March 4, 2024, for the water system which indicated no significant deficiencies. DNR recommended in its last inspection report that Neosho should make repairs to reduce water loss which stated, “[t]he system currently reports that water loss is 53% during 2023. If you multiply the monthly electric bill for the well pump operation by this 53% (or 0.53) loss rate, you will see how much revenue is spent every month by Neosho to pump the additional water being lost to leaks, and this does not consider the additional wear and tear on the pump and controls. It is recommended that this situation be brought under control.” With an average daily use of 3.2 million gallons a day, that means the system has over 1.5 million gallons of non-revenue water every day, if the water loss calculation is accurate.

Proposed Water Improvements

According to its response to Staff DR No. 0016, MAWC intends to evaluate the operations of the Systems to look for improvements and savings. MAWC has proposed to do extensive leak detection to determine the sources of water loss and will conduct studies to determine the various causes of non-revenue water. According to Staff DR No. 0016, this leak survey will help MAWC determine where main repairs and main replacement need to occur. An estimated date of completion for this survey has not been established.

Controlling the large amount of reported water losses would reduce the daily average use of water and save unnecessary wear and tear on pumps and motors that are currently being overused. Neosho still disinfects the water with gaseous chlorine. For increased safety, MAWC plans to remove all gaseous chlorine cylinders and change the system over to liquid as it does in all its other water systems.

Sewer System

Neosho provides sewer service to approximately 5,700 customers. There are currently two sewer plants, the Crowder plant and the Shoal Creek plant. The portion of the sewage that flows to the Crowder plant receives partial treatment before it is pumped to the Shoal Creek plant. The Shoal Creek plant completes treatment of the partially treated sewage from the Crowder plant, as

well as full strength wastewater from the rest of the collection system.³ The Appraisal indicates that Crowder plant has been in service since the 1940s and is no longer able to meet discharge limits.

The length and size of sewer pipes is also listed in Appendix C of the Application. There are about 125 miles of gravity and pressure sewer mains. The gravity sewer main is mostly eight-inch pipe but another 207,000 feet of pipe range in size from ten-inch to 48 inches in diameter. The pressure sewer has about 9,900 feet of ten-inch pipe, and 37,500 feet of 16-inch pipe.

Proposed Sewer Improvements

According to its response to Staff DR No. 0016, MAWC intends to evaluate the operations of the sewer system to look for improvements and savings. MAWC could install automated controls at the plants, lift stations, and a holding basin to improve monitoring and efficiency. MAWC also plans to perform flow monitoring and an inflow and infiltration (“I&I”) study to help assess where improvements need to be made to the collection system.

DNR Issues

When the last permit was issued in 2017, it included a schedule of compliance that required much stricter effluent limitations for ammonia, phosphorus, and metals. Based on current information, Staff is unaware if any of the conditions of the permit were met. Based on Staff’s review of available data the treatment plants do not appear to have any serious violations, but the permit expired in 2022 and has not been renewed. Therefore, Staff is unaware of what new conditions and effluent limits may be applied to this facility.

³ Full strength wastewater refers to wastewater that has not received partial treatment or pretreatment that significantly reduces organic loading.

Service Area

Staff reviewed the service area map and legal description submitted with the Application and find they are each appropriate for the proposed Systems.

NET BOOK VALUE

Plant-In-Service Balances

Staff reviewed information provided by MAWC in response to Staff's data requests, MAWC's Application with the included sale agreement documents, and MAWC's work papers. Staff reviewed the documentation provided by MAWC to determine and confirm the current net book value ("NBV") of the water and sewer system assets which MAWC intends to acquire. Based upon the supported levels of plant in service and Commission-approved depreciation rates,⁴ Staff determined the balances of accumulated depreciation for the water and sewer system assets to be acquired by MAWC. MAWC's calculated NBV as of December 31, 2024, for the water system is ** [REDACTED] ** and ** [REDACTED] ** for the sewer system.⁵

Staff determined the value of net plant investment, or NBV by reviewing documentation provided by MAWC along with annual depreciation expense. Based upon its analysis, Staff's calculation of the NBV of the water and sewer system assets to be acquired by MAWC, December 31, 2024, is approximately ** [REDACTED] ** for the water system and ** [REDACTED] ** for the sewer system. Several of the assets date back to 1940s and have been fully depreciated, resulting in a net zero rate base value for those assets.

The following is Staff's breakdown of the NBV components:

**

[REDACTED]

**

⁴ Depreciation rates were approved in a previous MAWC rate case, WR-2024-0320.

⁵ MAWC's calculated net book value can be found in the confidential Appendix G1-C and G2-C filed with its Application and revised on 12/18/2025 in EFIS Item No. 11.

Appraisal

Section 393.320, RSMo., provides large water and sewer public utilities an alternative procedure to value acquisitions of small water and/or sewer utilities, for ratemaking purposes (also known as the “appraisal method”). As advised by counsel, if a large water and/or sewer utility chooses to use these procedures, the Commission, if it grants the large utility’s application, must use the appraisal method to establish the ratemaking rate base of the small water and/or sewer utility being acquired.⁶

The appraisal method outlined in the statute requires that an appraisal of the small water and/or sewer utility being acquired be performed by no less than two (2) appraisers; one appointed by the small utility, one appointed by the large public utility, and a third may be appointed by the Commission. The appraisers shall then perform a joint appraisal of the small utility property and assets, coming to a common determination of the fair market value (“FMV”) of the utility.⁷ The lesser of the purchase price or the appraised value, together with the reasonable and prudent transaction, closing, and transition costs incurred by the large public utility, shall constitute the ratemaking rate base for the acquired small utility.⁸

Section 393.320, RSMo, also provides that “[a] large water public utility's choice to comply with the provisions of this section does not automatically ensure that the transaction is in the public interest. The public service commission shall independently determine whether the acquisition is in the public interest, regardless of whether the matter has been put to a vote of the small water utility's ratepayers.”⁹

While Staff does not have the state-certification to replicate the methods used in the appraisal, Staff reviewed the Appraisal which contained the Hartman Consultants, LLC Engineering reports. These reports included the methods and assumptions used to establish the appraised value of the Systems’ assets.

The appraisal method is used to estimate market value for the utility Systems as a whole to be used as rate base for the Systems, in lieu of the Commission’s typical practice of determining rate base

6 Section 393.320.2, RSMo., (2025).

7 Section 393.320.3, RSMo., (2025).

8 Section 393.320.5(1), RSMo., (2025).

9 Section 393.320.8, RSMo., (2025).

using the NBV of the Systems' assets. The appraisal method provides a market value for the Systems' assets, including those that are fully depreciated. In this case, Staff's calculated NBV for the water and sewer system assets is ** [REDACTED] ** lower than the proposed purchase price.

Depreciation

In MAWC's last rate case, Case No. WR-2024-0320, the Commission ordered the continued use of the depreciation rates currently ordered for all divisions of MAWC. Staff recommends the use of these rates for all plant in the proposed MAWC service area.

Financial Analysis

Staff evaluated whether MAWC has the financial capability to acquire the unregulated water and sewer system assets of Neosho, and to upgrade, own, operate, maintain, and otherwise manage those systems. The total purchase price of the acquisition is \$34,500,000 (\$17,400,000 Water, \$17,100,000 Sewer).¹⁰ MAWC indicated that, “[i]f this application is approved, MAWC plans on completing over \$35 million of improvements to the water and sewer systems within the first five years of ownership.”¹¹ MAWC has further indicated that “[n]o external financing is anticipated.”¹²

Pro forma financial information is typically used by Staff to assess a company's financial capability to acquire and operate additional utility systems. Pro forma statements allow Staff to evaluate MAWC's projected post-transaction financial condition, including anticipated changes to assets, liabilities, revenues, expenses, and key financial ratios. This information helps determine whether the acquiring entity can absorb the new system without compromising its financial stability or creating potential risks to ratepayers.

In this case, MAWC indicated that it did not prepare pro forma financial statements for this acquisition and therefore was unable to provide them to Staff.¹³ Accordingly, Staff developed its own pro forma financial assessment using the information available in the Application and supplemental materials provided by MAWC. Staff used its best professional judgment to estimate

10 Paragraph 12 & Appendix J, The Application

11 Paragraph 15, The Application

12 Paragraph 25, The Application

13 MAWC's response to Staff DR No. 0007.

the expected financial impacts of the transaction and evaluate MAWC's overall financial capability.

In MAWC's response to Staff DR No. 0010, MAWC stated that the acquisition will be initially financed with short-term debt, which will later be refinanced with a combination of permanent long-term debt and equity. MAWC further indicated that the transaction "does require guarantees, pledges, or cross-collateralization by affiliates or the parent company."¹⁴ Staff used its best professional judgement and incorporated this financing structure into its pro forma assessment to evaluate the potential financial impacts of the transaction, including both the purchase price and the planned improvements, and MAWC's overall financial capability.

Staff evaluated MAWC's capital structure under both the initial short-term financing arrangement and the anticipated long-term refinancing. The most recent capital structure available to Staff for MAWC is from Q4 2024, wherein MAWC had a capital structure of 48% Long-Term Debt and 52% Equity.¹⁵ Because the acquisition will be temporarily financed with short-term debt, Staff does not expect MAWC's capital structure to materially change during the short-term period.

For the long-term financing scenario, MAWC indicated that it intends to refinance the short-term borrowing with a combination of long-term debt and equity. In the absence of MAWC prepared pro-forma financial statements, Staff assumed that MAWC would seek to maintain a capital structure similar to its current capital structure following the refinancing. MAWC indicated that they have maintained an equity ratio above 50% since 2012.¹⁶

Based on this information, Staff's pro-forma analysis modeled a 50/50 split between debt and equity, which resulted in no change to MAWC's overall capital structure.¹⁷ Staff also evaluated sensitivity cases in which MAWC financed 100% of the acquisition with debt or 100% with equity; in both cases, the resulting change to MAWC's capital structure was insignificant, with a variance of roughly 1%.¹⁸

14 MAWC's response to Staff DR No. 0010.

15 MAWC's response to Staff DR No. 0055.1, WR-2024-0320.

16 MAWC's response to Staff DR No. 0041, WR-2024-0320.

17 Summary, Staff Witness Malki's workpaper.

18 Ibid

Staff reviewed MAWC's liquidity and cash flow.¹⁹ While cash and retained earnings do not exceed the total purchase price or planned improvements, both remain positive, and Q2 2025 net income exceeds the cost of the acquisition. Historical cash flows indicate MAWC generates sufficient cash from operations to support ongoing obligations.²⁰ In addition, MAWC has access to financial resources through American Water, which provides additional flexibility if needed. These observations support Staff's assessment of MAWC's ability to absorb the acquisition without materially affecting its financial condition.

MAWC is a wholly owned subsidiary of American Water, whose consolidated credit quality and financial management practices provide additional support to MAWC's ability to meet its financial obligations. Recently, the Commission authorized a \$63 million rate case order for American Water's subsidiary MAWC.²¹ In future rate cases, MAWC will be able to use a future test year as established by Senate Bill 4.²² According to S&P Global Ratings, this regulatory development is expected to reduce regulatory lag and improve the timeliness of cost recovery for American Water's utility operations, including MAWC.²³

As part of assessing a utility's financial capability to acquire additional systems, Staff reviews key credit-supportive financial ratios, including:

- **Debt/Earnings Before Interest, Taxes, & Depreciation/Amortization (“EBITDA”)**, which measures a company's leverage relative to its operating earnings;
- **Funds From Operations (“FFO”)/Debt**, which reflects MAWC's ability to meet its debt obligations from ongoing cash flow; and
- **Debt/Capital**, which indicates the balance between debt and equity used to finance MAWC's operations.

These ratios help Staff evaluate whether the proposed acquisition would materially weaken MAWC's financial position or impair its ability to meet long-term obligations.

19 MAWC's response to Staff DR No. 0006.

20 MAWC's response to Staff DR No. 0020, WR-2024-0320.

21 WR-2024-0320.

22 Missouri General Assembly, *Senate Bill 4 (2025) — An Act Concerning Public Utilities: Providing for Future Test Year ratemaking for gas, water, and sewer corporations* (Mo. Sess. Laws 2025). Section 393.150(3)–(9).

23 S&P Global Ratings, “Research Update: American Water Works Co. Inc. Ratings Affirmed On Reduced Regulatory Lag And Improving Performance; Outlook Stable”, June 6, 2025.

Staff requested that MAWC provide pro-forma versions of these ratios for the acquisition; however, MAWC indicated that it did not prepare pro-forma financial information specifically related to this transaction.²⁴ Accordingly, Staff calculated the ratios using the most recently available financial statements and developed several pro-forma scenarios based on reasonable financing assumptions as demonstrated below. Staff took into consideration both the purchase price and the planned cost of improvements.²⁵

<u>As of June 30, 2025</u>		<u>Pro Forma (50/50)</u>		
	<u>Financial Risk</u>		<u>Financial Risk</u>	
FFO/Debt (%)	<u>30.54%</u>	Intermediate	<u>29.97%</u>	Intermediate
Debt/EBITDA (x)	<u>14.32x</u>	Highly Leveraged	<u>14.59x</u>	Highly Leveraged
Debt/Capital (%)	<u>60.70%</u>	Significant	<u>60.46%</u>	Significant

<u>Pro Forma (100% Equity)</u>		<u>Pro Forma (100% Debt)</u>		
	<u>Financial Risk</u>		<u>Financial Risk</u>	
FFO/Debt (%)	<u>30.54%</u>	Intermediate	<u>29.42%</u>	Intermediate
Debt/EBITDA (x)	<u>14.32x</u>	Highly Leveraged	<u>14.86x</u>	Highly Leveraged
Debt/Capital (%)	<u>59.33%</u>	Significant	<u>61.59%</u>	Significant

As seen in the above table, across all scenarios reviewed, the pro forma ratios changed by roughly 1% at the highest from current levels and remained in line with MAWC's historical financial profile. Based on this analysis, Staff finds that the acquisition is unlikely to result in any material deterioration of MAWC's financial metrics.

S&P's current outlook for MAWC's parent company, American Water, is stable, reflecting its expectation that American Water will maintain FFO to debt between 12% and 14% throughout the 2025–2027 forecast period. S&P notes that American Water derives the majority of its revenues from regulated utility operations and has historically managed regulatory risk effectively.²⁶

S&P further indicates that a decline in FFO to debt below 12% on a sustained basis, potentially due to non-credit-supportive funding of elevated capital spending, could pressure the rating.

24 MAWC Response to Staff DR No. 0009.

25 Summary, Staff Witness Malki's workpaper.

26 S&P Global Ratings, "American Water Works Co. Inc.", April 4, 2025.

Conversely, an upgrade would require MAWC to maintain FFO to debt consistently above 16% while continuing to effectively manage regulatory risk.²⁷

When compared against these benchmarks, MAWC's financial ratios fall well above S&P's expectations for American Water Work's regulated utilities, which supports Staff's view that MAWC remains financially capable of undertaking the proposed transaction.

According to S&P's *Industry Outlook Update: Regulated Utilities: Pressured by Record Capital Spending and Wildfire Risks*, regulated utilities across the U.S. continue to experience historically high capital expenditure requirements, driven by infrastructure replacement, resilience investments, and regulatory mandates.²⁸ These sector-wide pressures underscore the importance of maintaining strong financial metrics and constructive regulatory relationships to support ongoing investment needs.

MAWC's projected 2024–2028 capital expenditures, including the proposed purchase, which total ** [REDACTED] ** and average ** [REDACTED] **,²⁹ represent approximately 7% of its five-year average spending. While MAWC's capital program is substantial, it remains consistent with industry trends and appears manageable relative to its cash flows and parent-company support. The size of this transaction when considering both purchase cost and planned improvement costs total less than 14% of MAWC's five-year average capital spending. This does not materially alter MAWC's overall capital profile.

From a financial capability perspective, this indicates that the incremental capital needs associated with the proposed acquisition are well within MAWC's normal capital planning and consistent with the broader utility sector environment.

Based on Staff's review of MAWC's capital structure, liquidity and cash flow, financial ratios, overall capital expenditures, and the financial outlook of its parent company American Water, Staff finds no concerns regarding MAWC's ability to finance, own, and operate the Neosho water and sewer systems associated with this application. The S&P Global Ratings outlook for

27 Ibid

28 S&P Global Ratings, "Regulated Utilities: Pressured by record capital spending and wildfire risks", July 16, 2025.

29 MAWC's response to Staff DR No. 0016 – Attachment 4, WF-2025-0150.

American Water, characterized by stable financial performance; effective regulatory management; and expected FFO-to-debt levels between 12% and 14%,³⁰ further supports this conclusion. Although S&P notes industry-wide pressures from elevated capital spending,³¹ MAWC's share of the investment associated with this transaction is consistent with its long-term capital planning. Therefore, Staff concludes that MAWC possesses the financial capability necessary for the proposed transaction.

Publicity and Customer Notice

According to information provided by MAWC in its application, Neosho held a town hall meeting on August 12, 2025, with a presentation by the mayor and MAWC representatives to facilitate discussion related to the potential sale of water and sewer assets to MAWC. Presentation materials were presented during the meeting to those in attendance. On August 19, 2025, the Neosho City Council members unanimously approved the sale of Neosho's water and sewer assets to MAWC.³² On October 8, 2025, MAWC mailed notice to all potential customers notifying them of the proposed acquisition.³³

Public Awareness

According to the Application, because of the previously outlined issues associated with the Systems, particularly the historical water loss as documented in city council minutes dating back to 1989, Neosho has sought external assistance in operating the Systems. In 2015, Neosho engaged with a third party, Alliance Water Resources ("Alliance") to assist in running the Systems. There have been ongoing discussions since 2019 about the possibility of selling the Systems.

On July 25, 2025, Director of Operations for MAWC, Matt Barnhart, presented information to the local business community, titled, Grow Neosho, this information was included in the Application. As mentioned earlier, a town hall was held on August 12, 2025, regarding the Systems and a potential sale to MAWC. Both the Mayor of Neosho, Richard Davidson, and President of MAWC, Rich Svindland, presented materials on the proposed capital investment for Neosho and the

30 S&P Global Ratings, "American Water Works Co. Inc.", April 4, 2025.

31 S&P Global Ratings, "Regulated Utilities: Pressured by record capital spending and wildfire risks", July 16, 2025.

32 Paragraph 23, The Application.

33 WA-2026-0072, *Notice of Mailing*, Item No. 7, Electronic Filing and Information System ("EFIS").

Systems. These presentations were each submitted with the Application, as were all materials provided to attendees at the town hall meeting. Commission Staff member, David Spratt, was also in attendance at this town hall.

Neosho is a Charter City and is governed by the Home Charter Rule, and according to the Application, as a Home Charter Rule city, a referendum is not required relative to the sale of their water and sewer systems. On August 19, 2025, the Neosho council members unanimously voted to pass Ordinance No. 641-2025 authorizing an agreement with MAWC for the purchase of the System and authorizing the Mayor of Neosho to execute same.

As referenced earlier, a customer notice regarding this request for a CCN was provided to the customers of Neosho by MAWC on October 8, 2025.

On December 8, 2025, a Local Public Hearing was hosted by the Commission in Neosho. It was attended by many from the local community, including Mayor Richard Davidson, as well as representatives of MAWC, the Office of the Public Counsel (“OPC”) and Commission Staff. Several members in attendance asked questions of the parties, as well as presented on the record before the Commission. While concerns were raised regarding future rates, the majority of those who spoke supported acquisition of the Systems by MAWC.

Customer Experience

Neosho customers will have access to the customer service team that supports all MAWC customers. They can call the Company toll-free at 866-430-0820, Monday through Friday from 7:00 a.m. to 7:00 p.m., with 24/7 emergency coverage always available.

MAWC will serve the customers through its established business office located at 727 Craig Road, St. Louis, Missouri 63141. The office is open Monday through Friday, from 7:00 a.m. to 4:00 p.m., where customers can visit for billing or general service inquiries.

MAWC offers a variety of payment options, including: cash, check, credit or debit cards, as well as electronic funds transfers (EFT). Payments may be remitted by mail, by telephone, online or at select third-party locations. There is no transaction fee when using debit or credit cards.

To incorporate the Systems’ customers into its billing and customer service systems, it will be necessary for MAWC to properly enter the appropriate customer information into its systems and

apply the Commission-approved rate. MAWC will also need to provide training to its call center personnel regarding rates and rules applicable to the Systems' customers so that customer service matters are handled accurately and in a timely manner.

Rate and Tariff Matters

In the Application, MAWC proposes to adopt current Neosho Systems' rates. Yet, if this acquisition is approved, 393.320.6, RSMo requires that the acquired customers be charged rates that are part of an existing service area of the acquiring utility "...that is either contiguous to the small water utility, the closest geographically to the small water utility, or best suited due to operational or other factors." Therefore, MAWC should provide water and sewer service pursuant to the existing rates and rules governing the rendering of water and sewer service currently found in MAWC's water tariff P.S.C. MO No. 13, All Missouri Service Areas Outside of St. Louis County, and MAWC's sewer tariff P.S.C. MO No. 26. The sewer tariff contains two rate districts that could apply, the first at \$61.03 and the second at \$74.11. The two sewer rate districts exist due to historically low rates at some utility systems that MAWC has acquired, and parties desire to gradually increase those rates so as to reduce rate shock. Because the current Neosho sewer rates, according to the Application (\$62.57)³⁴ are very close to those in the \$61.03 district, which are outlined in sewer tariff P.S.C. MO No. 13, 13th Revised Sheet No. RT 3.1, MAWC should consolidate the Neosho customers into this sewer rate district, until such time as the rates and rules are modified according to law.

The current water rates at Neosho result in an average bill of \$52.82.³⁵ The current water rates for MAWC's water tariff No. 13, All Missouri Service Areas Outside of St. Louis County are as follows:

- Water:
 - Customer Charge \$11.00
 - Commodity Charge (per 1,000 gallons) \$11.2023

Resulting in an average monthly water bill of \$67.01.³⁶

34 Customer charge of \$23.50 plus \$7.85 per 1,000 gallons equals \$62.57 for an average customer using 5,000 gallons.

35 Customer charge of \$13.97 plus \$7.77 per 1,000 gallons equals \$52.82 for an average customer using 5,000 gallons.

36 Customer charge of \$11.00 plus \$11.2023 per 1,000 gallons equals \$67.01 for an average customer using 5,000 gallons.

A map and a legal description of the proposed service area, similar to those filed with the Application, will need to be included in MAWC's water tariff, MO P.S.C. No. 13, and sewer tariff, P.S.C. NO. 26. Also, any applicable tariff sheets affected by this acquisition will need to be revised and submitted along with the aforementioned service area map and legal description.

Staff recommends that if the Commission approves this Application, after approval, but before MAWC closes on the utility assets, MAWC submit all applicable new or revised water tariff sheets such that they may become effective on or before the date MAWC closes on the Systems' assets.

Technical, Managerial, and Financial Capacity and Tartan Energy Criteria

Staff utilizes the concepts of Technical, Managerial, and Financial capacities ("TMF") in studying applications involving existing water and/or sewer systems. Staff's position on MAWC's ability to meet TMF criteria remains positive and similarly takes the position that MAWC has adequate TMF capacity in this case. It is Staff's position that MAWC has the ability to secure funding, to oversee construction of any necessary upgrades or repairs, and the ability to successfully manage operations of the Neosho water and sewer systems.

When considering a request for a new CCN, the Commission applies criteria originally developed in a CCN case filed by the Tartan Energy Company and referred to now as the "Tartan criteria."³⁷ The Tartan criteria contemplate 1) the need for service; 2) the utility's qualifications; 3) the utility's financial ability; 4) the economic feasibility of the proposal; and, 5) promotion of the public interest. Similar to the TMF capacities, Staff investigated these criteria and that investigation relates to this proposed acquisition. The results of Staff's investigation are outlined below:

(1) Need for Service

There is both a current and future need for water and sewer service, as the existing Neosho customer base has both a desire and need for service, and there is no other alternative provider in the area.

37 Commission File No. GA-94-127.

(2) Applicant's Qualifications

MAWC is an existing water and sewer corporation and public utility subject to the jurisdiction of the Commission. According to the Application, MAWC is currently providing water and sewer service to approximately 485,000 customers several service areas throughout Missouri. MAWC is a subsidiary of American Water and is affiliated with other American Water companies that undertake some of the tasks associated with utility service, such as customer billing, and technical resources. Through its current operation of utility systems, MAWC has demonstrated its qualifications to operate the Neosho water and sewer systems.

(3) Applicant's Financial Ability

As noted previously, MAWC anticipates no need for external financing to complete this acquisition and has demonstrated over many years that it has adequate resources to operate utility systems it owns, to acquire new systems, to undertake construction of new systems and expansions of existing systems, to plan and undertake scheduled capital improvements, and to timely respond and resolve emergency issues when such situations arise.

(4) Economic Feasibility of the Proposal

The fourth Tartan Criteria calls for an evaluation of the economic feasibility³⁸ of the proposal. Since not all future costs, revenues, and financial challenges can be known at this time, it is not possible to create a robust analysis of economic feasibility. Although, it is worth noting the Neosho service area would not be considered in isolation since costs and revenues would be combined with other MAWC service areas in consolidated rates. Also, Staff is of the opinion that MAWC's revenues will continue to be sufficient to cover the company's cost of service, and MAWC has demonstrated they have access to sufficient capital to invest the needed upgrades at these systems, and it is not expected that such investment will cause financial burden for MAWC. American Water has demonstrated it can provide the necessary support for MAWC to purchase,

38 The Cambridge Dictionary defines "economic feasibility" as "the degree to which the economic advantages of something to be made, done, or achieved are greater than the economic costs". <https://dictionary.cambridge.org/us/dictionary/english/economic-feasibility?q=Economic+Feasibility>.

upgrade, own, operate, maintain, and otherwise control and manage the Systems. Staff's position is that the proposal appears to be economically feasible.

Additionally, it is Staff's opinion that the feasibility of the engineering and operational aspects of the proposal must be addressed as well. As such, both are addressed here. MAWC has demonstrated over numerous years that it has adequate resources to operate utility systems it owns.. Staff evaluated the proposals for upgrading the systems in order to provide safe and adequate service, and finds them to be reasonable. Issuance of a CCN for MAWC to operate the Systems would enable improvements regarding the provision of safe and adequate service via upgrades to distribution, monitoring/testing, water quality, storage, back-up power, and being operated by a DNR-licensed operator. MAWC has demonstrated over numerous years that it has adequate resources to operate utility systems it owns.

(5) Promotion of the Public Interest

Public interest would be promoted if this request for a CCN were granted (with Staff's conditions) due to the need for investment to replace aging infrastructure, and maintain compliance with existing and new regulations, being undertaken by an external and knowledgeable entity, MAWC. Thus, relieving Neosho of the burdens associated with making the much-needed financial investment and the complexity of operational requirements that coincide with said investment. MAWC has the resources to achieve a reduction in water loss within the distribution system, continue Neosho's Lead and Copper Compliance Program, replace water mains, improve operational efficiency of the supply, distribution and treatment facilities, and address I & I.

OTHER ISSUES

Neosho, as an unregulated water utility, has no obligations due to the Commission, and has no pending actions before the Commission.

MAWC is a corporation that is in "good standing" with the Missouri Secretary of State.

MAWC is current with annual report filings with the Commission through calendar year 2024, as documented on the Commission's Electronic Filing and Information System ("EFIS").

MAWC has made two quarterly payments for fiscal year 2026.

MAWC has other pending cases before the Commission, but none that would impact this decision.

STAFF'S CONCLUSION

It is Staff's recommendation that the Commission acknowledge Staff's cost basis calculation of NBV as an appropriate valuation of the water and sewer assets. The cost basis calculation of NBV used by Staff does not change depending on previous utility purchases that the Commission has approved. The FMV calculations performed in this appraisal are weighted heavily based on previous company purchases.

The sales comparison approach is the method the appraisal used to calculate an average cost per customer based on the sale price. The appraisal compared companies from Illinois and Missouri. The summary of sales for water included 18 sales, 17 of them are owned by American Water and one is from Aqua Illinois which is not an American Water based company. For sewer, the summary of sales totaled 15 sales: 14 are owned by American Water and one is owned Aqua Illinois. Without consideration for Staff's cost basis NBV, Staff believes this purchase would additionally have a weighted influence on future FMV appraisals from MAWC. In short, Staff's position is that previous high appraisals are causing subsequent appraisal cases to be further from NBV.

The table below summarizes CCN cases that Staff has calculated a NBV compared to the purchase price or appraisal price.

Case	Buyer	Utility Type	NBV	Appraisal	Purchase Price
WA-2023-0345	MAWC	Water/ Sewer	\$1,000,000	\$1,200,000	\$1,000,000
WA-2023-0071	MAWC	Water/ Sewer	\$790,998	\$1,235,000	\$565,001
WA-2022-0361	MAWC	Water	** [REDACTED] **	Not appraisal	\$10,000
WA-2022-0311	MAWC	Water/ Sewer	\$1,261,580	\$2,300,000	\$1,900,000
WA-2022-0293	MAWC	Water/ Sewer	\$619,885	Not appraisal	\$400,000
WA-2022-0229	MAWC	Water/ Sewer	** [REDACTED] **	Not appraisal	\$2
WA-2022-0049	MAWC	Water/ Sewer	\$1,582,595	\$1,510,000	\$1,510,000
WA-2021-0391	MAWC	Water/ Sewer	\$2,265,587	\$3,000,000	\$3,000,000
WA-2021-0376	MAWC	Water/ Sewer	\$17,806,614	\$28,000,000	\$28,000,000
WA-2021-0116	MAWC	Water	** [REDACTED] **	Not appraisal	** [REDACTED] **

In this case, when comparing the appraisal price/purchase price to Staff's calculated NBV of assets, there is an acquisition adjustment. Therefore, Staff recommends the Commission approve this Application based on the following conditions:

MAWC shall initially establish NBV for the Neosho systems as of December 31, 2024, utilizing Staff's calculation of NBV for water and sewer assets. ** [REDACTED]

[REDACTED] **. Staff recognizes there may have been additions/changes since that date. The final rate base amount as of the date of acquisition will be established in MAWC's next general rate case.

In order to comply with 393.320 RSMo, Staff recommends the Commission order MAWC to establish an acquisition regulatory asset in the amount of ** [REDACTED] **. The regulatory asset will be included in rate base with rate recovery of this regulatory asset to be determined in MAWC's next general rate case.

In order to accomplish these conditions, MAWC shall keep Neosho's books and records separate from MAWC's other service areas. These records must be kept in accordance with the National Association of Regulatory Commissioners ("NARUC") Uniform System of Accounts, as required by Commission regulations 20 CSR 4240-50.030 for water utilities and 20 CSR 4240-61.020 for sewer utilities. The cost of individual plant assets must be booked into the appropriate plant account with original cost, along with information regarding the year constructed. MAWC will be tasked with making determinations, values for original cost and depreciation reserve amounts that can be booked in its plant records.

Based on the Neosho City Council, on August 19, 2025, approving an ordinance authorizing the sale of the Systems, specifically to MAWC, and for the reasons outlined previously in this memorandum, Staff concludes that MAWC's request for a CCN and related acquisition of the Neosho water and sewer system assets promotes the Neosho public interest.

Staff's conclusion is that MAWC would satisfy the TMF capacities and the Tartan Energy criteria if the Commission approves of Staff's conditions. Staff finds the acquisition and issuance of a CCN to MAWC is necessary or convenient for the public service. Staff recommends that the Commission authorize MAWC to enter into, execute, and perform in accordance with the terms described in the Purchase Agreement. Staff further recommends that MAWC be granted a CCN,

with Staff's conditions, to provide water and sewer service in the territory currently served by Neosho.

STAFF RECOMMENDATION

Staff recommends the Commission find that MAWC has complied with the requirements of §393.320, RSMo, and approve MAWC's request for CCN, subject to the following conditions and actions:

1. Grant MAWC a CCN to provide water and sewer service in the proposed Neosho service area, as modified and outlined herein;
2. Approve existing MAWC water tariff P.S.C. MO No. 13, All Missouri Service Areas Outside of St. Louis County, and sewer tariff P.S.C. MO No. 26, 13th Revised Sheet No. RT 3.1, rates for the Systems to be acquired;
3. Require MAWC to submit tariff sheets, to become effective before closing on the assets, to include a service area map, service area written description, and all other applicable tariff sheets to be included in its EFIS tariffs P.S.C. MO No. 13 and P.C.S. MO No. 26, applicable to water and sewer service, respectively;
4. Require MAWC to notify the Commission of closing on the assets within five (5) days after such closing;
5. If closing on the water system assets does not take place within thirty (30) days following the effective date of the Commission's order approving such, require MAWC to submit a status report within five (5) days after this thirty (30) day period regarding the status of closing, and additional status reports within five (5) days after each additional thirty (30) day period, until closing takes place, or until MAWC determines that the transfer of the assets will not occur;
6. If MAWC determines that a transfer of the assets will not occur, require MAWC to notify the Commission of such no later than the date of the next status report, as addressed above, after such determination is made, and require MAWC to submit tariff sheets as appropriate that would cancel service area maps and descriptions applicable to the Neosho service area in its water and sewer tariff, and rate and charges sheets applicable to customers in the Neosho service area in the water and sewer tariffs;

7. MAWC shall initially establish NBV for the Neosho systems as of December 31, 2024, utilizing Staff's calculation of NBV for water and sewer assets ** [REDACTED] **.
8. MAWC shall establish an acquisition regulatory asset in the amount of ** [REDACTED] **. Rate recovery of this regulatory asset will be determined in MAWC's next general rate case;
9. MAWC shall keep Neosho's books and records separate from MAWC's other service areas. These records must be kept in accordance with the National Association of Regulatory Commissioners ("NARUC") Uniform System of Accounts, as required by Commission regulations 20 CSR 4240-50.030 for water utilities and 20 CSR 4240-61.020 for sewer utilities. The cost of individual plant assets must be booked into the appropriate plant account with original cost, along with information regarding the year constructed. MAWC will be tasked with making determinations, values for original cost and depreciation reserve amounts that can be booked in its plant records.
10. Require MAWC to record depreciation of the water and sewer system assets in accordance with the depreciation rates ordered in Case No. WR-2024-0320;
11. Require MAWC to distribute to the Systems' customers an informational brochure detailing the rights and responsibilities of the utility and its customers regarding its water service, consistent with the requirements of Commission Rule 20 CSR 4240-13, within thirty (30) days of closing on the assets;
12. Require MAWC to provide to the Commission's Customer Experience Department Staff ("CXD") a sample of ten (10) billing statements from the first month's billing within thirty (30) days after closing on the assets;
13. Require MAWC to provide training to its call center personnel regarding rates and rules applicable to the Systems' customers;
14. Require MAWC to include the Systems' customers in its established monthly reporting to the CXD Staff on customer service and billing issues, on an ongoing basis, after closing on the assets;

15. Require MAWC to file notice in this case outlining completion of the above-recommended training, customer communications, and notifications within ten (10) days after such communications and notifications; and
16. Require MAWC to provide CXD Staff with an example of its actual communication with the Systems' customers regarding its acquisition and operations of the water, and how customers may reach MAWC, within ten (10) days after closing on the assets.
17. Require MAWC to file notice in this case outlining completion of the above recommended training, customer communications, and notifications within ten (10) days after such communications and notifications.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Missouri-American Water)
Company for a Certificate of Convenience) Case No. WA-2026-0072
and Necessity Authorizing it to Install, Own,)
Acquire, Construct, Operate, Control, Manage)
and Maintain a Water System and Sewer System)
in and around the City of Neosho, Missouri)

AFFIDAVIT OF CHRISTOPHER BORONDA

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

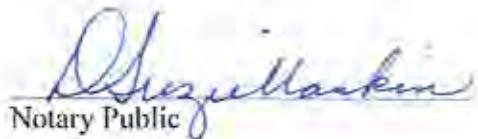
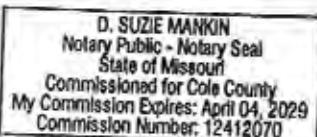
COMES NOW CHRISTOPHER BORONDA and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Staff Recommendation* in memorandum form; and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.


CHRISTOPHER BORONDA

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 21st day of January 2026.


Notary Public

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Missouri-American Water)
Company for a Certificate of Convenience) Case No. WA-2026-0072
and Necessity Authorizing it to Install, Own,)
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and Maintain a Water System and Sewer System)
in and around the City of Neosho, Missouri)

AFFIDAVIT OF KELLI MALKI

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW KELLI MALKI and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Staff Recommendation* in memorandum form; and that the same is true and correct according to her best knowledge and belief.

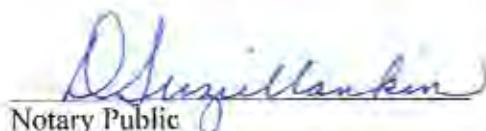
Further the Affiant sayeth not.



KELLI MALKI

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 22nd day of January 2026.



Suzie Mankin
Notary Public

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Missouri-American Water)
Company for a Certificate of Convenience) Case No. WA-2026-0072
and Necessity Authorizing it to Install, Own,)
Acquire, Construct, Operate, Control, Manage)
and Maintain a Water System and Sewer System)
in and around the City of Neosho, Missouri)

AFFIDAVIT OF JARROD J. ROBERTSON

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW JARROD J. ROBERTSON and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Staff Recommendation* in memorandum form; and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.

JARROD J. ROBERTSON

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 21st day of January 2026.



D. Suzie Mannion
Notary Public

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

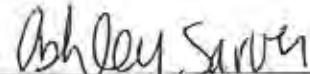
In the Matter of Missouri-American Water)
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and Maintain a Water System and Sewer System)
in and around the City of Neosho, Missouri)

AFFIDAVIT OF ASHLEY SARVER

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

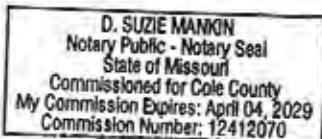
COMES NOW ASHLEY SARVER and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Staff Recommendation* in memorandum form; and that the same is true and correct according to her best knowledge and belief.

Further the Affiant sayeth not.


ASHLEY SARVER

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 21st day of January 2026.




Suzie Mankin
Notary Public

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Missouri-American Water)
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and Maintain a Water System and Sewer System)
in and around the City of Neosho, Missouri)

AFFIDAVIT OF DAVID A. SPRATT

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW DAVID A. SPRATT and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Staff Recommendation* in memorandum form; and that the same is true and correct according to his best knowledge and belief.

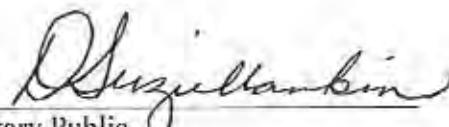
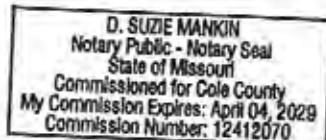
Further the Affiant sayeth not.



DAVID A. SPRATT

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 28th day of January 2026.



Notary Public

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Missouri-American Water)
Company for a Certificate of Convenience) Case No. WA-2026-0072
and Necessity Authorizing it to Install, Own,)
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and Maintain a Water System and Sewer System)
in and around the City of Neosho, Missouri)

AFFIDAVIT OF ADAM STAMP

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW ADAM STAMP and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Staff Recommendation* in memorandum form; and that the same is true and correct according to his best knowledge and belief.

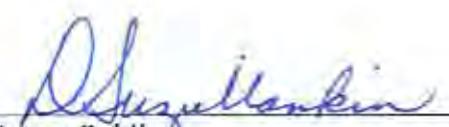
Further the Affiant sayeth not.



ADAM STAMP

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 21st day of January 2026.



Notary Public

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Missouri-American Water)
Company for a Certificate of Convenience) Case No. WA-2026-0072
and Necessity Authorizing it to Install, Own,)
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and Maintain a Water System and Sewer System)
in and around the City of Neosho, Missouri)

AFFIDAVIT OF LISA A. STOCKMAN

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

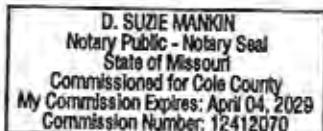
COMES NOW LISA A. STOCKMAN and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Staff Recommendation* in memorandum form; and that the same is true and correct according to her best knowledge and belief.

Further the Affiant sayeth not.


LISA A. STOCKMAN

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 21st day of January 2026.




Notary Public