

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

In the Matter of the Revenue Effects Upon)
Missouri Utilities of the Tax Cuts and) File No. AW-2018-0174
Jobs Act of 2017.)

MAWC RESPONSE TO ORDER DIRECTING RESPONSE

COMES NOW Missouri-American Water Company (MAWC) and, in response to the *Order Opening a Working Proceeding Regarding the Effects Upon Missouri Utilities of the Tax Cuts of 2017 and Directing Response* issued on January 3, 2018, states as follows to the Missouri Public Service Commission ("Commission"):

The Order directed MAWC, among other companies, to respond to certain questions. Those questions, and MAWC's responses, follow:

- a. What is the appropriate avenue for effectuating change to utility rates as a result of the federal income tax reductions?

MAWC Response: A rate case or a complaint case may be used to effectuate a rate change. (See Sections 386.390 and 393.150, RSMo)

- b. Is a different avenue appropriate for regulated corporations and Commission-regulated pass-through entities such as S Corporations, LLCs, and partnerships?

MAWC Response: MAWC has no such entities and, therefore, has no position on this issue.

- c. What is the appropriate mechanism(s) for effectuating change to utility rates as a result of the federal income tax reductions?

MAWC Response: See the response to question a. above.

- d. How does the change to the federal income tax affect pending rate cases?
Can the change be considered in the pending rate cases?

MAWC Response: See the Rebuttal Testimony of MAWC witnesses James M. Jenkins and John R. Wilde filed on January 17, 2018, in Commission Case No. WR-2017-0285.

- e. Please calculate the first-year approximate annual Missouri jurisdictional change in cost of service for your utility that is projected to result from implementation of the Tax Cuts and Jobs Acts of 2017 (all other things being equal) and provide supporting workpapers for this calculation.

MAWC Response: See the Rebuttal Testimony of MAWC witnesses James M. Jenkins and John R. Wilde filed on January 17, 2018, in Commission Case No. WR-2017-0285.

WHEREFORE, MAWC respectfully requests that the Commission consider the responses provided herein and issue such order as it should find to be reasonable and just.

Respectfully submitted,

//S// signed TWL by dlc
Timothy W. Luft, Mo Bar 40506
MISSOURI-AMERICAN WATER COMPANY
727 Craig Road
St. Louis, MO 63141
(314) 996-2279
Timothy.Luft@amwater.com

ATTORNEY FOR
MISSOURI-AMERICAN WATER COMPANY

CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the foregoing document was sent by electronic mail, or U.S. Mail, postage prepaid, on January 31, 2018, to the following:

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
opc@ded.mo.gov

//S// dlc