

**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.)

STIPULATION AND AGREEMENT

COME NOW Missouri-American Water Company (“MAWC”), the Office of the Public Counsel (“OPC”), the Staff of the Missouri Public Service Commission (“Staff”) and the City of Neosho, Missouri (“Neosho”) (collectively, the “Parties”), by and through counsel, and for their *Stipulation and Agreement* in this matter hereby state as follows to the Missouri Public Service Commission (Commission):

1. On September 24, 2025, MAWC filed a Certificate of Convenience and Necessity (“CCN”) application with the Commission, pursuant to Sections 393.170 and 393.320, RSMo, associated with the acquisition of a water system and sewer system in and around the City of Neosho, Missouri.

2. The Parties have subsequently filed direct, rebuttal and surrebuttal testimony. On June 5, 2026, the Parties filed a *Joint List of Issues, Order of Opening Statements, Order of Witnesses, and Order of Cross-Examination*. This Stipulation is being entered into for the purpose of settling all issues in this case.

3. The Parties agree and recommend that the Commission should grant MAWC Certificates of Convenience and Necessity, as requested in this case, 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 in the Staff Recommendation;
2. MAWC shall charge the Neosho water and sewer customers the existing Neosho rates, until such time as they may be changed in a general rate case;
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, rates and all other applicable tariff sheets to be included in its EFIS tariffs P.S.C. MO No. 13 and P.S.C. 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 record Utility Plant in Service totaling \$10,983,999 for the water assets and \$13,624,160 for the sewer assets.
8. MAWC shall establish an acquisition regulatory asset in the amount of \$9,891,840 (\$6,416,001 for water and \$3,475,840 for sewer). The transaction, closing, and transition costs associated with this transaction shall be recorded in a regulatory asset. The utility plant and all regulatory assets related to Neosho shall earn a full rate base return in future rate cases. The amortization period for the regulatory assets will not be set until the Company's next 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;

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; and,

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.

4. The Parties further agree that:

a. In future cases MAWC files pursuant to Section 393.320, RSMo. prior to retaining appraisers to conduct an appraisal, the Company shall: 1) provide notice to the General Counsel of the Commission, copying Staff and OPC, to inquire whether the Commission would like to appoint an appraiser; and 2) instruct the appraisers who complete any future appraisals to exclude the Neosho transaction from consideration,

- as long as such exclusion does not violate the Uniform Standards of Professional Appraisal Practice, or state law;
- b. MAWC will provide advance notice to both Staff and OPC about any town hall, or similar meeting, where MAWC will present information related to a potential acquisition prior to such time as a purchase agreement has been executed;
 - c. MAWC will provide individual notice to all customers of the system to be acquired about any Commission ordered local public hearings associated with future acquisition cases.

GENERAL PROVISIONS

5. 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, all written testimony that has been filed.

6. Unless otherwise explicitly provided herein, none of the Signatories shall be deemed to have approved or acquiesced in any ratemaking or procedural principle, including, without limitation, any method of cost of service or valuation determination or cost allocation, rate design, revenue recovery, or revenue-related methodology. Except as explicitly provided herein, none of the Signatories shall be prejudiced or bound in any manner by the terms of this Stipulation in this or any other proceeding.

7. This Stipulation has resulted from negotiations among the parties, and the terms hereof are interdependent and non-severable. If the Commission does not approve this Stipulation unconditionally and without modification, or if the Commission approves the Stipulation with modifications or conditions to which a party objects, then this Stipulation shall be void and none of the Signatories shall be bound by any of the agreements or provisions hereof.

8. In the event the Commission accepts the specific terms of this Stipulation without condition or modification, the Signatories waive their respective rights to present oral argument and written briefs pursuant to RSMo. §536.080.1, their respective rights to the reading of the transcript by the Commission pursuant to §536.080.2, their respective rights to seek rehearing pursuant to §386.500, and their respective rights to judicial review pursuant to §386.510. These waivers apply only to a Commission order approving this Stipulation without condition or modification issued in this proceeding and only to the issues that are resolved hereby. These waivers do not apply to any issues explicitly not addressed by this Stipulation. The Signatories agree that any and all discussions, suggestions, or memoranda reviewed or discussed, related to this Stipulation shall be privileged and shall not be subject to discovery, admissible in evidence, or in any way used, described or discussed.

WHEREFORE, the signatories respectfully request that the Commission issue an order approving all of the specific terms and conditions of this *Stipulation and Agreement*; and that the

Nothing Further on this Page

Commission grant such other and further relief as it considers just in the circumstances.

Respectfully submitted,

//s// Dean L. Cooper
Dean L. Cooper Mo. Bar 36592
**BRYDON, SWEARENGEN & ENGLAND
P.C.**
312 East Capitol Avenue
P.O. Box 456
Jefferson City, MO 65102-0456
Telephone: (573) 635-7166
dcooper@brydonlaw.com

Timothy W. Luft, Mo Bar #40506
Rachel L. Niemeier, Mo. Bar #56073
**MISSOURI-AMERICAN WATER
COMPANY**
727 Craig Road
St. Louis, MO 63141
(314) 996-2279
(314) 997-2451 (telefax)
Timothy.Luft@amwater.com
Rachel.Niemeier@amwater.com
**ATTORNEYS FOR MISSOURI-
AMERICAN WATER COMPANY**

/s/ Lindsay VanGerpen
Lindsay VanGerpen (#71213)
Senior Counsel
Missouri Office of the Public Counsel
P.O. Box 2230
Jefferson City, MO 65102
Telephone: (573) 751-5565
Facsimile: (573) 751-5562
E-mail: Lindsay.VanGerpen@opc.mo.gov
OFFICE OF THE PUBLIC COUNSEL

/s/ Casi Aslin
Casi Aslin MBN: 67934
/s/ Andrea B. Hansen
Andrea B. Hansen MBN: 73737
Missouri Public Service Commission
P.O. Box 360
Jefferson City, Mo 65102-0360
(573) 522-1243
casi.aslin@psc.mo.gov
andrea.hansen@psc.mo.gov

**ATTORNEYS FOR STAFF OF THE
MISSOURI PUBLIC SERVICE
COMMISSION**

//s// Derek A. Snyder
Derek A. Snyder MBN No. 67751
613 S. Byers Ave., P.O. Box 939
Joplin, MO 64802
(417) 624-3818
E-mail: dsnyder@neoshomo.gov
ATTORNEY FOR CITY OF NEOSHO

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served by electronic mail on this 16th day of June 2026, to all counsel of record.

//s// Dean L. Cooper