

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

John Leuchtmann,	)	
	)	
Complainant,	)	
	)	
vs.	)	<u>Case No. WC-2026-0368</u>
	)	
Liberty Utilities (Missouri Water) LLC,,	)	
	)	
Respondent.	)	

RESPONSE TO STAFF’S REPORT AND RECOMMENDATIONS

COMES NOW Respondent Liberty Utilities (Missouri Water) LLC (“Liberty” or “Company”), by and through counsel, and for its *Response to Staff’s Report and Recommendations*, respectfully states as follows. Liberty agrees with the conclusions and findings in the Staff report that Liberty did not violate any tariffs, statutes, rules, regulations or Commission orders in this proceeding relating to asbestos cement pipe as alleged in the complaints and, as such, Liberty requests that this complaint proceeding be dismissed without any further action. Further, Liberty has reviewed Staff’s recommendations in the Staff Report and agrees with and responds to those recommendations as discussed below.

1. Complainant John Leuchtmann filed his *Formal Complaint* on June 23, 2026. Included with Mr. Leuchtmann’s *Formal Complaint* was a second document that appeared to be a complaint made by the later Intervenor, Lakewood Hills Homeowners’ Association.
2. Lakewood Hills Homeowners’ Association applied to intervene on June 26, 2026, which application was granted on July 7, 2026.
3. Mr. Leuchtmann and the Intervenor complained that the water system included asbestos-cement pipe (“A/C”), which may pose a danger of Asbestos contamination; that

the A/C pipe was improperly handled following repair of a main break in May 2026; that repeated service disruptions had occurred; that main breaks affect too much of the system due to the presence of too few isolation valves; that Respondent's contractors failed to respond promptly to the service disruption; that Respondent's emergency response practices were deficient; and that environmental concerns were raised by the improper handling of the disturbed A/C pipe, in particular that a contractor disturbed A/C pipe during a main break repair and left broken pipe fragments on the roadside for several days without proper containment or disposal, despite deteriorating site conditions caused by heavy rainfall. Complainants demand that the A/C pipe be immediately removed and that outages cease.

4. The Commission directed its Staff to investigate the circumstances of the complaint and provide a report; Staff filed its *Report and Recommendations* on August 19, 2026.

5. Pursuant to Commission Rule 20 CSR 4240-2.080(13), Respondent may respond to Staff's *Report and Recommendations* within ten days of its filing, and this *Response* is therefore timely.

6. In its *Report and Recommendations* ("Staff Report"), Staff stated that it found no violation by the Company of any tariff provisions, statutes, regulations, or Commission orders. However, Staff did offer eight recommendations, as follows:

- A. That Liberty update mapping to accurately document A/C pipe segments as they are discovered;
- B. That Liberty strengthen contractor oversight;
- C. That Liberty evaluate opportunities for additional isolation valves;

D. That Liberty continue improving emergency response processes;

E. That Liberty formalize internal notification and escalation procedures for any repair work involving A/C pipe to ensure immediate reporting, proper containment, and adherence to Liberty's Asbestos Management Plan;

F. That Liberty continue advancing training for both operators and contractors involved in excavation work, particularly given the potential for encountering A/C pipe elsewhere in the system;

G. That Liberty conduct public outreach to inform the customers that the aging water system will require extensive additional work, necessitating additional planned outages; and

H. That Liberty consider the cost effectiveness of installation of a generator to ensure service during power failures.

7. As stated above, Liberty generally supports Staff's recommendations subject to the following issues and responses.

8. With respect to Staff's recommendation that Liberty update its system mapping to accurately document A/C pipe segments as they are discovered, Liberty agrees with that recommendation and further notes that Liberty already is updating system mapping for the Lakewood Hills subdivision. Liberty's GIS system and system maps are available to the operators in the field on tablets. In turn, Liberty personnel continuously update systems maps and distribution system records with additional system details, such as pipe size, location, depth, material, etc. It should be noted that Liberty's GIS and systems maps for the KMB systems, including Lakewood Hills, are minimal because the prior owner did not have a GIS and the paper maps were imprecise and minimal. Prior to the

incident in May 2026 involved in this complaint, Liberty was not aware of A/C pipe in the Lakewood Hills system. At this time, Liberty does not intend to undertake exploratory excavations to ascertain the precise location and depth of any A/C pipe in the system and Staff agrees that such a program would be ill-advised. *Staff Report*, p. 4 (“Exploratory digging to determine material types and pipe sizes is generally not considered a prudent expense by Staff, and could lead to additional outages due to accidents”). As main breaks occur in the future, Liberty will take advantage of opportunities to add to its system maps, including the presence of A/C pipe as encountered.

9. With respect to Staff’s recommendation that Liberty strengthen contractor oversight, Liberty agrees with this recommendation and already has taken steps to improve contractor oversight, including handling of A/C pipe, compliance with Liberty’s A/C program, and post-repair responsibilities. Specifically, Liberty has provided a copy of its Asbestos Management Plan to contractors, and is planning refresher training for its operators and contractors. Further, Liberty intends to include the Asbestos Management Plan in its contracts and formally require that contractors adhere to that program. On these issues, Staff noted that Liberty has several small dispersed systems in this area of the state and that these types of systems with contractor-based repairs are vulnerable to poor response times. *Staff Report*, p. 3. On that issue, Liberty advised Staff that Liberty often struggles to secure timely contractor assistance because its systems are small, dispersed, and generate only intermittent emergency work. Liberty is undertaking efforts to retain additional contractors for this type of work.

10. With respect to Staff’s recommendation that Liberty evaluate opportunities for additional isolation valves, Liberty generally agrees with this recommendation. On this

issue, Staff noted that Liberty has recently updated its system map with the locations of isolation valves and flush hydrants in the Lakewood Hills system. *Staff Report*, p. 3. Staff noted that Liberty is in the process of budgeting and planning for main replacements for the Lakewood Hills system, focusing on the western half of the system where leaks and main breaks are more common because these mains are aged galvanized steel with substandard service connections and fail frequently. This project will provide opportunities to place additional isolation valves. Further, Liberty will evaluate the need for installation of isolation valves as part of planned and unplanned pipeline projects going forward.

11. With respect to Staff's recommendation that Liberty continue improving emergency response processes, Liberty generally agrees with this recommendation and as noted above, is undertaking efforts to improve contractor oversight and compliance with applicable policies and processes, including the Asbestos Management Plan.

12. With respect to Staff's recommendation that Liberty formalize its internal notification and escalation procedures for any repair work involving A/C pipe to ensure immediate reporting, proper containment, Liberty supports this recommendation and is evaluating ways to formalize internal notice and escalation procedures for situations involving A/C pipe, including adherence to Liberty's Asbestos Management Plan. As noted above, Liberty has already taken various steps to facilitate adherence to the Asbestos Management Plan by contractors.

13. With respect to Staff's recommendation that Liberty continue advancing training for both operators and contractors involved in excavation work, particularly given the potential for encountering A/C pipe elsewhere in the system, Liberty agrees with this

recommendation and intends to develop and implement such training for employees and contractors relating to repair work involving A/C pipe.

14. With respect to Staff's recommendation that Liberty conduct public outreach to inform the customers that the aging water system will require extensive additional work, necessitating additional planned outages, Liberty will undertake a targeted public information campaign designed to educate its Lakewood Hills customers as to the necessity of planned outages as a part of system upgrades.

15. With respect to Staff's recommendation that Liberty consider the cost effectiveness of the installation of a generator to ensure service during power failures, Liberty reports that it has already purchased and installed a generator at Lakewood Hills for exactly that purpose.

WHEREFORE, Liberty respectfully requests that the Commission accept its *Response to Staff's Report and Recommendation* herein and grant such other and further relief as is just and proper under the circumstances.

Respectfully submitted,

BRYDON, SWEARENGEN & ENGLAND, P.C.

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ATTORNEYS FOR LIBERTY UTILITIES
(MISSOURI WATER) LLC D/B/A LIBERTY

CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the foregoing was sent by electronic mail to all parties of record this 28th day of August, 2026.

/s/ Kevin A. Thompson