

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

In the Matter of the General Rate Increase)
for Water and Sewer Service Provided)
by Missouri-American Water Company.) Case No. WR-2007-0216

**UWUA LOCAL 335's PROPOSED FINDINGS OF FACT AND CONCLUSIONS
OF LAW**

On September 5, 2007, the Commission issued a Notice stating that it will consider evidence on the issues identified by UWUA 335: (1) whether MAWC has provided adequate training of its employees in dealing with asbestos-cement and lead-jointed pipe, (2) whether funds should be allocated to employee training or the removal of asbestos-cement and lead-jointed pipe, and (3) whether MAWC has properly asserted privilege with regard to its payroll information.

A. Findings of Fact

1. MAWC has a significant amount of asbestos-cement pipe in use. Rebuttal Testimony of Alan Ratermann, p. 2. Such pipe is quite old and frequently needs repair. Id. Repair efforts often require MAWC employees to saw directly into asbestos-cement pipe. Id. This creates asbestos dust and slurry (asbestos dust mixed with water). Id. While the life-threatening hazards of asbestos exposure are well-known, MAWC has never offered a single training course on the safe cutting of asbestos-cement pipe. Id. The cutting of asbestos-cement pipe can also cause asbestos dust and slurry to fall back into the pipe, thereby contaminating the water system. Id.

2. Additionally, lead-jointed pipe may currently be in use in the MAWC system. Id. at 4. While UWUA 335 has asked MAWC whether such pipe is in use, the

Company has failed to answer. Id. at 4. The public health hazard resulting from lead in the water system has been well documented. Id. at 4.

3. In its CY2006 Annual Report, MAWC failed to submit salary information for employees with a yearly salary of over \$50,000. On June 11, 2007, PSC Staff sent MAWC a “deficiency notice” regarding the salary information. On July 2, 2007, MAWC submitted the salary information for employees with a yearly salary of over \$50,000, but that information was submitted as “highly confidential.”

B. Conclusions of Law

1. Pursuant to the “safe and adequate” service requirement of R.S.Mo. § 393.130.1, a portion of MAWC’s ultimate rate increase should be dedicated to establishing a program for the expeditious removal of asbestos-cement piping, and, should it exist, lead-jointed piping.

2. Pursuant to the “safe and adequate” service requirement of R.S.Mo. § 393.130.1, a portion of MAWC’s rate increase should be directed to training employees to safely work around asbestos-cement piping.

3. Pursuant to 4 C.S.R. 240-3.640, the Commission should compel MAWC to make public its payroll information for employees with a yearly salary of over \$50,000. Additionally, any claim of confidentiality was waived because MAWC has previously produced this information in its 1995-2005 Annual Reports.

Respectfully submitted,

/s/ Sherrie A.Schroder
Sherrie A. Schroder, MBN 40949
HAMMOND, SHINNERS, TURCOTTE,
LARREW and YOUNG, P.C.
7730 Carondelet Avenue, Suite 200
St. Louis, Missouri 63105
(314) 727-1015 (Telephone)
(314) 727-6804 (Fax)
saschroder@hstly.com (E-mail)

Attorneys for Utility Workers Union of
America Local 335, AFL-CIO.

Certificate of Service

The undersigned certifies that a true and correct copy of the foregoing was served on September 17, 2007, by United States mail, hand-deliver, email, or facsimile upon the official service list in Docket No. WR-2007-0216.

/s/ Sherrie A. Schroder