

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

In the Matter of Missouri-American Water)	Case Nos. WR-2007-0216
)	SR-2007-0217
)	ST-2007-0443
Company's Filing of Revised Sewer Tariff Sheets to)	
Implement a Capacity Charge for Missouri-)	Tariff File Nos:
American's Warren County and Jefferson County)	JS 2007-713
Sewer Districts.)	JS 2007-714

REPLY BRIEF

COMES NOW Home Builders Association of St. Louis and Eastern Missouri, Inc.,
(HBA) and submits this Reply Brief.

In the non-unanimous Stipulation filed on August 9, 2007 (Stipulation), the signatories agreed to dispose of all issues in cases WR-2007-0216, SR-2007-0217, and ST-2007-0443. The last case concerns certain capacity charges proposed by Missouri American Water Company (MAWC) for its sewer districts serving Warren County (Incline Village subdivision) and Jefferson County (Cedar Hill subdivision). MAWC had filed tariffs proposing capacity charges of \$5,500 per new residential customer for those districts. HBA and the Office of Public Counsel objected to those proposed charges, and the tariffs were suspended by this Commission. Order Suspending Tariffs and Scheduling a Conference, Case No. ST-2007-0443 (May 31, 2007). Pursuant to the Stipulation, the signatories – which include HBA, Public Counsel, staff of the Commission, and MAWC – all agreed that capacity charges of \$1,500 per new residential customer would be appropriate.¹ Stipulation ¶ 6. Those four parties are the only parties that have entered appearances in case no. ST-2007-0443. Accordingly, the capacity charges proposed in the Stipulation are acceptable to all concerned parties.

¹ Capacity charges for other types of customers are specifically described in the specimen tariffs that were attached to the Stipulation as Exhibit C.

As permitted by 4 CSR 240-2.115, the City of Joplin exercised its right to oppose the Stipulation “in part.” It did not challenge the Stipulation as a whole. Since the Stipulation was objected to, it is treated as the position statement of the signatory parties. 4 CSR 240-2.115(2)(D). Thus, the position of all of the signatories to the Stipulation is that capacity charges of \$1,500 for new residential customers in both sewer districts are appropriate. In its objections, the City of Joplin did not object to these capacity charges. Suggestions in Opposition to the Stipulation and Agreement filed on August 9, 2007 (Aug. 13, 2007) In their briefs and other filings, neither Joplin nor any other party has objected to the capacity charges proposed in the Stipulation. The capacity charges proposed in the Stipulation are, thus, unanimously supported.²

Accordingly, this Commission should enter its order allowing Missouri American Water Company to implement its capacity charges in the amount of \$1,500 per new residential customer for the specified districts, requiring it to file revised tariff sheets in the form attached to the Stipulation as Exhibit C, and awarding such other relief as may be just and proper in the circumstances.

² At the hearing on Joplin’s opposition to the non-unanimous Stipulation, MAWC’s pre-filed testimony in case no. ST-2007-0443 was admitted into evidence as MAWC Ex. 26. Testimony of Greg A. Weeks (July 10, 2007). MAWC prepared the testimony to support its initial proposal for higher capacity charges and, the testimony necessarily also supports the much lower capacity charges presented in the Stipulation. The other parties – HBA, Public Counsel, and Public Service Commission staff – have not yet filed their own testimony, because the procedural schedule was suspended pending review of the Stipulation. Order Suspending Procedural Schedule, Case No. ST-2007-0443 (Aug. 10, 2007). In the event that the Commission were to refuse to accept the position in the Stipulation, the parties have reserved the right to put on additional testimony as discussed at the September 6, 2007, prehearing conference. But, given the unanimity on this issue, HBA does not believe there is any reason to require additional evidence.

Respectfully submitted,

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CERTIFICATE OF SERVICE

The undersigned also certifies that a true and accurate copy of that First Request was forwarded this 17th day of September , 2007, via United States mail, postage pre-paid, e-mail, facsimile, or hand delivery to:

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