

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

In the Matter of the Joint Application of)
Missouri-American Water Company and)
Aqua Missouri, Inc., Aqua Development, Inc. and)
Aqua /RU, Inc. d/b/a Aqua Missouri, Inc. for)
Authority for Missouri-American Water Company) **File No. WO-2011-0168**
to Acquire Certain Assets of Aqua Missouri, Inc.,)
Aqua Development, Inc. and Aqua /RU, Inc. d/b/a)
Aqua Missouri, Inc. and, in connection therewith,)
Certain Other Related Transactions)

ORDER GRANTING MOTION FOR CUSTOMER NOTICE

Issue Date: January 5, 2011

Effective Date: January 5, 2011

The Missouri Public Service Commission is granting *The Office of the Public Counsel's Request for Order Directing Customer Notice* ("motion").

a. Procedure

The applicants filed the application on December 13, 2010. On December 16, 2010, the Commission directed that certain persons have notice of the application. The Office of Public Counsel ("OPC") filed the motion on December 21, 2010. On January 3, 2010, the applicants filed a response to the motion. The Commission received no other response within the time set by regulation.¹

b. Merits

In the motion, OPC seeks an order directing applicants to give notice to their customers regarding the application.

¹ 4 CSR 240-2.080(15).

The application seeks authorization for Missouri-American Water Company to purchase the other applicants' ("collectively "Aqua-Missouri") water systems. The affidavits in support of the application show that no change in rates or terms of service will occur, until the filing of a separate action, but customer comments may reveal service issues relevant to the application. The applicants also note that that the Commission has already ordered notice of this action to certain officials and news media, but the opportunity for customer comment is greater with customer notice.

The applicants further allege that customer notice will contribute to costs. The applicants allege that the systems at issue serve 1,590 water customers and 2,247 sewer customers; that notice mailed with customer bills will cost \$1000; and that notice mailed separately will cost more. But the applicants offer no evidentiary support to persuade the Commission that the cost of notice will unduly burden anyone.

The applicants allege that customer notice will delay a ruling on their application, but the applicants set forth no request for expedited treatment, and offer no showing of any prejudice if the Commission grants the motion.

Also as to delay, OPC alleges that it attempted to secure the applicant's agreement on customer notice. The Commission favors such agreements. But such overtures went unanswered, according to OPC. Such attempts at agreement likely account for at least part of the eight-day delay between the filing of the application and the filing of the motion. The applicants do not address that matter in their response. Therefore, the possibility of delay does not weigh in the applicant's favor.

c. Ruling

For those reasons, the Commission will grant the motion. As to the schedule for developing, and the manner of providing, such notice, no party has offered any proposal. But the Commission notes a shared interest in this regard. The applicants protest against delay. OPC seeks customer notice and an opportunity to comment before the filing of any recommendation or position statement. Staff's recommendation is due on January 25, 2011. Therefore, the Commission will leave those matters to OPC and the applicants. If difficulties arise, Staff is available for consultation as a neutral party. And if disputes arise, the Commission is available to resolve them.

THE COMMISSION ORDERS THAT:

1. *The Office of the Public Counsel's Request for Order Directing Customer Notice* is granted.
2. The applicants shall provide notice of the application, to all customers of the systems that are the subject of the application, in a manner and on a schedule as set forth in the body of this order.
3. This order shall become effective immediately upon issuance.

(S E A L)

Daniel Jordan, Regulatory Law Judge,
by delegation of authority under
Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,
on this 5th day of January, 2011.

BY THE COMMISSION



Steven C. Reed
Secretary