1	STATE OF MISSOURI										
2	PUBLIC SERVICE COMMISSION										
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5	TRANSCRIPT OF PROCEEDINGS										
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7	Public Hearing										
8	September 25, 2008										
9	St. Louis Community College at Meramec										
10	Business Administration Building										
11	St. Louis, Missouri										
12	Volume 8										
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14	In The Matter of Missouri-American)										
15	Water Company's Request for) Case No. WR-2008-031										
16	Authority To Implement A General)										
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19	Service Areas)										
20											
21	COMMISSIONERS PRESENT:										
22	Colleen M. Dale, Chief										
23	Regulatory Law Judge Presiding										
24	Commissioner Connie Murray										

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- 2 JUDGE DALE: Good evening. We are here
- 3 this evening, September 25, 2008, In the Matter of
- 4 Missouri-American Water Company's Request For Authority to
- 5 Implement a General Rate Increase for Water and Sewer
- 6 Service Provided in Missouri Service Areas, Case No.
- 7 WR-2008-0311.
- 8 My name is Colleen Dale, and I'll be presiding
- 9 over this hearing this evening. We appreciate very much
- 10 your tolerance for our technology and allowing us to do this
- 11 over a distance. We find that we are able to have many more
- 12 hearings in many more locations if we do it this way.
- I have one Commissioner with me this evening,
- 14 Commissioner Murray. The other Commissioners will have an
- 15 opportunity to review this -- the video or they can read the
- 16 transcript that are taken by the court reporter.
- 17 With that, do we have entries of appearance
- 18 starting here in Jefferson City with staff.
- 19 MS. BRUEGGEMANN: Actually staff is out
- 20 here in Kirkwood, your Honor.
- JUDGE DALE: Okay.
- MS. BRUEGGEMANN: I'm Shelley
- 23 Brueggemann representing the staff of the Missouri Public
- 24 Service Commission.
- 25 JUDGE DALE: Anyone else in Kirkwood

- 1 MS. BAKER: Christina Baker, P. O. Box
- 2 2230, Jefferson City, Missouri 65102 appearing on behalf of
- 3 the Office of the Public Counsel and the rate payers.
- JUDGE DALE: Thank you. Anyone else in
- 5 Kirkwood?
- 6 MR. REICHERT: Yes, thank you, Judge.
- 7 Appearing on behalf of Missouri-American Water Company, John
- 8 J. Reichert. My address is 727 Craig Road, St. Louis,
- 9 Missouri 63141.
- 10 JUDGE DALE: Thank you. Last call for
- 11 Kirkwood.
- MR. KELLY: That's it, Judge.
- JUDGE DALE: Okay. Thank you. How
- 14 many witnesses do we have signed up?
- MR. KELLY: Eight.
- JUDGE DALE: Okay. Unless there are
- 17 questions that I need to address before we begin, we'll go
- 18 ahead and take the first witness.
- MR. KELLY: Judge, the first witness is
- 20 Sharon Sanders. The next one will be Virgil Tow.
- JUDGE DALE: Ms. Sanders, will you
- 22 please raise your right hand.
- 23 (Thereupon, Witness Sanders was sworn on
- 24 her oath by Judge Dale, and testified as follows:)
- Thank you. Go ahead and give us remarks.

- 1 MS. SANDERS: Thank you. My name is
- 2 Sharon Sanders, and I live in West St. Louis County, and
- 3 I've been a St. Louis County resident for just about all my
- 4 life.
- 5 The reason I'm here this evening is because I
- 6 have been quite concerned with what has been going on with
- 7 our utilities. I had an opportunity to testify a week and a
- 8 half ago or so about the AmerenUE increase.
- 9 Unfortunately, or fortunately, for utilities,
- 10 I am now a semi-retired financial planner, and I have a
- 11 little more time on my hands to do the things that I've
- 12 always promised myself I would do. And one of those is to
- 13 represent myself and my neighbors at hearings such as this,
- 14 your Honor.
- 15 I want to thank you and thank the Public
- 16 Service Commission and everyone involved for giving us this
- 17 opportunity to speak. It's a wonderful opportunity for
- 18 people to be able to contact those who represent us and have
- 19 an opportunity to let them know what our experiences are and
- 20 our feelings are. So thank you very much, everyone
- 21 involved.
- The first thing I'd like to address is an area
- 23 that the question and answer period did not address too much
- 24 because I think most of us have been waiting to do that, and
- 25 that is service. You know we've been paying higher and

- 1 higher bills for the water that we use, and my feeling is
- 2 that we've not been getting the kind of service that we
- 3 deserve or that we have been paying for.
- 4 Recently in the past seven months, I had a
- 5 situation where I came home on a winter evening in January,
- 6 and found water running down the street out of my water
- 7 meter in the front of my yard, and I quickly called
- 8 Missouri-American Water and requested somebody to come out
- 9 and repair this, or take care of it.
- 10 I did not receive any return call as to when
- 11 someone would arrive or if someone would arrive, but someone
- 12 in fact did arrive about six -- five hours later or so. And
- 13 that, you know, took us to sometime in the a.m., early a.m.
- 14 And all I could tell was that there was someone in a truck
- 15 out in the front of my house with a flashlight, and really
- 16 couldn't tell anything else. And no one stopped afterwards
- 17 to say, ma'am, you know, we're here to fix your leak or,
- 18 ma'am, we fixed your leak or whatever.
- 19 Which isn't a terrible thing in itself, but I
- 20 just kind of had to stay up the whole time to make sure it
- 21 really was the water man and he really was working on it.
- 22 And finally, he left. And when it was daylight, I went out
- 23 to see that there was no longer a leak, but the leak had
- 24 been going on, had come up out of the ground, and was going
- 25 down the street. And there's a rather large area there that

- 1 had to fill before, and has dirt all around it, so it
- 2 absorbed the water.
- 3 So the leak had probably been going on for
- 4 quite sometime. Naturally, my next water bill reflected the
- 5 leak. It was approximately four times more volume than any
- 6 previous water bill for that period had been in the ten
- 7 years I've been in my home.
- 8 So I called the water company and I requested
- 9 that they review the bill in view of the fact that I'd had
- 10 this leak and that this seemed extraordinarily high. And I
- 11 expected them to make an adjustment on my bill, and if they
- 12 wanted to even take the average of the previous nine years
- 13 of use, that would be fine with me.
- 14 Well, the young person I spoke to on the
- 15 phone, you know, in the service area, came back to the phone
- 16 and said, "Well, ma'am, why don't you just pay half of the
- 17 bill now, and then we'll review this, and we'll make an
- 18 adjustment," because the bill was pretty high.
- 19 And I said, "That's fine. I'll do that," you
- 20 know, "and I'll expect to hear from you."
- 21 So I waited and waited and waited, and I
- 22 didn't hear anything. So finally after about three weeks or
- 23 a month, I called, and I said, you know, "I haven't heard
- 24 anything further about this. What's the disposition of my
- 25 case?"

- 1 And the person did a little research, and
- 2 said, "Well, we decided that there was no problem with your
- 3 water bill, and that you owe the whole bill."
- And I said, "That's impossible." You know,
- 5 "That can't be so. Let me speak to a supervisor."
- 6 Here's what I was told. There are no
- 7 supervisors. There is no one else for you to speak to but
- 8 me, the telephone answerer here at the end of this line.
- 9 I said, "You can't be serious. There has to
- 10 be someone I can speak with."
- 11 "No, but we can take your case and send it to
- 12 our review board, and we'll send it to the review board, and
- 13 you can wait and we'll" -- you know.
- 14 So I said, "All right. Send it to the review
- 15 board." I didn't get a chance to state my case or
- 16 illustrate. Nobody asked me for copies of previous bills
- 17 and that.
- 18 Okay. So it went to the review board, and I
- 19 get a letter back, and the review board's decision was that
- 20 my bill was correct and I owed this horrendous amount of
- 21 money to the water company. So I picked up the phone and I
- 22 called again.
- 23 And I said, "Well, is there any way to appeal
- 24 this decision?"
- 25 "Well, yes, ma'am, we can send it to the next

- 1 review board, and you can appeal it."
- I said, "Fine, let's do that." I said, "Is
- 3 there any opportunity that I could talk to someone and
- 4 explain the situation what occurred in my front yard, how
- 5 much water, you know, blah, blah, blah.
- 6 "No, ma'am, there is no one you can speak to.
- 7 We'll just send it to this appeals board."
- 8 So two more weeks, and I get another return
- 9 from the appeals board, and no, you know, Ms. Sanders, your
- 10 water bill is your water bill and you owe that water bill.
- 11 Well, you know, that was not sufficient. So I
- 12 got back on the phone, and finally I was talking to an
- 13 operator, and I said, "Operator, where are you located?"
- 14 She said, "I'm in Florida."
- I said, "Oh, that's -- you're in Florida?" I
- 16 said, "That's interesting. You're in Florida and I'm
- 17 talking about my Missouri water problem." I said, "Well, do
- 18 you have a" -- "is there a supervisor anywhere in your
- 19 system with whom I could speak to talk about this?"
- "No, ma'am, there is no one."
- 21 Well, I said, "You know, I hope you're on a
- 22 recorded line because the first thing I'm going to do is I'm
- 23 going to see if I can find someone to talk to."
- Now, at the time, I wasn't aware that the
- 25 Public Service Commission was involved because I understood

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1 that the company was a German company, and I \operatorname{didn't} -- you
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- 2 know, I didn't know where to go. So I said:
- 3 "I think I'll start with the
- 4 EPA, and I'll work my way down. So
- 5 I wish you would let everyone know
- 6 that that's exactly what I'm going
- 7 to do, and inform your superiors
- 8 that this is the kind of thing that
- 9 I have to get done."
- 10 You know what? In two weeks I got an adjusted
- 11 water bill, and it was the one I should have had all along.
- 12 And you know, I don't think that's service. I think that is
- 13 intimidation and ignoring the problem, and finally when I
- 14 wouldn't go away and I made, you know, the only kind of --
- 15 of threat that a citizen can make of going to an authority
- 16 that has authority over this group, I finally got some
- 17 action.
- 18 I don't know what other people's experiences
- 19 have been, but I don't think this is anyway to run a
- 20 railroad. My feeling is that when a customer calls and if
- 21 the telephone answering person cannot give them a sufficient
- 22 answer or cannot deal with them, there should be supervisory
- 23 staff there who have the ability to respond in a reasonable
- 24 manner to a reasonable request. I was never asked to give
- 25 any, you know, testimony about anything. It was just

- 1 whatever they thought. That was it.
- 2 So that's my comment on service. My second
- 3 comment agrees with the -- the comments that were made by a
- 4 number of people here in the Q & A, and I'm sure they're
- 5 going to be speaking here this evening.
- I hope you'll forgive me for raising my voice,
- 7 but since my back is to the audience, I don't want them not
- 8 to hear what I'm saying.
- 9 You know, the rates that Missouri-American
- 10 Water is asking of us are incredibly, incredibly high. The
- 11 increase is, without a doubt, the highest increase I have
- 12 ever heard of of any utility requesting at any time in my
- 13 young life. I don't appreciate the fact that I got a letter
- 14 from Missouri-American Water with a notice that the average
- 15 customer's bill would go up 26.4 percent, and then I come to
- 16 this meeting and find out that my bill is going up 30
- 17 percent.
- 18 These are the kinds of things that we don't
- 19 need our utilities to do with us. We need square shooting
- 20 and we need straight from the shoulder. And the issue of
- 21 having anyone say that all of a sudden in 2008 you need a 30
- 22 percent rate increase says to me that somebody isn't paying
- 23 attention to their bills.
- 24 You know, everybody in this room has to pay
- 25 increased cost of gasoline and increased cost of everything,

- 1 and what do we do when we have those problems. Well, as a
- 2 financial planner, I have to sit with my clients and say to
- 3 them well, here's what we have to do. We have to readjust
- 4 your budget. You have to spend a little bit less on this,
- 5 you have to tighten your belt on that, because there isn't
- 6 any more money out there for you to get. It's simply a
- 7 question of how are you going to spread your resources to
- 8 take care of your problems.
- 9 Now, requesting a 30 percent increase, to me,
- 10 indicates that someone hasn't been paying attention to their
- 11 resources. And that they are not allocating their resources
- 12 appropriately, especially when we got a request for a rate
- increase of 13.5 percent a year ago, followed by a 30
- 14 percent increase.
- This neither seems reasonable, nor does it
- 16 seem in any way something for the average person out here in
- 17 the real world can afford. I was in Denver a month ago, and
- 18 I happened to read an article in the Denver paper. Now, St.
- 19 Louis isn't Denver, I understand that, but just as a matter
- 20 of comparison, the Denver water company is proposing an
- 21 average 7.5 percent residential increase for 2009.
- Now, you know, I'm sure the Denver water
- 23 company could use a little more money, but they, like us,
- 24 understand that everyone has a budget to deal with. And if
- 25 you have a problem, you don't gorge yourself with money all

- 1 at one time to fix the problem. You have to budget your own
- 2 company, and come back later and get some money, but to come
- 3 back to all of us for 100 percent of what you think you're
- 4 going to need so that your shareholders may experience more
- 5 than a 5.5 percent return, doesn't seem to me to be paying
- 6 attention to the public service that this company is
- 7 supposed to be giving.
- 8 As a financial planner, I am astounded at the
- 9 ROEs that the Public Service Commission has been allowing.
- 10 You know, my clients would be delighted, would jump over
- 11 barrels if they could look at their portfolios and as a
- 12 return on investment like a utility, look at a 10.1 percent,
- or even an 8.6 percent return. They would be delighted.
- 14 Most of us out in this world, as the gentleman
- 15 pointed out before, and even as my clients are experiencing,
- 16 I hesitate to say we're not getting these kinds of returns
- 17 on our good investments. Large companies are not returning
- 18 11.25 or 10.1, and many of them aren't even returning 5.5.
- 19 You know, it seems to me that in a time like
- 20 this, everybody has to pay attention to their budgets, and
- 21 that means the water company. They have to pay attention to
- 22 their budget, and they have to pay a little more attention
- 23 to how they're spending that money, and make a few plans.
- 24 And if it has been the practice of the Public
- 25 Service Commission, you know, to allow a utility to spend

- 1 millions and then come to you later to be restored for that
- 2 spending, I'm hoping that the Public Service Commission is
- 3 reviewing these expenditures, because it seems to me that,
- 4 you know, if you see how much that company is spending,
- 5 you're going to be able to see that they're going to want to
- 6 ask for a 30 percent rate increase. And quite frankly, that
- 7 isn't reasonable.
- 8 There's really nothing reasonable about a 30
- 9 percent rate increase or a 24 percent rate increase or an 18
- 10 percent rate increase. I like Denver's 7.5. Maybe we can
- 11 get somewhere in that area, and the water company can adjust
- 12 its budget, and they can come back in -- it looks like they
- 13 came back in one year. So maybe they can use their
- 14 budgetary acumen to help them and help us get over our
- 15 bills.
- I want to thank you all very much for this
- 17 opportunity to speak, and I do appreciate the fact that we
- 18 have a system where we can make testimony in this regard.
- 19 Thank you.
- JUDGE DALE: Thank you. Commissioner
- 21 Murray, do you have questions?
- 22 COMMISSIONER MURRAY: Ms. Sanders,
- 23 thank you very much. I heard you at the Ameren hearing
- 24 recently.
- 25 MS. SANDERS: I thought I recognized

- 1 you.
- 2 COMMISSIONER MURRAY: I appreciate your
- 3 testimony, and I wish you were in Washington right now. I
- 4 think they could use your expertise. Thank you very much.
- 5 MS. SANDERS: Thank you. Thank you.
- 6 MR. KELLY: Virgil Tow, and then the
- 7 next person is Carol Stefos. Go ahead and sit down.
- 8 (Thereupon, Witness Tow was sworn on his
- 9 oath by Judge Dale, and testified as follows:)
- 10 JUDGE DALE: Thank you. Could you give
- 11 us your name, please.
- 12 MR. TOW: Virgil Tow.
- JUDGE DALE: Thank you.
- 14 MS. REPORTER: Could you spell your
- 15 name for me, please.
- 16 MR. TOW: T-O-W. Is that all you need?
- 17 JUDGE DALE: Yes, go ahead and give
- 18 your remarks.
- 19 MR. TOW: Okay. My -- my case is a
- 20 little bit different, and I want to speak on behalf of
- 21 everybody in Cedar Hill that's in the same shape I'm in.
- I own four pieces of property in Cedar Hill,
- 23 and I've been on the sewer system for about two and a half
- 24 years. This is the second raise I've had in that time, and
- 25 another thing is that the hook-up fee was 6.75, and since

- 1 Missouri Water -- American Water Company has had this
- 2 system, the hook-up fee in November of last year to 21.75
- 3 for a hook up.
- Now, my gripe is that Missouri Water --
- 5 American Water came into Cedar Hill, and they bought this
- 6 system. This system has the main trunk line in the center.
- 7 Now, you talk about hills, okay. So everybody up above gets
- 8 gravity feed. Everybody down below gets grinder pressure
- 9 pump, and put in your own system.
- Now, I'm 500 feet from the sewer, and that
- 11 system cost me over \$60,000, and it -- and everybody -- I am
- 12 -- the fortunate thing it's a two-inch line we put in so
- 13 some more people can hook onto that line and share whatever
- 14 it is. This is money -- nobody making a profit of it. It's
- 15 a treat for everybody to just share in the cost, the
- 16 resident cost.
- 17 But you're talking about a grinder pressure
- 18 pump, which runs -- could run as high as three or four
- 19 thousand or more. You're talking about footing the cost of
- 20 taking it from your property over to the trunk line, which
- 21 in my case is \$1400 just to lay the line and to hook up to
- 22 my grinder pump, which was -- retail value at that time was
- 23 about 26, 27 hundred, and so what we have now is not only do
- 24 we have to pay 21.75 to hook on, we got to share in a
- 25 \$16,000 line, 16 plus thousand dollar line, which only goes

- 1 -- which is a trunk line. It has nothing to do with coming
- 2 out to their -- where it's running to the property. You got
- 3 to pay for that part yourself, plus you have to have a
- 4 grinder pump and the pressure grinder pump.
- 5 So we're -- why should we have to share in all
- 6 of these raises for sewer when American -- Missouri-American
- 7 Water is not paying one cent. In fact, there was -- Mrs.
- 8 Shaw across from the -- he's -- he works for American --
- 9 Missouri-American. He was there before with the original
- 10 owners, so he's been very helpful. But we have never ever
- 11 seen anybody come from American -- Missouri-American and say
- 12 hey, we'll help you share that line or we'll put maintenance
- 13 after you get it done if it needs to be. We have nothing.
- 14 We have -- and we're not talking about a
- 15 handful of people. I own four pieces of property there, and
- 16 I got sewer on one of them so far. I need sewer on the next
- 17 one. It's servicing already on somebody else's territory.
- 18 So I don't have any prob- -- any trouble with
- 19 the company as far as their services are concerned. I just
- 20 think that people can -- well, I'll bring this up too. One
- 21 time I tried to get on, and I couldn't because the
- 22 government wouldn't let me get on. Not the
- 23 Missouri-American, but the government said their capacity
- 24 was loaded. The equipment they had was very old. So we
- 25 couldn't get on, but since it was a church building, they

- 1 let me get on.
- 2 But other than that, we've tried for years to
- 3 get on that sewer. We couldn't do it, but they turn around
- 4 and they give subdivisions 180 sewer lines -- sewer things
- 5 as a promise, and these people -- that's been three or four
- 6 years ago, I'm sure, and there's only been about ten houses
- 7 built on that.
- 8 So all of these people -- all of -- this
- 9 contractor has all of this, you know, options of getting on,
- 10 when people in the old part of town can't even get on and
- 11 they're -- and they're -- right now, they're telling me if
- 12 your line services and you don't -- see, these are old
- 13 facilities. They didn't have drains. They just put a tank
- in and put rock around it, and that was it.
- When it's serviced, you're in trouble. So
- 16 they can condemn your house. If you sell, the bank doesn't
- 17 have to give anybody a loan because of the septic problems.
- 18 So we're in a little bit of a problem down there, but we
- 19 shouldn't have to pay all of these high prices if -- if
- 20 American -- Missouri-American is not even spending a cent.
- I had to go, like I say, 500 feet. And from
- 22 the edge of my property was 500 feet to the sewer that's run
- 23 in the alley, and way over \$16,000, plus that didn't include
- 24 the 1400 I paid to get to there or the price of the pump.
- 25 And the people down there, you know, it was

- 1 pretty cool if you could get on for, you know, 6.75, but why
- 2 should we pay, you know, if you're in a subdivision, that's
- 3 already put in the house. But you got a guy out here that's
- 4 got his mom and dad's house he's inherited, this and that,
- 5 low income. A lot of them are cabins on the river. They
- 6 don't have money for that, and Missouri-American does not --
- 7 I mean, they're taking. They're not giving.
- 8 So that's the story. I'm not bragging about
- 9 the raise. I looked on a paper, it's -- I don't like the
- 10 raise, but it's the original cost of getting on. It's like
- 11 how much do I have to kiss up to someone to use their sewer?
- 12 What is it going to cost me in dollars, you know?
- They won't come in and put a sewer in. They
- 14 just use the old worn out facilities that they have, and it
- 15 wasn't too long ago they tried to come in and update the
- 16 sewer system and make everybody -- make all the users pay
- 17 for it. You know, I'd like to buy stock in a company like
- 18 that if I could -- you know, I don't have to pay for any
- 19 improvements and let the people pay for the improvements.
- 20 So I guess that's about all I have to say. I
- 21 just -- I'm just speaking for a lot of people. We want to
- 22 get on the sewer. We're tired of messing with, you know,
- 23 anybody. If we hadn't been in an unincorporated area with
- 24 really big problems because we've had more laws that go by,
- 25 engineering fees and all of this stuff. We lucked out on

- 1 that deal because we're un- -- you know, we're not
- 2 incorporated.
- But we're talking about, I don't know --
- 4 there's 27 signed up right now to get on the services. So
- 5 -- and that's just a handful of them. But we -- we don't --
- 6 you know, we -- I mean, if we're building brand new houses
- 7 out in the county someplace, you don't mind to pay a few
- 8 extra bucks to get on the -- go on the sewer system. But
- 9 why should you pay 21.75 to hook on when you're hooking on
- 10 your own line. The only thing they're doing is -- is
- 11 processing the sewer.
- 12 Let us help process the sewer. Let them help
- 13 us. Why don't they pay the rent on the line or the repair
- 14 of it at least. If one of those pumps breaks -- I mean pipe
- 15 breaks and shoots sewage about 15, 20 feet in somebody's
- 16 yard, who's -- and this lady is talking about who -- who do
- 17 you get in contact with. Under those conditions, what are
- 18 we going to do, just let it fly?
- 19 Are we going to -- is someone going to
- 20 volunteer to go repair it at whose expense, you know? What
- 21 have we got? We don't have much of a sewer system at Cedar
- 22 Hill. I mean, we have a sewer company, but we don't have
- 23 much of a sewer system.
- 24 So I guess that's it. Thank you.
- 25 JUDGE DALE: Thank you. Commissioner

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1 Murray, do you have any questions for Mr. Tow?
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- 2 COMMISSIONER MURRAY: No. Mr. Tow, I
- 3 don't have any questions for you, but thank you. I
- 4 appreciate your testimony this evening.
- JUDGE DALE: Thank you very much.
- 6 MR. KELLY: Then next will be Dorothy
- 7 Kelly.
- 8 JUDGE DALE: Will you please raise your
- 9 right hand.
- 10 (Thereupon, Witness Stefos was sworn on
- 11 her oath by Judge Dale, and testified as follows:)
- 12 Thank you. Go ahead.
- MS. STEFOS: I'm Carol Stefos. I live
- 14 in St. Louis County. My zip code is 63125. This past
- 15 summer I went out on a Tuesday morning and noticed a small
- 16 trickle of water out in the street across the street from my
- 17 home.
- 18 I went into the house and called the water
- 19 company and to report this leak. They said somebody would
- 20 contact me. No one contacted me. Later that evening the
- 21 lady from the home called me and asked me if I had noticed
- 22 the water in the street. I said yeah, I'd already contacted
- 23 the water company.
- 24 So she says, "Well, I'll contact them too."
- 25 So she got off the phone with me. Later on that evening,

- 1 she said, "Well, I called them. They said somebody would
- 2 contact me." Neither of us heard anything.
- Wednesday, didn't hear anything. Thursday, I
- 4 called and said, "Hey, this leak is getting worse."
- 5 "Somebody will contact you." By this time,
- 6 it's my understanding more neighbors had called. The water
- 7 got worse. By Saturday, it was running. Sunday it was
- 8 several of us calling. It was flooding the neighbor's yard
- 9 down the street.
- 10 One of my concerns was the lady across the
- 11 street coming out of her gate and falling because, of
- 12 course, the hole had gotten a little bigger and a little
- 13 deeper.
- 14 Well, the water company had evidently been out
- 15 the day prior and put markings on the street. That Sunday I
- 16 was out in the yard, 90 degree weather plus, doing yard
- 17 work, hot, tired, come in and the neighbor said, "They're
- 18 turning off the water any minute now."
- 19 I said, "What do you mean, they're turning off
- 20 the water any minute now?" So I proceeded to fill up my
- 21 bathtub with water so that at least I could have my toilets
- 22 filled.
- 23 They turned off the water about three o'clock.
- 24 One o'clock in the morning, I could hear them wrapping
- 25 things up. I still had no water after they left. So I

- 1 thought well, maybe there's just something wrong. Went
- 2 ahead and went to bed. Got up about three o'clock. I still
- 3 had no water. So I contacted the water company. They said,
- 4 "No, you have service."
- 5 "No, I don't have service. I'm turning on my
- 6 faucets. I have no water whatsoever."
- 7 "Well, it's probably just a pressure problem.
- 8 Maybe they forgot to turn your water on."
- 9 Okay. So I waited. "Somebody will contact
- 10 you." Nobody contacted me. So I called them again, and
- 11 they sent someone out. I believe it was around 10:30. I
- 12 don't have my records here, so I can't give you a specific
- 13 time.
- 14 And the man came out and, "Oh, well, sometimes
- 15 when they fix these mains, there is a little bit of debris,
- 16 and you just have to flush the water."
- 17 Well, he was there until about 12:30. During
- 18 that time, he tried flushing the pipes and things. It ends
- 19 up he has to replace the water meter. It's all clogged.
- 20 Okay, fine. Well, he replaced that. Had a little bit of a
- 21 trickle of water. He got my kitchen sink kind of running a
- 22 little bit. All of a sudden there's no water again. He
- 23 goes back down in my basement and said, "Well, I'm going to
- 24 have to change that meter I just put in. It's not working
- 25 right. It's just clogged."

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1 Oh, okay. So he replaced it. At that time,
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- 2 we were able to get my kitchen working, my bathroom sink and
- 3 my toilet. And the tank as of today still, has not drained
- 4 it. There is all kinds of debris in it. But I had no
- 5 bathtub water.
- 6 So I ended up calling the water company, and
- 7 they said, "Well, there's nothing we can do. You've got to
- 8 call a plumber."
- 9 So I called a plumber. He come in and he
- 10 said, "Well, maybe it just needs to be flushed out." He
- 11 tried. He couldn't get any water out of the tub. So he
- 12 ended up taking the faucet handles off, and he said, "Well,
- debris has damaged these valves. They have to be replaced."
- 14 Well, of course, we can't find these valves
- 15 anywhere. They have to be ordered. So I -- he went ahead
- 16 and put the bad valves back in so at least I still had my
- 17 sink and my toilet. So then the next day he was able to
- 18 come back, and \$495 later I finally had a tub, but several
- 19 contacts to Missouri Water, they said they're not
- 20 responsible because I have to maintain my pipes.
- 21 Well, everything was working fine before they
- 22 did the work on the line, and by the way the plumber talked
- 23 and the way I look at it and all this junk that came out of
- 24 my faucets. It was completely out of my control if the
- 25 water company not taking the proper steps to keep excessive

- 1 debris out of my pipes.
- 2 And when the final letter I wrote to the water
- 3 company requesting not only now my plumbing bill but my time
- 4 lost from work that I had to be there for the water company
- 5 to come back into my home and the plumber to come back, and
- 6 you know, they -- the aggravation, I was told no.
- 7 So then they sent me rules and regulations
- 8 from 1984. So as I read this, it says they're not
- 9 responsible for water pressure. Well, in my case, it has
- 10 nothing to do with water pressure. My water pressure was
- 11 fine once they replaced my meters twice and we got the junk
- 12 out of my line and got new valves. The issue never was
- 13 water pressure. It was debris in my lines.
- 14 And now they want to turn around and not only
- 15 give me this bad service, not even be able to repair
- 16 something that I feel damaged my property, now they're
- 17 saying well, we're not responsible because the Commission
- 18 says we're not.
- 19 So the way I look at it and other people look
- 20 at it, they want these increases to make these improvements.
- 21 They should not get these increases until they can provide
- 22 the service that we are paying for.
- 23 Since they have a monopoly, this water, we
- 24 can't go anywhere else. We can't say we're tired of your
- 25 service. We don't like the way you treated me. I'm going

- 1 to go elsewhere like we can with our telephones, with our
- 2 cable, with many things. If we don't like the service and
- 3 we don't like the price, we can go elsewhere.
- 4 And with Missouri Water, we do not have that
- 5 choice. We are stuck with the service, we are stuck with
- 6 their decisions, and we're stuck with their price. And as
- 7 others have said, it's too much. I don't know about any
- 8 other people, but my income has dropped in the last two
- 9 years. It hasn't gone up, but my utilities are increasing
- 10 and increasing.
- I had a savings account, and it's dwindling.
- 12 And it's impossible to keep up with this, but if I don't pay
- 13 my bill, they're going to turn my water off. You know, if
- 14 they don't give me my service, I can't do anything. I'm
- 15 stuck with them. Thank you.
- 16 JUDGE DALE: Have you spoken with a
- 17 customer service representative?
- 18 MS. STEFOS: Yeah, I did. I sent
- 19 several certified letters because I wanted to make sure that
- 20 they got them, and like I said, the final thing was we're
- 21 not responsible because of this rule and regulation from
- 22 1984.
- JUDGE DALE: That's what the Public
- 24 Service Commission said?
- 25 MS. STEFOS: No, I didn't talk to the

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1 Public Service Commission. That's the water company, this
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- 2 is what they sent me.
- JUDGE DALE: If you could give your
- 4 contact information to Mr. Kelly so that someone from our
- 5 customer service department could contact you, --
- 6 MS. STEFOS: Okay.
- JUDGE DALE: -- that would be helpful.
- 8 MS. STEFOS: Thank you.
- 9
 JUDGE DALE: Commissioner Murray?
- 10 COMMISSIONER MURRAY: No, I have
- 11 nothing else, but thank you very much.
- MS. STEFOS: Thank you.
- MR. KELLY: Judge, I would add that
- 14 Beverly Faulkner is here from our Consumer Services
- 15 Department, and will be getting in touch with the person who
- 16 just testified.
- 17 JUDGE DALE: Thank you very much.
- 18 MR. KELLY: Okay. Dorothy Kelly, and
- 19 then Bettie Mathews.
- JUDGE DALE: Are you Ms. Kelly?
- MS. KELLY: I am.
- JUDGE DALE: Okay.
- 23 (Thereupon, Witness Kelly was sworn on
- 24 her oath by Judge Dale, and testified as follows:)
- 25 Thank you. Please go ahead.

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1 MS. KELLY: This is not a personal
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- 2 situation. I'm talking for all seniors who, like myself,
- 3 and I'm 74, live on a limited income. And for any monopoly,
- 4 which our water company is, I can put on sweats if I wanted
- 5 to keep my thermostat down in the winter, I can sweat a lot
- 6 in the summer, but I sure can't do anything about my water
- 7 use.
- 8 And if somebody has some solution other than
- 9 keeping my faucets from dripping, I would like that
- 10 information, because they do have a monopoly. And this
- 11 increase that I have received that they said is an average
- 12 at 26.4 percent a month, would mean \$81.96 average. They're
- 13 not all average. Most average people do not get an increase
- 14 in this country today. I certainly don't get an increase,
- 15 and I am not alone.
- 16 There are people who work very hard. We're
- 17 the most productive workers in the world, but we are not
- 18 getting compensated for it. We cannot afford this, none of
- 19 us, and I want the Commission to stand by us.
- 20 That is my request to you, and I thank you for
- 21 your time.
- JUDGE DALE: Thank you very much.
- 23 Commissioner Murray?
- 24 COMMISSIONER MURRAY: No. Thank you,
- 25 Ms. Kelly. I appreciate your testimony.

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1 MS. KELLY: You're welcome.
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- 2 MR. KELLY: Next, Judge, is Bettie
- 3 Mathews. Then Karen Caston.
- 4 (Thereupon, Witness Mathews was sworn on
- 5 her oath by Judge Dale, and testified as follows:)
- 6 JUDGE DALE: Thank you. Go ahead.
- 7 MS. MATHEWS: Okay. I've lived in St.
- 8 Louis County for over 50 years, and I don't remember when
- 9 all the water company transferred or resale or whatever --
- 10 whatever transaction they did do, but I can remember making
- 11 my check out to St. Louis County Water Company. And not
- 12 having -- not having --
- MS. BRUEGGEMANN: Excuse me. Ma'am,
- 14 can you speak a little bit louder.
- MS. MATHEWS: Oh, louder?
- MS. BRUEGGEMANN: Yes, please.
- 17 MS. MATHEWS: But I find this increase
- 18 that they have listed on my notice that I received
- 19 absolutely unconscionable. Twenty-six percent going into
- 20 it, and it seems to me if the company is not functioning
- 21 well enough to do their service and not to have to come to
- 22 every customer -- I don't know what -- what the number of
- 23 households that they cover in the St. Louis County area,
- 24 but 26 percent from all of those. If they got that, they
- 25 would be on -- should be on easy street.

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But in any case, I have not been a victim of
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- 2 poor service, for which I'm very happy, but obviously a lot
- 3 of people have been. And if the -- if the company needs to
- 4 restructure to get to where they are operating for the
- 5 public for whom they are there to serve, well, I just wanted
- 6 to mention one incident that didn't impact me personally.
- 7 But I have a water hydrant directly across the
- 8 street from my house, and there's a little water hydrant
- 9 frequently -- and I know they have to release water to clear
- 10 the pipes out. Well, probably about eight months ago this
- 11 water hydrant started spewing water out at unbelievable
- 12 force. The street was covered with water.
- So I called and reported it, and well, they
- 14 had to -- they had to do that. They had to -- had to clear
- 15 the lines or whatever. So I think it was about ten hours
- 16 later, this was going on all the time. I don't know what --
- 17 what kind of system it would be that would require -- and I
- 18 hope they were recycling this water, but I didn't ask anyone
- 19 because they used up gallons beyond belief.
- 20 But -- and maybe this is one reason why they
- 21 need this 26 percent -- they think they need this 26 percent
- 22 increase, but I certainly hope the Commissioners take into
- 23 consideration this is isolated few examples of possibly
- 24 other problems. I'm sure if I had a problem as severe as a
- 25 couple of the witnesses have had, I wouldn't -- I would have

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1 been at somebody's door knocking on something, but I do
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- 2 appreciate it.
- 3 I really didn't think of my water company as a
- 4 monopoly. I knew it was the only one outside of digging a
- 5 well for myself in my backyard. That would be the only
- 6 other choice I would have, and I'm not real sure I could do
- 7 it. Maybe my -- my community would not allow it, but in any
- 8 case, it's -- it's disarming to know that we have to operate
- 9 with a monopoly for -- for service that we're paying for.
- 10 Not looking for free, but we're paying for it.
- 11 So thank you very much for listening to me.
- JUDGE DALE: Thank you.
- MS. MATHEWS: Okay.
- 14 JUDGE DALE: Commissioner Murray?
- 15 COMMISSIONER MURRAY: Thank you, Ms.
- 16 Mathews. I appreciate it.
- MS. MATHEWS: Okay.
- 18 MR. KELLY: Karen Caston is the next
- 19 witness. Then David Schilling.
- JUDGE DALE: Please raise your right
- 21 hand.
- 22 (Thereupon, Witness Caston was sworn on
- 23 her oath by Judge Dale, and testified as follows:)
- 24 And please go ahead and give us your remarks.
- 25 MS. CASTON: My name is Karen Caston.

- 1 I live at 2851 West Pasture, West Overland, Missouri 63114.
- 2 I'm here to not only speak on my behalf, but on the behalf
- 3 of people who are afraid to come in, whether they are
- 4 seniors, people that think they don't have a voice and
- 5 nothing makes a matter. I do. I come and speak my mind.
- 6 At least someone knows where I stand.
- 7 I'm also here to speak for the seniors who's
- 8 on fixed incomes, which one of the young ladies did already,
- 9 for people who are -- don't have the funds. You got your
- 10 people, like I said, on fixed income, you got your people
- 11 who barely making it, and I say you rob Peter to pay Paul.
- 12 Which means you sit there with your paycheck when you get
- 13 your paycheck, you got to pay the house note, the car note
- 14 or car insurance. Then you got to pay \$50 to UE, 50 to
- 15 Laclede Gas, let me see if I can get the water and the sewer
- 16 squeezed in, and not saying this gas you put in your car is
- 17 high.
- 18 So you're really trying to determine who
- 19 you're going to take from or how you're going to get around.
- 20 My problem is with the water company is like everything else
- 21 is going up but your paycheck. Now, you all's paycheck is
- 22 not going up, but someone needs to look at hey, these people
- 23 are already struggling.
- 24 I did have a problem with the water company
- 25 one time. I called on the way to work and said, "Hey, I get

- 1 paid today. Can I come in, we got a sector as I call it,
- 2 "and pay you while I'm on the clock?"
- 3 She said, "No, you need to pay me now."
- And I'm saying, "Well, I promise to pay you.
- 5 I'm going to give you the money, just let me get my
- 6 paycheck."
- 7 She said, "No."
- 8 So I had to pay as I'm driving down the road
- 9 through my checkbook, and pray that it didn't bounce by the
- 10 time nine o'clock came for the people to come in and give me
- 11 my check so I could run out of the sector and put my check
- 12 in the bank and come back around.
- To me it's too much. A person can't say -- be
- 14 running an \$80 water bill and you not at home, which I found
- 15 out the water company was with the sewer company, and they
- 16 say -- well, the sewer company said we're going by your
- 17 water bills from last year. I've been at my whole house by
- 18 myself a whole year. All the kids are gone. Where's the
- 19 water coming from? It's cut out. I'm not there. I'm too
- 20 busy working two to three jobs trying to make ends meet, so
- 21 I'm not at home.
- 22 Even though I'm still not where I should be,
- 23 but like they said you're struggling trying to pay your
- 24 bills. So if you guys are going to allow them to go up on
- 25 our water bills, that's going to affect a lot of people. We

- 1 are already struggling. We don't need that. That -- that's
- 2 a lot of money, money we don't have.
- It's not your fault, but somebody got to say
- 4 hey, look at the American people in St. Louis, what they're
- 5 going through. We can't keep doing this to them. Somebody
- 6 got to make a stand. If not, we're all going to be
- 7 homeless, or we're all going to be living under a tree
- 8 living together. And we're all going to be little pails --
- 9 like she said, getting little pails of water, going and
- 10 hoping that we don't get poisoned because we're trying to do
- 11 what we need to do.
- 12 We don't need that. I thought we was from the
- 13 caveman days. Looks like we're going to end up going back.
- 14 That's how I feel, and I'm sorry if I get emotional about
- 15 stuff, but I do.
- 16 JUDGE DALE: Well, that's what we're
- 17 here for, to listen to you, emotional or otherwise.
- 18 MS. CASTON: Thank you. And thank you
- 19 for listening to us.
- JUDGE DALE: You are very welcome.
- 21 Commissioner Murray, did you have any questions?
- 22 COMMISSIONER MURRAY: Ms. Caston, what
- 23 is your average water bill?
- 24 MS. CASTON: Okay. The last time I
- 25 actually paid full price was like 80 bucks.

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COMMISSIONER MURRAY: Was that for --
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- 2 what period of time was that for?
- 3 MS. CASTON: They said it was three
- 4 months, but like I said, I haven't really paid any attention
- 5 to it because we been trying to pay a little on this bill, a
- 6 little on that bill. It might have got away.
- 7 COMMISSIONER MURRAY: Thank you.
- 8 MS. CASTON: You're welcome. Anyone
- 9 else have questions? Thank you.
- 10 MR. KELLY: David Schilling, and then
- 11 it's Jacque Tebbe.
- 12 (Thereupon, Witness Schilling was sworn
- on his oath by Judge Dale, and testified as
- 14 follows:)
- JUDGE DALE: Thank you.
- MR. SCHILLING: My name is David
- 17 Schilling. I live at 1665 Calais. Zip code 63122. I'm
- 18 definitely a customer of Missouri-American Water. I would
- 19 like to speak on what I will call two deja vus.
- I was here last June 13, 2007, and you held a
- 21 hearing two buildings over. I testified at that time. So
- 22 it's already been pointed out in the question and answer
- 23 period that those hearings ended. You awarded -- the Public
- 24 Service Commission awarded American Water an increase of
- 25 somewhere between 11 to 14 percent, depending on where it

- 1 seems you live, and that went into effect somewhere between
- 2 September and October of last year, roughly one year ago.
- 3 So again, here we are once again. Although we
- 4 all recognize that inflation is everywhere, if not on the
- 5 President's lips last night, so one can take one's water
- 6 bills, which I don't think are that easy to read anyway
- 7 since there is but one column divided up into at least ten
- 8 different entries. I can immediately see that my user
- 9 charge that was a year and a half ago 1.52530 has now gone
- 10 up or went up back in January to 1.73190.
- 11 The interesting thing is, when you do the
- 12 arithmetic on that, that's about a 15 percent increase, and
- 13 that's only on the user charge. As has been pointed out, in
- 14 another one of these columns is a customer charge, which is
- 15 now at 10.23, and it was less than that back then.
- 16 Besides that, I haven't heard anybody speak
- 17 about IS RAS. IS RAS seems to go up and down, and that was
- 18 a clever charge that was added on I don't know how many
- 19 years ago in order to solve infrastructure problems. And it
- 20 vacillates, but as a customer, one does have to pay the
- 21 bill. One might want to understand the bill, but you know,
- 22 does it take a rocket scientist to understand your water
- 23 bill? I'm beginning to think it takes someone with a couple
- 24 of years of college anyway.
- 25 Also on here is fire hydrant service, and

- 1 they'll quick say oh, that isn't us. Probably not, but
- 2 that's going up. And then there's gross receipt tax. I
- 3 trust you don't get the gross receipt tax, but that's a
- 4 percentage. When the bill goes up, that percent goes up.
- 5 So first deja vu it's been said, you're aware
- 6 of it, and we've had quite -- a couple of speakers kindly
- 7 refer to it, fixed income people. Once again, we or they
- 8 cannot pay our bills with your sympathy. One would expect a
- 9 little more than just understanding as things get tighter
- 10 and tighter and all costs go up.
- 11 I truly believe in the free enterprise system
- 12 and open market and something called competition.
- 13 Competition just goes out of the door here. I have heard
- 14 the word monopoly used. That's what utilities are. We have
- 15 a wonderful analogy here in St. Louis. Two weeks ago one of
- 16 the larger grocery stores suddenly over the weekend reduced
- 17 their price of milk and eggs. It dropped down by 25
- 18 percent.
- 19 It seems that places like Wal-Mart, Aldee's
- 20 and other smaller stores were selling their milk and eggs
- 21 for \$3, when other grocery stores were asking 4. But right
- 22 now throughout St. Louis, you can buy 2 percent milk for
- 33 \$3.19 everywhere, and that's why I believe in the open
- 24 market.
- 25 So when you don't have competition, as you are

- 1 well aware, that's what you're here for. You're a
- 2 regulatory group, you're the Public Service Commission
- 3 charged with providing something, not exactly competition,
- 4 but oversight. And that's what we, the taxpayers, are
- 5 asking for, successful oversight.
- 6 Hard times are here. It seems to me that any
- 7 company hoping to get an increase on their percentage rate
- 8 of rate of earnings wants a pass on the recession. Nobody
- 9 is getting a pass, I hope, but having listened to the
- 10 President last night, it seems like a whole lot of CEOs and
- 11 other people are getting a pass anyway. And we know who's
- 12 picking up the tab.
- 13 There is no lack of regulation here. You are
- 14 the regulators. I believe we expect you not to grant a
- 15 pass. We expect some understanding, and I don't know how
- 16 you really get to look at the books. I don't think you get
- 17 to put caps on the salaries of their CEOs. I don't think
- 18 you get to put caps on their bonuses. I don't even believe
- 19 you really get to say what kind of parameters on their
- 20 overall profits. You just get to fiddle somehow, and
- 21 there's this hope we won't be fleeced.
- We are being fleeced. I think we're just
- 23 being squeezed more and more. The election is coming.
- 24 Things are hitting the fan.
- I have one other deja vu, as I said. This is

- 1 a specific. When I testified in June a year and a half ago,
- 2 my testimony was that this American Water Company, when they
- 3 do an estimate, they have in their computer all our past
- 4 bills. They have no trouble in seeing what an average
- 5 three-month bill ought to be, but they do an estimate, and I
- 6 would get a bill that was three times what it ought to be.
- 7 And that's what I brought before this
- 8 Commission back in June, and I was referred at the end to
- 9 one of your people, who I did contact in Jefferson City a
- 10 month later. I don't know that any resolution came. As a
- 11 matter of fact, I can promise you no resolution came because
- 12 as of March the 20th, eight, seven months ago, my water bill
- was again estimated, and I was charged \$87 for that usage.
- 14 I called up their friendly people who answer
- 15 the phone, of which there's not many because they've gotten
- 16 rid of so many employees. I told her we're not a
- 17 restaurant. This is three times our usage. So she said,
- 18 "Yes, Mr. Schilling, we'll send a meter reader by."
- 19 There was a time when meter readers came to
- 20 all the houses, but I think they've gone the way of many of
- 21 your people answering the phones, part of down-sizing as
- 22 we're all aware of, fewer employees. And one would think
- 23 well, then they wouldn't have to charge more and ask for
- 24 rate increases. Obviously, fewer employees, and you still
- 25 get the rate increases.

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1 Welcome to the 21st century. So on my $87
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- 2 bill that was totally out of line, I would eventually
- 3 receive a letter from them, "Dear Customer: In a few days,
- 4 you will receive an adjusted bill for your water service."
- 5 When that adjusted bill came, it was for \$44,
- 6 half of what they were charging here. What do they want, me
- 7 to bankroll their operation with my money?
- 8 So to promise you it hasn't stopped, here's my
- 9 bill I got two weeks ago that had to be paid by the 23rd, or
- 10 I would get interest charged by them on my non-payment.
- 11 This was an estimate, and this one was for \$65.76. Well,
- 12 that's funny. Most of my other bills are running \$35, \$44.
- So my last comment, and I hope it doesn't seem
- 14 unkind. I consider it truthful. I believe there would be a
- 15 lot more people coming closer to looking at our government
- 16 than there are now. In June a year ago, there were only
- 17 three of us. Thank you for coming out. The only reason
- 18 they don't come is we don't have much faith. Our public
- 19 servants tell us, "Mr. Schilling, we'll take care of it."
- 20 And these gentlemen, they're not greedy,
- 21 they're not driving away in their Lexuses and Cadillacs.
- 22 They say, "We're trying to make ends meet." But we all know
- 23 there's a large problem. In this case, we have oversight
- 24 and regulation. This taxpayer is waiting for it to begin
- 25 working.

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1 Thank you.
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- JUDGE DALE: Thank you, Mr. Schilling.
- 3 Commissioner Murray?
- 4 COMMISSIONER MURRAY: I don't have any
- 5 questions, but I do appreciate your coming, Mr. Schilling.
- 6 MR. KELLY: Next witness, Judge, is
- 7 Jacque Tebbe.
- 8 (Thereupon, Witness Tebbe was sworn on
- 9 her oath by Judge Dale, and testified as follows:)
- 10 MS. TEBBE: I am here just like
- 11 everyone else, this percentage rate increase of 26.4 percent
- 12 on average. Looking at your own information sheets from
- 13 Missouri-American Water Company, places like St. Louis
- 14 County, where I live, would have a 30.5 percent increase.
- 15 As I looked at the entire information sheet,
- 16 Jefferson City's goes to only 22 percent, St. Joseph is only
- 17 6 percent, Lauren County is a minus 13.5 percent. Several
- 18 of the others fall into the 20 something percent. Mexico,
- 19 Missouri is 19 percent.
- I don't understand. I do understand that
- 21 they're going to come up with an average, but why should St.
- 22 Louis County have such a high average. In the meantime, I
- 23 think the amount of increase is absurd, totally absurd.
- 24 There's also the proposed residential rate,
- 25 fixed rate. Fixed rate -- \$10.23 is the current fixed rate

- 1 for everyone that uses water in St. Louis County. Now they
- 2 want to propose that increase to be 16.52, meaning \$16.52.
- 3 That's not a 26 percent increase. That's a 60 percent
- 4 increase. That's just on the fixed rate you have to pay
- 5 that.
- 6 The water usage itself, the charge is going to
- 7 go up from 2.3 -- excuse me -- \$2.30 roughly to \$2.79.
- 8 That's a 21 percent increase. It would be different if
- 9 there was something to show for this, and if it was
- 10 considered to be a real necessary evil. We have people, as
- 11 has already been discussed, on fixed incomes, many people on
- 12 fixed incomes, job losses. The economy being what it is,
- 13 the cost of living, even if people are getting raises with
- 14 the cost of living raise, that cost of living raise is 3
- 15 percent.
- 16 Cost of living raises, most people do not
- 17 realize, do not include your utility costs. They do not
- 18 include your housing costs, which is quite interesting that
- 19 our government even does that, because everyone needs
- 20 housing and utilities. Those things aren't even figured. I
- 21 don't know how they come up with these.
- So a 3 percent increase, but they want a 26
- 23 percent increase. And for what? From what I'm
- 24 understanding, I think they need to prove that they have
- 25 made prudent use of the 13.5 percent increase that they were

1 given a year ago before they can ask for another increase at

- 2 all.
- 3 They -- if they haven't used that well enough,
- 4 why do they deserve any kind of increase? I believe that I
- 5 don't have a problem with any company making a profit.
- 6 That's what this is all about, but in the meantime, let's
- 7 make a reasonable profit, not this type of profit.
- 8 And it is being unconscionable to ask this
- 9 amount. That word has already been used before. I think
- 10 it's very important that we realize that this isn't -- this
- 11 is as much about morality as it is about money. This is a
- 12 right and wrong issue, and this is just wrong.
- 13 Perhaps the American -- Missouri-American
- 14 Water Company needs to rewrite their code of ethics to
- 15 include a financial ethics segment.
- 16 Thank you.
- 17 JUDGE DALE: Thank you. Commissioner
- 18 Murray?
- 19 COMMISSIONER MURRAY: Thank you, Ms.
- 20 Tebbe. I appreciate what you said tonight.
- JUDGE DALE: Thank you.
- MR. KELLY: Judge, that is all that I
- 23 have on the list. At this time, I'll ask if there's anyone
- 24 else who wishes to testify this evening.
- I'm not seeing anyone else, Judge.

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1 JUDGE DALE: Is there anything else
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- 2 that I need to address before we go off the record? Is
- 3 there anything else?
- 4 COMMISSIONER MURRAY: Judge, let me
- 5 point out to the people who are in the attendance tonight
- 6 that all of the Commissioners will have an opportunity to
- 7 read the transcript of this. And although we are not all
- 8 able to be present tonight, everyone will be aware of what
- 9 you told us here, and we do appreciate your presence and the
- 10 fact that you have taken the effort to come out and tell us
- 11 what you think.
- 12 So thank you very much.
- JUDGE DALE: Was there someone else?
- MR. KELLY: Judge, we do have a
- 15 question here. Let me -- let me ask if it's a question that
- 16 we can address after the hearing or --
- 17 AUDIENCE MEMBER: Will we hear the
- 18 ultimate decision --
- MR. KELLY: Yes.
- 20 AUDIENCE MEMBER: -- before we get
- 21 another bill -- I mean, before we get a bill?
- MR. KELLY: Yes.
- 23 AUDIENCE MEMBER: Thank you.
- 24 MR. KELLY: That's all I have.
- 25 JUDGE DALE: Then hearing nothing else,

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we will go off the record and be adjourned. Thank you all
1
     very much for coming out this evening.
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                         (WHEREIN, the hearing was concluded at
 4
               7:47 p.m.)
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