

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Petition of Missouri-	)	
American Water Company for Approval to	)	<u>Case No. WR-2026-0160</u>
Change Water and Sewer Infrastructure	)	Tracking Nos. JW-2026-0117
Rate Adjustments (WSIRAs)	)	JS-2026-0118

ORDER APPROVING WATER AND SEWER INFRASTRUCTURE RATE ADJUSTMENTS (WSIRAs)

Issue Date: July 16, 2026

Effective Date: August 15, 2026

On March 3, 2026,¹ Missouri-American Water Company (MAWC) filed a petition to change its water and sewer infrastructure rate adjustments (WSIRAs) under Sections 393.1500-1509, RSMo.² MAWC also filed tariff sheets to implement the WSIRAs. The tariff sheets, Tracking Nos. JW-2026-0117 and JS-2026-0118, were suspended by the Commission until August 30.

The Commission issued notice of the petition, directed the Staff of the Commission (Staff) to file a recommendation, and set deadlines for filing requests to intervene, any other objections or requests for hearing, and responses to those pleadings. No requests for intervention were received.

Staff conducted an examination and investigation of MAWC's petition and its attachments, work orders, and answers to various data requests. In addition, Staff visited and inspected many sites which had WSIRA-eligible infrastructure system projects placed

¹ Unless otherwise noted, all dates refer to the year 2026.

² Case Nos. WR-2026-0160 and SR-2026-0161 were consolidated, with Case No. WR-2026-0160 being the lead case.

into service during the audited period. Staff filed a memorandum and recommendation on May 28. On June 3, Staff filed a corrected recommendation after identifying discrepancies within its originally filed workpapers.

Staff agreed with MAWC's methodology to calculate the WSIRA revenue requirement. Staff replaced the estimated costs filed in the Petition and updated the balances with the actual cost for that period. Staff recommended MAWC's WSIRA revenue requirement should be \$12,103,890 from St. Louis County water customers, \$5,797,251 from all other water customers, \$15,244 from Arnold sewer customers, and \$404,041 from all other sewer customers, for a total of \$17,901,141 in water revenues and \$419,285 in sewer revenues for this WSIRA filing.

MAWC filed its *Response to Staff Recommendation* on June 4, agreeing with Staff's recommendation. MAWC's response included exemplar tariffs. No other responses were received.

The Commission has reviewed the verified petition, the proposed customer notices, Staff's responses, and the exemplar tariff sheets. The Commission finds that Sections 393.1500 to 393.1509, RSMo, authorize eligible water and sewer corporations to recover eligible infrastructure system project costs outside of a formal rate case by establishing a WSIRA surcharge.

The Commission also finds that MAWC is a water and sewer corporation that provides water service to more than 8,000 customer connections and provides sewer service to more than 8,000 customer connections. Therefore, MAWC is eligible to establish both water and sewer WSIRAs "that will provide for the recovery of the appropriate pretax

revenues associated with the eligible infrastructure system projects, less the appropriate pretax revenues associated with any retired utility plant that is being replaced by the eligible infrastructure system projects.”³

After reviewing the petition and Staff’s recommendations, the Commission determines that the included projects are eligible infrastructure system projects, less the appropriate pretax revenues associated with any retired utility plant that is being replaced by the eligible infrastructure system projects. The Commission has determined that the proposed WSIRA rates in the exemplar tariff sheets, after deducting the WSIRA revenues attributable to the replacement of customer-owned lead service lines, will not produce revenues in excess of 15% of MAWC's base revenue requirement approved by the Commission in MAWC’s most recent completed general rate proceeding, Case No. WR-2024-0320.⁴ The Commission further determines that the WSIRA as proposed in the exemplar tariff sheets is calculated and will be implemented in accordance with the provisions of Sections 393.1500 to 393.1509, RSMo, and the WSIRA revenues will be subject to recovery or credit of differences after reconciliation and prudence reviews as provided in Subsections 393.1509.5 and .8, RSMo.

Therefore, the Commission approves the establishment of a WSIRA for both water and sewer service with rates designed to recover annual WSIRA revenues of \$12,103,890 from St. Louis County water customers, \$5,797,251 from all other water customers, \$15,244

³ Subsection 393.1506.1, RSMo.

⁴ Subsections 393.1506.1 and .2, RSMo.

from Arnold sewer customers, and \$404,041 from all other sewer customers, for a total of \$17,901,141 in water revenues and \$419,285 in sewer revenues for this WSIRA filing.

The Commission will reject MAWC's proposed WSIRA tariff sheets, Tracking Nos. JW-2026-0117 and JS-2026-0118, and authorize MAWC to file tariff sheets to recover WSIRA revenues and rates as set out in the exemplar tariff sheets attached to MAWC's June 4th response. The Commission also approves the proposed customer notices, to be updated to reflect the WSIRAs approved by this order.

The Commission will also delegate its authority under Section 386.240 RSMo. to the Regulatory Law Judge to approve any compliance tariff sheets requiring expedited treatment.

THE COMMISSION ORDERS THAT:

1. The tariff sheets filed by MAWC on March 3, 2026, and assigned Tracking Nos. JW-2026-0117 and JS-2026-0118, are rejected.
2. MAWC is authorized to establish WSIRAs for water and sewer service and to file tariff sheets to recover WSIRA revenues and rates as set out in the exemplar tariff sheets attached to its *Response to Staff Recommendation*, filed June 4, 2026.
3. MAWC shall file compliance tariff sheets as set out in the exemplar sheets attached to its *Response to Staff Recommendation*, filed June 4, 2026.
4. The Commission delegates its authority to the Regulatory Law Judge to approve any compliance tariff sheets requesting expedited treatment.
5. The customer notices contained with MAWC's application are approved, provided they are updated to reflect the WSIRAs approved by this order.

6. This order shall be effective on August 15, 2026.



BY THE COMMISSION

Nancy Dippell

Nancy Dippell
Secretary

Kenneth J. Seyer, Senior Regulatory
Law Judge, by delegation of authority
pursuant to Section 386.240, RSMo 2016.

Dated at Jefferson City, Missouri
on this 16th day of July, 2026.

STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

Pursuant to 386.290, RSMo., I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this 16th day of July, 2026.



Nancy Dippell

Nancy Dippell
Secretary

MISSOURI PUBLIC SERVICE COMMISSION

July 16, 2026

Case No: WR-2026-0160

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Enclosed find a certified copy of an Order or Notice issued in the above-referenced matter(s).¹

Sincerely,



**Nancy Dippell
Secretary**

¹

Recipients listed above with a valid e-mail address will receive electronic service. Recipients without a valid e-mail address will receive paper service.