BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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In the Matter of a Motion for an Emergency Order Establishing a Temporary Moratorium on Utility Discontinuances to Protect Public Health and Safety by Mitigating the Spread of the COVID-19 Pandemic

File No. AO-2021-0164

RESPONSE TO MOTION

COME NOW the City of St. Joseph, Missouri ("St. Joseph") and the City of Jefferson, Missouri ("Jefferson City"), collectively referred to as "the Cities," by and through counsel, and file their Response to the *Motion for an Emergency Order and Request for Expedited Treatment* filed on December 7, 2020 by the Consumers Council of Missouri ("CCM").

St. Joseph and Jefferson City clearly recognize the serious threat to public safety caused by the current COVID-19 pandemic and are sympathetic to the issues raised in CCM's motion. St. Joseph and Jefferson City are also two of many municipal governments in the State of Missouri that provide municipal sewer service to their citizens and bill for those sewer services.

Where a municipality provides sewer service, but water service is provided by a PSC-regulated utility company, the Cities can most effectively enforce nonpayment by asking the PSC-regulated utility to discontinue water service to the customer. St. Joseph and Jefferson City, like other municipalities, have a contract (a "termination of water service agreement") with Missouri-American Water Company (MAWC) to provide such shutoffs, at the Cities' requests, after a series of customer notifications and related actions.

The termination of water services agreements were approved by the City Councils of the Cities. This method allows each City, with the consent of its City Council, to ensure collection of adequate funds to maintain sewer service operations and pay debt incurred to comply with governmental mandates. The availability of the method of collection enables each City Council to balance the need to maintain necessary revenues with the hardship that citizen-ratepayers may be experiencing.

During the previous moratorium due to COVID-19, MAWC stopped discontinuing water service at the request of the Cities. This was also the case in other municipalities served by MAWC. As a result, St. Joseph, Jefferson City and other municipalities experienced substantial revenue losses due to non-paying sewer customers, including customers who had been previously disconnected but were reconnected as part of the moratorium, without allowing each City an opportunity to evaluate individual citizen-ratepayer circumstances.

A municipal government inherently has as much concern about the health and welfare of its citizens as an investor-owned utility. In addition, a municipal government has a better understanding of local situations and conditions within the municipality that could affect when and how disconnections could occur in order to balance the legitimate interests of public health and fiscal responsibility.

It is the position of the Cities that any moratorium on utility discontinuances should not be so broad as to prohibit a PSC-regulated water utility from fulfilling contractual customer shut-off requests by a municipal sewer provider. A more limited moratorium will leave the municipal government with the responsibility of assessing and addressing local conditions at any point in time.

St. Joseph and Jefferson City respectfully request that any broad moratorium on utility discontinuances ordered by the Commission in this proceeding should expressly allow a PSC-regulated water utility to fulfill contractual customer shut-off requests by a municipal sewer provider.

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Respectfully submitted,

/s/ William D. Steinmeier

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CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the foregoing document has been served electronically on the PSC Staff Counsel's office (at staffcounselservice@psc.mo.gov), on the Office of the Public Counsel (at opcservice@opc.mo.gov) and on all parties of record on this 14th day of December 2020.

/s/ William D. Steinmeier

William D. Steinmeier