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

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| In the Matter of an Investigation into the Operation and Condition of S. K. & M. Water and Sewer Company | ) ) ) | **File No. WO-2026-0360** |

## STAFF'S INVESTIGATION REPORT

**COMES NOW** the Staff of the Missouri Public Service Commission ("Staff"), by and through counsel, and hereby submits its *Investigation Report,* accompanying this pleading.

1. This Investigation report represents the findings of the Missouri Public Service Commission Staff's ("Staff") investigation into the S.K. & M. Water and Sewer Company ("SK&M" or "Company") assets and operations, as well as adherence to the disposition agreement from its last sewer rate case, Case No. SR-2022-0239. The investigation includes both the water and sewer utilities of SK&M, focusing on safety, billing practices, customer service, handling complaints, and the condition and maintenance of the infrastructure. This investigation covers the period from January 2024 through the current date as well as references to previous SK&M rate cases, Case Nos. SR-2022-0239 and SR-2019-0157.

2. In conducting this investigation and investigating informal customer complaints, Staff observed multiple examples of failure by the Company to conduct routine maintenance, complete repairs from storm damage, and failures to conduct appropriate responses to environmental emergencies. The Company failed to complete tasks ordered by the Commission from its last rate case.[1] Via a town hall, customer interviews, and responses to Data Requests("DRs"), Staff found evidence of dozens of violations of

[1] Case No. SR-2022-0239.

statutes, regulations, and tariff provisions. Finally, the Company has failed to secure funding and begin construction of the significant upgrades documented as urgently necessary during the previous rate case.[2]

3. On June 12, 2026, Staff filed its *Motion to Open an Investigatory Docket* into the operation and condition of S. K. & M. Water and Sewer Company, which provides water service to approximately 288 connections and sewer service to approximately 176 connections in Perry County, Missouri.[3] On June 24, 2026, the Commission entered an *Order Opening an Investigation* ("*Order*") in this case. The Commission's *Order* instructed Staff to undertake an investigation into the Condition of SK&M's water and sewer assets, including compliance with the disposition agreement in Case No. SR-2022-0239.

4. The Commission's *Order* also instructed Staff to file a status report regarding Staff's investigation by July 30, 2026. Pursuant to the *Order*, Staff's status report was to indicate when it expects to file an investigation report and recommendation.

5. Staff requested information from SK&M, to which SK&M has provided responses.

6. On July 13, 2026, the Commission held a town hall meeting in Perryville, Missouri, to enable Staff to hear from SK&M customers about the safety and adequacy of their service, during which additional concerns were brought forward by customers. Staff continued to speak with SK&M customers to collect information regarding their service.

[2] SK&M Response to Staff DR0025.
[3] Customer numbers from SK&M PSC 2024 Annual Report, Attachment 14

7. On July 20, 2026, Staff conducted an in-person inspection of the SK&M sewage treatment plant and other SK&M facilities to verify the service being provided, condition of the plant, utility operations, and the actual condition and function of the equipment.

8. On July 30, 2026, Staff filed its status report indicating that it intended to file an *Investigation Report* and recommendation on or before October 6, 2026, though this date was not ordered by the Commission. On October 5, Staff informed the Commission that it would file its report by October 29, 2026.

9. Staff's *Investigation Report* is complete and is attached hereto as Exhibit A and is incorporated herein by reference. Staff's *Investigation Report* provides findings and actionable recommendations.

10. The Missouri Public Service Commission ("Commission") is an agency of the State of Missouri charged with the general supervision of investor-owned utilities,[4] including the promulgation and enforcement of rules that promote and safeguard the public health and safety.[5]

11. SK&M provides water service to approximately 288 connections in Perry County, Missouri. SK&M provides sewer service to approximately 176 connections in Perry County, Missouri.[6] Its principal place of business is located at P.O. Box 212, 636 PCR 917, Perryville, Missouri 63775. SK&M is a "water corporation," a "sewer corporation," and a "public utility" as defined in Section 386.020(59), (49), and (43), RSMo, and is subject

[4] Section 396.250, RSMo
[5] Section 386.310, RSMo
[6] Per the Company's 2024 Annual Report, Attachment 14

to the regulatory jurisdiction of the Missouri Public Service Commission's under chapters 386 and 393, RSMo.

12. As more specifically detailed in the attached Exhibit A, Staff documented extensive and ongoing deficiencies in SK&M's operations, including, but not limited to: failing infrastructure at the sewer treatment plant and sewer collection systems; inconsistencies in providing safe and adequate drinking water; poor if any response to customer complaints; extensive issues with billing and customer service; and a failure to comply with the disposition agreement in Case No. SR-2022-0239. These failures have collectively led Staff to conclude that SK&M has not met, and is not currently meeting, its obligation to provide safe and adequate service to its Missouri customers, including huge deficiencies in customer service.

13. Staff has developed 25 specific recommendations, as set forth in the attached *Investigation Report*, and makes other detailed recommendations as well. Staff explicitly requests and recommends Commission oversight and follow-up regarding the adoption and effectiveness of these corrective actions. Further, Staff is actively considering additional "next steps'" up to and including the filing of complaints.

**WHEREFORE,** Staff prays that the Commission will accept this *Investigation Report*; and grant such other and further relief as is just in the circumstances.

Respectfully submitted,

**/s/ Douglas W. Hennon**
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**Attorney for Staff of the**
**Missouri Public Service Commission**

**CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to all parties and/or counsel of record as reflected in the certified list maintained by the Commission in its Electronic Filing Information System this 29th day of October, 2026.

**/s/ Douglas W. Hennon**

# MISSOURI PUBLIC SERVICE COMMISSION

# STAFF INVESTIGATION REPORT

# S.K. & M. Water and Sewer Company

# CASE NO. WO-2026-0360

**PREPARED BY**

**THE MISSOURI PUBLIC SERVICE COMMISSION STAFF**

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**October 29th, 2026**

****Denotes Confidential Information****

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# STAFF INVESTIGATION REPORT

**S.K. & M. WATER AND SEWER COMPANY**

**CASE NO. WO-2026-0360**

## Executive Summary

This Investigation Report represents the findings of the Missouri Public Service Commission Staff's ("Staff") investigation into the S.K. & M. Water and Sewer Company ("SK&M" or "Company") assets and operations, as well as adherence to the disposition agreement from the sewer rate case, Case No. SR-2022-0239. The investigation includes both the water and sewer utilities of SK&M, focusing on safety, billing practices, customer service, handling complaints, and the condition and maintenance of the infrastructure. This investigation covers the period from January 2024 through the current date as well as references to previous SK&M rate cases, Case Nos. SR-2022-0239 and SR-2019-0157.

In conducting this investigation and investigating informal customer complaints, Staff observed multiple examples of failures by the Company to conduct routine maintenance, complete repairs from storm damage, and failures to conduct appropriate responses to environmental emergencies. The Company failed to complete tasks ordered by the Commission from its last rate case.[1] Via a town hall, customer interviews, and responses to Data Requests ("DRs"), Staff found evidence of dozens of violations of statutes, regulations, and tariff provisions. Finally, the Company has failed to secure funding and begin construction of the significant upgrades documented as urgently necessary during the previous rate case.[2]

Based upon this investigation, it is Staff's position that SK&M is not providing safe and adequate service to its customers.

[1] Case No. SR-2022-0239.
[2] SK&M Response to Staff DR0025.

## Introduction and Background

SK&M provides water service to approximately 288 connections and sewer service to approximately 176 connections in Perry County, Missouri.[3] Its principal place of business is located at P.O. Box 212, 636 PCR 917, Perryville, Missouri 63775. SK&M is a "water corporation," a "sewer corporation," and a "public utility" as defined in Section 386.020(59), (49), and (43), RSMo., and is subject to the regulatory jurisdiction of the Missouri Public Service Commission's under chapters 386 and 393, RSMo. SK&M's water and sewer utilities were both subjects of this investigation. An image of the SK&M service area is included below as Figure-1 and attached as Attachment-1 of this report.

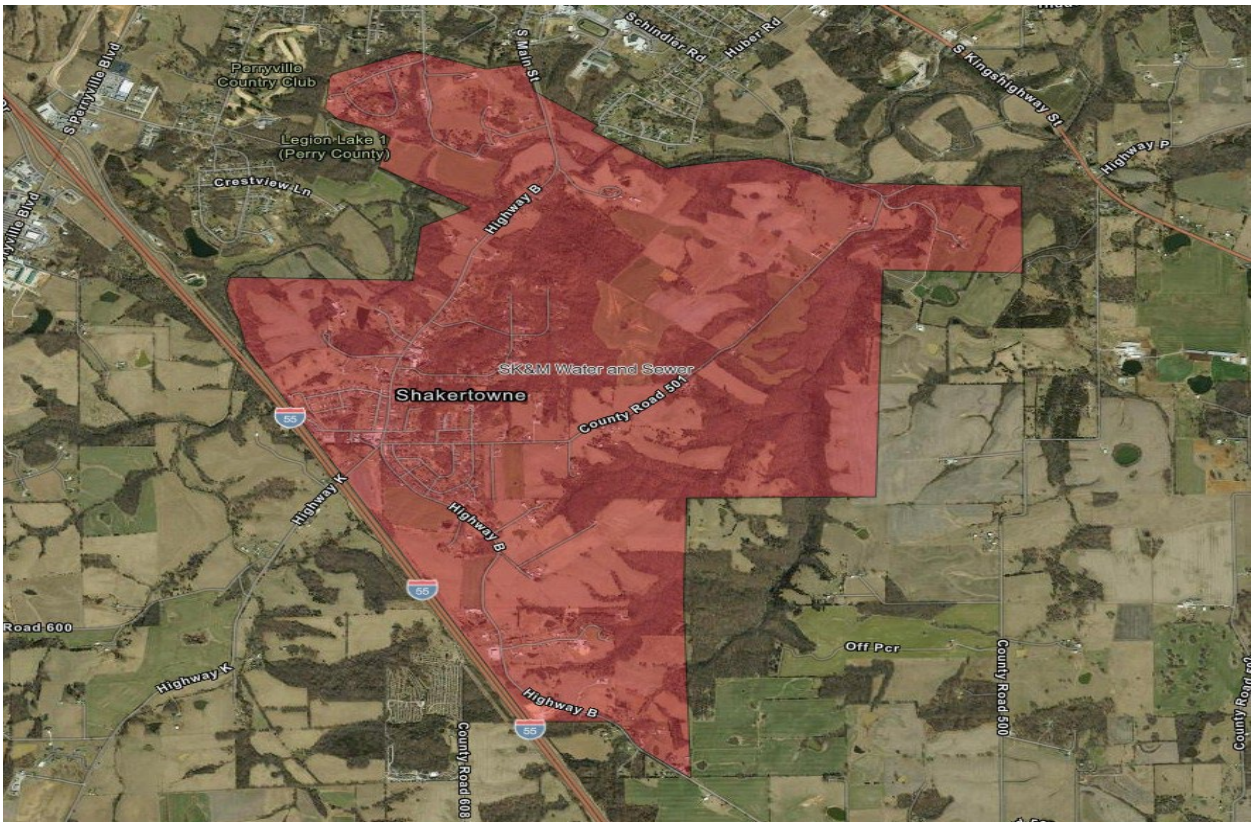



Figure-1 SK&M Service Territory as taken from PSC GIS System

Staff received two informal complaints against SK&M in April of 2026. These complaints claimed the customers had experienced sewer back-ups resulting in flooding

[3] Customer numbers from SK&M PSC 2024 Annual Report.

in their basements, causing extensive damage.[4] Both customers reported that SK&M stated the issue was in their sewer main, but the Company became non-responsive to communication attempts when the customers tried to settle the cost for repairs to their homes.

As a part of the informal complaint investigations, Staff met with the complainants on April 15, 2026 and one of the complainants referenced above escorted Staff throughout the service area and introduced Staff to customers who had additional concerns including, but not limited to:

- Drops in drinking water pressure
- Bills that did not seem to match water usage
- Meter reading data on bills that did not match the numbers on meters
- Difficulty reaching SK&M

These customer concerns lead staff to believe that the Company may not be adhering to Commission-ordered conditions in the Disposition Agreement from its most recent rate case, Case No. SR-2022-0239.

## Procedural History

On June 12, 2026, Staff filed its *Motion to Open an Investigatory Docket* into the assets and operating practices of SK&M.

On June 24, 2026, the Commission issued its *Order Opening an Investigation* under Case Nos. WO-2026-0360 and SO-2026-0361. The Commission's Order stated, "The Commission's Staff shall undertake an investigation of the condition of SK&M's water and sewer assets, including compliance with the disposition agreement in Case No. SR-2022-0239." The Order also stated, "Staff shall file a status report no later than July 30, 2026, indicating when it expects to file an investigation report and recommendations."

[4] CI202601397 and CI202601402.

On June 25, 2026, Staff filed a *Motion to Consolidate* requesting the Commission consolidate Case Nos. WO-2026-0360 and SO-2026-0361. On July 6, 2026, the Commission issued its *Order Consolidating Cases* and ordering the cases consolidated under WO-2026-0360.

On July 13, 2026, Staff hosted a town hall meeting in Perryville, Missouri, to hear from SK&M customers and SK&M representatives.

On July 20, 2026, Staff conducted an in-person inspection of the SK&M sewer treatment plant and SK&M drinking water well houses.

On July 30, 2026, Staff filed a *Status Report*, updating the Commission on Staff's discovery efforts and suggesting a date of October 6, 2026, for the filing of Staff's Investigation Report and Recommendations.

On October 5, 2026, Staff filed a "Second Status Report" providing an update on the investigation and stating its intention to file Staff's Investigation Report and Recommendations by October 29, 2026.

## Request for Inspection

Staff routinely inspects regulated sites to speak with the associated company, review Commission requirements, view utility assets and improvements, and where possible, speak to customers about their experience. Staff initially contacted SK&M in late 2025 to request a routine on-site inspection but was unable to schedule anything with the Company. In early March 2026, Staff made multiple phone calls to all contact numbers available in EFIS, but received no answers and no return calls. In the latter half of March and into April and May 2026, Staff sent the Company weekly emails requesting a meeting. In all, Staff made approximately a dozen attempts to contact and meet with SK&M personnel but received only minimal responses and was never granted the requested meeting.

## Informal Complaints

In April 2026, Staff received informal complaints (CI202601402, CI202601397) regarding a sewer incident at SK&M. Specifically, two customers' basements had flooded with sewage on March 2, 2026. Both customers called SK&M immediately, but the Company did not arrive on site until March 8, 2026. The Company accepted responsibility for the issue and cleaned the main collecting line downstream from the two homes, which restored proper service. The customers' damage claim was transferred to SK&M's insurance company. Due to their belief that the support and reimbursement that they needed for rebuilding was being delayed the customers contacted the Commission. Staff investigated these complaints and examined the damage that had been caused to the two homes on April 15, 2026.

During the investigation Staff learned there were at least two additional customers that had experienced sewer back-ups into their homes. One of these customers would eventually file an informal complaint (CI202601458). Staff interviewed both customers during the following site visit on May 14th. Staff heard reports from customers and found evidence of sanitary sewer overflows ("SSOs") from multiple manholes in a residential area. This type of unpermitted discharge is a type of environmental emergency in which untreated sewage leaves the collection system. Such discharges can kill fish, damage property, contaminate drinking water sources, and pose a significant threat to public health both at the point of the discharge as well as areas downstream where the public may unknowingly come into contact with the sewage.[5] SSOs are a violation of Commission regulations, and are prohibited by state statute and Department of Natural Resources ("DNR") permit requirements.[6] SSOs must be reported to DNR within 24 hours of occurrence.[7] SSOs can occur due to excessive inflow and infiltration (" I&I") of precipitation into the collection system, overwhelming the capacity of the collection system. SSOs can also be caused by inadequate maintenance, broken pipes, lift station pump failures, tree roots, etc. It is

[5] https://dnr.mo.gov/water/business-industry-other-entities/permits-certification-engineering-fees/wastewater/sewer-overflows.
[6] 20 CSR 4240-60.020, 644.051.1(1) & (2) and 644.076.1, RSMo.
[7] *Standard Conditions for NPDES Permits*, Part I, Section B 2.

critical that sewer utilities promptly respond to SSOs and resolve the physical causes where possible. DNR also requires that debris be cleaned up where possible, and the use of lime to disinfect the sewage sludge left behind by these events. DNR had previously cited the Company for an SSO, causing pollution, and violating the Missouri Clean Water Law.[8]

During Staff's site visit[9] on April 15, 2026, the customers who filed the initial informal complaints made Staff aware of three additional customers who wished to discuss the service issues they had been experiencing. Some of these customers would eventually file informal complaints CI202601456, CI202601457, CI202601458 to the Commission. One of the original complainants guided Staff to other locations in the neighborhood where there appeared to be problems in both the drinking water and the sewer lines. According to the customers, when they inquired about issues with drinking water and sewer lines to SK&M, the Company attributed the problems to natural occurrences like an underground spring or simple wet weather erosion.

Due to the influx of additional complaints, Staff visited the area again on May 14, 2026, and met with five more customers.[10] These customers described the quality of SK&M service. At two separate locations near Tyler Drive in Perryville, Staff found ruptured sewer lines laying above-ground. In addition to allowing precipitation to enter the collection system, during high flow events sewage could flow out of the line through these breaks and onto the ground, ultimately flowing into a nearby creek. During the July 13, 2026 town hall meeting, a customer stated that after jetting a sewer line, the field across the street from his home was flooded with sewage. The field remained strewn with waste, including toilet paper and other sanitary products for a few weeks before the Company spread lime and cleaned up the area.

[8] June 17, 2025, Letter of Warning issued by DNR to SK&M.
[9] Staff visited the SK&M service area a total of five times in 2026: April 15, May 14, June 16, July 20, September 2.
[10] Attachment-2 May 14, 2026 Customer Interview List.

When Staff spoke to a resident whose home is located at a lower elevation than most of the homes in the neighborhood, the customer claimed that he had just become accustomed to having his basement flooded with sewage when there is a large rain event.[11]

For drinking water, many of the water meter pits in the park observed by Staff were completely flooded, making meter reads impossible.[12] In other locations, some meter pits were filled in with soil and did not appear to have been disturbed in some time. Staff is uncertain how SK&M determines billing amounts for these customers. When Staff asked customers about their bills, many reported nearly identical amounts of approximately $75 a month for water.

Staff became concerned with the condition of Company assets, and the Company's continued refusal to schedule an inspection. Staff visited the sewer treatment plant to view what could be seen from outside the fence.[13] The plant was in severe disrepair and appeared to have not been maintained for quite some time. The outer fence is surrounded by heavy brush, and trees had fallen onto the fence and into the treatment area. The grounds inside the treatment area were unkept, with industrial and natural debris scattered throughout the facility. One treatment chamber appeared on the verge of structural collapse, as the walls of the chamber had visibly moved toward each other. Staff noted what appeared to be previous attempts by the Company to keep the treatment chamber from collapsing by placing wooden beams between the walls. Staff was eventually granted a site inspection by SK&M and inspected the inside of the sewer treatment plant on July 20, 2026. That visit is described in the "Onsite Meeting and Inspection" section of this report on page 9.

## Town Hall Meeting

Due to these ongoing complaints, and specific requests from customers, Staff held a town hall meeting in Perryville on July 13, 2026. Approximately 40 customers attended, as well as

[11] Attachment -2 May 14, 2026 Customer Interview List.
[12] Attachment -3 Flooded Meter Pit.
[13] Attachment -4 Sewer Treatment Plant.

representatives from the Office of the Public Counsel. The majority of customer testimonials involved what they alleged as poor service by the Company. Customers reported:

- Basement back-ups;
- SSOs;
- Water meters not being read;
- Water bills for improbable amounts of usage;
- Water main leaks that have remained unrepaired for years;
- Unrepaired lift station cover;
- Low drinking water pressure;
- Erratic chlorination; and
- Failure to locate sewer and water mains after contacting dig right.

One customer stated they had their water tested by the county health department, and that sample was positive for *Escherichia coli ("E. coli").*[14] The customer alleged that any time a problem arises, the Company is quick to blame the customer and avoid responsibility. The main concern though, was the overall condition of infrastructure going forward. With the number of problems increasing and a belief that the Company was failing to meet its responsibilities, the customers were concerned about what could possibly happen to their quality of life and their property values should there be a major failure in either the drinking or sewer systems.

## Onsite Meeting and Inspection

The Company agreed to an on-site meeting with Staff on July 20, 2026. During the meeting, Staff explained to SK&M owners the concerns brought to Staff's attention by SK&M's customers. When asked about the wastewater treatment plant SK&M blamed the contracted sewer plant operator and stated that this operator was to operate and maintain the plant. However, SK&M admitted that they should have exercised more oversight of this

[14] Attachment -5 Customer Coliform Testing Results March 2, 2026.

contractor. Staff noted that the company had taken some action since previous visits. The trees that had fallen into the treatment area had been removed. Much of the trash and debris that Staff observed in previous visits had been cleaned up. The lift station that was in severe disrepair during Staff's previous visits now displayed some structural upgrades.[15]

## Sewer Treatment Plant

SK&M owns a single sewer treatment plant for serving approximately 176 residential, single-family customers.[16] The condition of this treatment plant has been a Staff concern for years. The Strickland Engineering Facility Plan ("Facility Plan") was submitted as part of SK&M's most recent rate case, Case No. SR-2022-0239.[17] The Plan provided a summary of the status of SK&M's assets at the time of the report and recommendations for improvement.

According to the Facility Plan, on page 2, the plant was "constructed in the 1970s and consists of extended aeration for secondary treatment, tablet chlorination and dichlorination for disinfection and aerobic sludge retention." The report also mentioned a series of exceedances in ammonia and *E. coli* in Discharge Monitoring Reports ("DMRs") from 2019-2021. Additionally, Staff learned of further exceedances through a Sunshine Request sent to DNR. The following exceedances/violations were reported:

- June 7 , 2023:
    - Failure to comply with the effluent limits contained in Table A of Missouri State Operating Permit ("MSOP") MO0098680 for several consecutive quarters, inspection date May 16-17, 2023;
    - Failed to comply with *E. coli* limits contained in Table A;[18];

[15] Attachment -4 SKM Inspection Notes and Images.
[16] S, K & M 2024 Annual Report to the PSC (2025 has not been filed as of August 31, 2026).
[17] Attachment -6 Strickland Engineering Facility Plan.
[18] Attachment 7, Letter of Warning from DNR issued June 7, 2023.

- July 20, 2023, Insufficient Response – Response Required for May 16-17, 2023, failure above[19];
- September 30, 2025:
    - Limit value exceeded – Nitrogen, ammonia total (as N)[20];
- December 31, 2025:
    - Limit value exceeded – Nitrogen, ammonia total (as N)[21];
- June 3-4, 2026:
    - Limit value exceeded – Nitrogen, ammonia total (as N);
    - *E. coli* results >2419.6 (daily max 1,030)[22]

The violations reported by DNR are concerning to Staff. The exceedance of effluent limits for *E. coli* indicates inadequate disinfection of all pathogenic organisms. Disinfection at this sewer treatment plant using chlorine tablets requires that the tablets be consistently refilled, and that excessive organic matter not be allowed to enter the disinfection chamber. Excessive organic solids, whether sewage sludge or algae, will react with the chlorine and prevent the chlorine from effectively eliminating pathogenic bacteria.

The exceedances of effluent limits for ammonia, which is toxic to aquatic life, demonstrate a failure to properly treat sewage. Ammonia is treated via a biological process within the plant. Staff is uncertain if the facility can be operated in a way that would eliminate this pollution in its current condition.

SK&M reported they have retained two different plant operators over the past three years. According to SK&M the previous operator which they had from the beginning of the current ownership of the Company "did not perform to our agreement which has led to several repairs needing to be completed."[23] In response to Staff DR-0017, the Company stated it

[19] Attachment 8 Letter of Insufficient Response from DNR issued July 19, 2023.
[20] Attachment 9, Letter of Warning from DNR issued December 10, 2025.
[21] Attachment 10, Letter of Warning from DNR issued April 3, 2026.
[22] Attachment 11, Compliance Inspection Failure Notice from DNR issued July 24, 2026.
[23] SK&M response to Staff DR-0017.

conducts inspections at least three times each week, but could not provide any form of inspection log, proof of inspections or inspection findings.

Additionally, if SK&M is conducting the inspections as stated, Staff questions why repairs and improvements do not seem to be occurring. According to Strickland Engineering, the treatment plant:

> ...has met the end of its useful life. This facility is over fifty years old, apart from the newer disinfection structures. There is broken and missing aeration equipment and piping. The two aeration basins, clarifier, and aerobic sludge holding tank are experiencing severe corrosion to the point of collapse concerns. The original supports for the basin walls were steel but have since rusted away and were replaced with wooden 4x4s and 2x8s. Some of these wooden supports have collapsed into the basins.[24]

The Facility Plan was written on July 14, 2022, and recommendations were approved by DNR. However, resulting improvements to the plant have been extremely minimal. SK&M reports it has replaced the blower motor and pump at the sewer treatment plant, but Staff is concerned with the speed at which infrastructure improvements are taking place.[25] The Facility Plan approved by DNR proposed:

- Installing a single-channel manual coarse bar screen to remove debris from the raw influent wastewater;[26]
- Installing a Parshall flume for flow measurement and totalized flow;
- Replacing existing treatment plant with a sequencing batch reactor (SBR);

[24] Attachment -6 Strickland Engineering "Facility Plan" section 5.2, page-8.
[25] SK&M response to Staff DR-0012.
[26] Commission regulations refer to "sewer" rather than "wastewater", however "wastewater" is the more common term in the industry, and these terms can be used interchangeably.

- Installing a non-contact, two-reactor UV system for disinfection of treated wastewater.

SK&M has not provided any evidence or plan to implement any of the recommendations set forth by the Facility Report, or any plan for plant improvements. In DR-0024 for this case, Staff asked SK&M to provide the Company's current plan for upgrading the sewer treatment plant and collection system to eliminate bypassing and its timeline for completing the upgrades. The response from SK&M read "we do not bypass on our treatment plant." No plan was provided.[27] Staff does not consider a few wooden boards to be an appropriate long-term response to holding back the concrete walls of the basin. When the basin walls collapse it will render the sewer treatment plant completely inoperable. Additionally, the Facility Report stated "Inflow and infiltration (l&I) appear to be an issue within the collection system. High rainfall has resulted in excessive l&I and bypasses at the wastewater treatment facility."[28] The Facility Plan also included an anticipated project implementation schedule on page 13. Staff has not been provided with any evidence of SK&M following that schedule.

While Staff did not witness evidence of bypassing during the inspection on July 20, 2026, Staff did witness evidence of bypassing during site visits associated with the first rate case after the current owners purchased the company.[29] Bypassing is the term for when sewage does not receive some portion of treatment from the treatment plant as designed. Bypasses can occur due to equipment malfunctions or, more commonly, from excessive water entering the collection system from I&I. When a sewage treatment plant is overwhelmed with excessive water, treatment steps like aeration, settling and disinfection do not properly occur. The plant had received such excessive levels of water that sewage had overflowed the treatment plant, as demonstrated by approximately two inches of dried sewage sludge around the main treatment basin.

[27] Attachment -12 S. K. & M Response to Staff DR-0024.
[28] Attachment -6 Strickland Engineering Facility Plan section 4.2 page-4.
[29] SR-2019-0157, Stipulation and Agreement, *Report Of Water And Sewer Department Field Operations And Tariff Review*.

In Case No. SR-2022-0239, the *Non-Unanimous Agreement Regarding Disposition of Small Water Company Revenue Increase Request* includes agreement 9, which states:

> The parties agree the sewer collection system and treatment plant require significant maintenance, repair, and replacement. SK&M agrees to document and maintain records associated with any repairs and maintenance performed on the water or sewer systems, including dates, costs, and technical specifications. These repairs shall be documented each year in the Company's annual report and shall be available for review during annual inspections.

The following information has been provided in SK&M's Annual Reports:

- 2023 Repairs to sewer plant - $0.00[30]
- 2024 Repairs to sewer plant - $5,382[31]

Staff are unable to provide the repairs to sewer plant expenditures for 2025. As of the date of this filing, SK&M has not submitted its 2025 Annual Report to the Commission, which is due on April 15 each year.[32] In the two years reported, in response to the Facility Plan, the Company spent a combined total of $5,382 on minor repairs to the sewer treatment plant, and none of the facility upgrades and replacements identified in the Facility Plan.

The repetitive non-compliance issues with effluent water from the SK&M sewer facility demonstrates a routinely non-functional treatment plant. SK&M has received DNR notices of non-compliance in three of the last four years, including exceedances for *E. coli* and ammonia from 2019 through 2021.[33] This demonstrates that SK&M is not providing a service that is safe to its customers or the local watershed. Staff remains concerned with the overall condition and functionality of the sewer treatment plant (see Attachment-3). Staff is also concerned with the general lack of a plan for improvement in the plant infrastructure. The Facility Plan recommended a path forward to a safe and functional plant, yet needed

[30] Attachment -13, S. K. & M. 2023 Annual Report to the PSC Page S-3.
[31] Attachment -14, S. K. & M. 2024 Annual Report to the PSC Page S-3.
[32] Staff sent an email notification to all non-compliant utilities on July 13, 2026, notifying them that their annual report was overdue. SK&M acknowledged the receipt of that email. On September 13, 2026, Staff emailed the Company again, this time offering assistance with the completion of the report but did not receive a response.
[33] Strickland Engineering Facility Plan Section-1.

improvements have not been made. It is Staff's position SK&M sewer treatment plant violates 20 CSR 4240-60.020 (1) that reads:

> Each sewer utility shall maintain and operate a sewage treatment facility of adequate capacity and properly equipped to treat the sewage and discharge effluent of the quality required by the laws of the state of Missouri and in other respects shall comply with the laws and regulations of the state and local health authority.

Potential violations Staff noted with the sewer treatment plant include:

- 393.130.1. – Failure to provide safe and adequate service.
    - 20 CSR 4240-60.020(1) – Failure to maintain a sewage treatment facility, and failure to meet effluent quality requirements;20 CSR 4240-60.020(2) – Failure to maintain the sewer system in conformance with the requirements of the Clean Water Commission.
- Missouri Clean Water Law 644.076(1) - Causing or permitting of water contaminants from a point source, as noted by DNR in its June 17, 2025 Letter of Warning to SK&M.

## Collection System

The SK&M sewer collection system consists of a traditional gravity fed system with a mixture of vitrified clay pipe and polyvinyl chloride ("PVC") with multiple manholes. Some portions of the clay pipe have shown evidence of collapse since at least 2019.[34,35] The system also includes a lift station that serves a mobile home park and a few homes on the west side of State Highway B. The lift station forces sewage uphill to a point where it joins the rest of the collection system and gravity feeds down into the plant (see Attachment-9).

In Case No. SR-2019-0157, the Commission allowed SK&M to collect an Environmental Improvement Contingency Fund ("EICF") Surcharge. As part of that Non-Unanimous Agreement in that case, SK&M agreed to "implement the recommendations contained in the

[34] SR-2019-0157, Staff Recommendation, Page 2, December 3, 2019.
[35] SR-2019-0157, Disposition Agreement Attachment I, Report of Water and Sewer Department, Page 2, May 17, 2019.

Water and Sewer Department Report.[36] In the referenced report, the final bullet states "Complete Sewer Camera Survey and Jetting" with a completion date of January 2022. Additionally, in SK&M's most recent rate case (SR-2022-0239), Staff noted that the Company had completed the jetting of the system but still had not completed the camera survey[37]. The Commission also approved funding for SK&M to purchase its own camera for this purpose. When asked how many feet of sewer line the Company has inspected with its camera in the last two years, SK&M reported 600 out of approximately 21,120 feet.[38] [39] No additional information about the camera survey was provided. A complete camera survey of SK&M's service area would provide a record of the volume and extent of compromised piping.

During site visits and inspections, Staff discovered two separate locations near Tyler Drive, where sewer lines laying above-ground have ruptured with open holes at the top of the piping (see Attachment-9). In addition to allowing precipitation to enter the collection system, during high flow events sewage could flow out of the line through these breaks and onto the ground, ultimately flowing into a nearby creek.

Staff requested the Company address the line breaks on Tyler drive that are mentioned above in 2022.[40] Aerial images pinpointing the location of the breaks and included photos of the breaks are included in Attachment 16.[41] Furthermore, the breaks are located above ground, so the pipes also need to be properly reconstructed and buried. As of September 2, 2026, SK&M has not addressed the issues, a violation of 20 CSR 4240-60.020 (3) which states:

> The sewer utility shall make reasonable efforts to eliminate or prevent the entry of surface or ground water into its sanitary sewer system. It may request assistance

[36] Disposition Agreement Attachment F, Page 1 – Non-Unanimous Agreement – SR-2022-0239.
[37] Disposition Agreement Attachment F, Page 3 – Non-Unanimous Agreement – SR-2022-0239.
[38] SK&M Response to Staff DR-0022.
[39] SK&M Sewer License Application to DNR states the system has 4 miles of pipe. 4 miles x 5,280 feet/mile = 21,120 feet of pipe.
[40] Attachment -15 Staff E-mail to SK&M referencing sewer line breaks July 21, 2026.
[41] Attachment -16 Broken Line and Location Images.

> from the appropriate state, county or municipal authorities, but such a request does not relieve the sewer utility of its responsibility to prevent the entry of such surface or ground water.

During a site visit on May 14, 2026, Staff visited the Parkwood Village mobile home park to inspect some customer reported areas of concern. During this inspection, Staff observed two manholes that were missing their covers in a residential area. The manhole pits were five to six feet deep and sitting open. One was marked by four rebar posts and caution tape. However, the other was not marked, creating a dangerous environment. Commission Rule 20 CSR 4240-60.020(8) states:

> Unless otherwise authorized in writing by the commission, the utility shall make inspections of collecting sewers and manholes on a scheduled basis at intervals not to exceed one (1) year, unless conditions warrant more frequent inspections. It shall make inspections of all mechanical equipment on a daily basis. The utility shall maintain a record of findings and corrective actions required and/or taken, by location and date, that result from such inspections.

Staff asked the Company to provide documentation of the most recent manhole survey and assessment and received the response "eleven manholes have been assessed and cleaned if required."[42] No additional information was provided. SK&M later informed Staff that the manhole covers had been replaced and Staff visually confirmed this on a return visit to the service area on July 13, 2026. [43]

Staff was also shown a lift station that rests at the lowest point of Parkwood Village. This is an essential piece of infrastructure as its function is to collect all sewage from the park and force it up hill where it can flow into the main collection system and downstream to the treatment plant. Staff was informed that the lift station was damaged in the tornado that struck Perryville in 2024. The result was a station in severe disrepair, with the doors coming

[42] Attachment -17, SK&M response to Staff DR-0019.
[43] Attachment -18, SK&M response to Staff DR-0018.

off the hinges and falling inward, possibly compromising the internal machinery that makes the station function properly.[44] Additionally, the internal components were unkept and corroded. It appeared to be functioning correctly at the time of Staff's inspection, but customers reported multiple instances where it had not, and caused all of Parkwood Village's sewage to flow out of the lift station pit and into the nearby creek. DNR issued SK&M a Letter of Warning on June 17, 2025, related to the condition and functionality of the lift station. Staff was informed that the lift station doors were finally repaired in June 2026, over two years after the initial damage.

On September 2, 2026, Staff conducted an additional visit to meet with five customers. During this visit Staff revisited Parkwood Village, the mobile home park within SK&M's service area that has experienced many problems. Along Shannie Road, there is a large pool of what appears to be sewage. Customers said that SK&M has denied that this break is the company's responsibility, but Staff believe that the problem is likely located on the main line of the company's collection system. Allowing an unexplained, persistent pool of sewage to exist without investigation is not an appropriate response and threatens public health and the environment. If SK&M found proof that a customer's service line was broken, that customer could have been disconnected until repairs were completed.[45]

Staff is concerned about the overall condition of the collection system due to the SSOs and back-ups. Those concerns are only amplified by no apparent plan for infrastructure replacement. SK&M declared they have no organized plan for sewer collection system maintenance or main line replacement over the next ten years, stating "maintenance is ongoing as needed for repairs."[46] However, as previously discussed, SK&M has not invested meaningfully in maintaining its system. Given the lack of the completed camera survey, the condition of the treatment plant and commonality of SSOs and back-ups, Staff has concerns about the future of the system and again has growing concerns about the

[44] Attachment 19 Lift Station.
[45] SK&M's Tariff Rule 5.A.
[46] SK&M response to Staff DR-0026.

capability of the Company to implement the maintenance and improvements the system needs to provide safe and reliable service.

Potential violations Staff noted with the sewer collection system include:

- 393.130.1. – Failure to provide safe and adequate service;
- Missouri Clean Water Law 644.051.1(1) – Causing pollution to waters of the state, as noted by DNR in its June 17, 2025 Letter of Warning to SK&M.
- 20 CSR 4240-60.020(2) – Failure to maintain the sewer system in conformance with the requirements of the Clean Water Commission. Specifically, failure to maintain manhole covers and lift station doors.
- 20 CSR 4240-60.020(3) – Failure to prevent entry of surface or ground water into the sewer system (I&I).
- 20 CSR 4240-60.020(8) – Failure to inspect collection sewer and manholes
- 20 CSR 4240-60.040(2)(D) – Failure to maintain manhole covers and lift station doors.
- 20 CSR 4240-13.040 (2)(A) – Failure to provide a qualified person to receive
- Missouri Clean Water Law 644.076(1) - Causing or permitting water contaminants from a point source

## Drinking Water

Staff provided the following analysis in Case No. SR-2022-0239 regarding SK&M's water system:

> In the previous rate case Staff considered the water system to be in poor condition. Since then, the current owners have made substantial improvements to the system, however, some problems still remain. Since the last rate case SK&M has replaced both master meters and has installed a new variable frequency drive high service pump. This new equipment provides a more accurate measurement of groundwater production and increases system reliability. The ground storage tank leaks water into the pump house. The new owners retained a company to clean and repair the ground

storage tank. However, the repairs were only partially successful, and within 12 hours of the repairs, the tank began leaking again, but at a reduced rate. There is also a hydro pneumatic pressure tank connected to the system that is no longer operated as a pressure tank. Staff observed corrosion on piping, well casings, pumps and motors. The Company has reported that all the meters originally installed were used equipment. To the best of the LaRose's knowledge, no meters had been replaced prior to their purchase. Generally, meters are required to be replaced at least every ten years, or earlier if they cease to function. As meters age, their accuracy decreases, meaning less and less of the water that flows through them is measured. The result is under billing, and therefore, under recovery of revenue for the company. As of March 11, 2022, the Company has replaced 35 meters, 36 are nonfunctional, and the remaining 204 appear to be at least partially functional but are past their design-life and must be replaced. The Company stated that in instances of nonfunctioning meters, customers are only billed the monthly customer charge, and no fee is billed for the commodity charge. Staff observed by inspection that many of the meter settings were poorly constructed and in poor condition. In most instances the meter is simply glued in-line in the pipe, with no method to shut off water, no yoke, and a poorly constructed pit. When it is necessary to shut off water to a customer's residence, either the entire pit and setting is replaced with a proper installation, or the existing meter is cut out and a shut off valve is temporarily glued in until a proper pit and setting can be installed.[47]

Staff also made the following recommendations for the company to implement going forward.

- Replace the ground storage tank;
- Install emergency power generation; and

[47] SR-2022-0239 Non-Unanimous Agreement Regarding Disposition of Small Utility Company Revenue Increase Request Pages 32-33.

- Replace 30 water meters[48]

Staff inspected SK&M's drinking water system during the above-mentioned July 20, 2026, meeting. Staff found company assets to generally be in the same conditions as they were in 2022. The storage tank continues to leak water into the control room, and water pools on the room's floor. There is a section of pipe that has apparently begun to leak, and the company has used a rachet strap as a temporary solution to hold the pieces together. The machinery that is necessary for the movement of water, like pumps and the associated electric motors, appear to be in fair condition; Staff did not find any issues that could affect customer health and safety immediately. There is still no emergency power source, and while that is common on smaller water systems, Staff notes that SK&M customers have gone without water due to power failures in 2026 and multiple times in the past few years due to heavy storms. When electricity fails, the equipment that maintains pressure in a water distribution system is unable to operate. [49] A depressurized system is susceptible to the entry of contaminants and can lead to boil advisories for water users.

According to DNR reports on drinking water testing provided on its website, the company has not had a positive test for coliform bacteria on its water system since December 1, 2022.[50] One specimen independently collected from a customer's sink on March 2, 2026, tested positive for Total Coliform bacteria, but negative for *E. coli*.[51] Another customer stated she performed a similar independent test on her water that generated the same result.[52] A third customer provided a drinking water sample to the Perry County Health Department on March 6, 2026, which also generated a positive Coliform result.[53] According to the public comment referencing the Coliform result, the customer reported the results to SK&M leadership and a week later the Company issued a boil advisory. The customer submitted a

[48] SR-2022-0239 Non-Unanimous Agreement Regarding Disposition of Small Utility Company Revenue Increase Request Page 33.
[49] Perryville electricity provided by Citizens Electric Corporation.
[50] Sunshine request reports provided by DNR.
[51] Attachment -5 Customer Coliform Testing Results March 2, 2026.
[52] Attachment 20 SK&M Town Hall Notes.
[53] Cindy Pecaut comment on SO-2026-0360.

follow-up sample two weeks later and that sample tested negative for Coliform. These results are somewhat concerning as two of the specimens were collected within 4 days of each other (March 2 and March 6, 2026), the first of which was collected four days after SK&M collected its specimens for drinking water compliance testing, which came back negative.[54] Staff heard from multiple customers that they are often uncertain of the safety of their drinking water, and many have had independent testing completed (which showed no bacteria at that time). Many have stated in interviews that the chlorination in the water seems very inconsistent. They claim at times they do not smell any chlorine at all, while other times it smells almost like swimming pool water.

## Company Responsiveness

A recurring frustration voiced by SK&M customers was difficulty reaching the Company to report issues. Customers reported trying the main phone line with no success. After failing to reach the Company by that method they would try the emergency number that the utility provides and were still unable to reach SK&M. While Staff recognizes that some of these calls may have taken place outside of regular business hours, during regular business hours, utilities in Missouri are required to have qualified staff available to handle customer inquiries, service requests, safety concerns and complaints.[55] Customers stated they also left messages that often went unanswered by the Company. One customer at the town hall meeting reported that SK&M "does not respond to issues on weekends, during hunting season or an inconvenience.[56] It is crucial that customers are able to reach the utility provider to report issues or concerns as specified by Commission rules, not just those convenient for the utility. Responsiveness to receiving calls by way of the emergency contact number and investigating complaints promptly is a sewer utility service standard.[57] A call-back and incident investigation multiple days after a customer sewer back-up is not a prompt response.

[54] DNR Drinking Water Viewer results page for SK&M.
[55] 20 CSR 4240-13.040 (2)(A).
[56] Attachment 20, SK&M Townhall Notes.
[57] 20 CSR 4240-60.010(4) and 20 CSR 4240-60.010(6).

During phone calls or face to face interviews with SK&M customers, Staff heard multiple comments about the Company claiming that issues with the sewer lines were "on the customer's side" and not SK&M's problem or other reasons that excused the Company from any fault. According to customers, these claims were often made without the Company ever visiting the site to confirm the issue was on the customer side.

On Saturday August 1, 2026, Staff was informed of yet another customer experiencing sewage backing up into their home. The customer claimed that SK&M both denied the possibility of company assets being the problem and refused to visit the site to inspect the problem itself.[58] Staff immediately contacted SK&M and remained in contact with all parties throughout the weekend. The issue was eventually repaired, but not resolved, as the customer still claims that the problem was due to SK&M, and SK&M asserting that the problem was on the customer's side of the connection. On Tuesday August 4, 2026, SK&M called Staff to discuss the issue. During that call, Staff was told by the Company that when a customer is experiencing a sewer back-up in their home, SK&M's response is always to tell the customer to hire a plumber to come and look at the issue. If the plumber establishes the fault is on the customer side, the plumber can fix it. If the plumber establishes the issue is on the SK&M side, then the Company will come fix it. During this conversation SK&M stated the issue was on the customer side. Given the known and extensive problems with SK&M's collection system, it is not reasonable to assume all sewage back up problems can only be in the customer's service line. When asked if the Company had visited the site, the Company representative replied "No, I was too busy with other things this weekend." This is a likely violation of 20 CSR 4240-60-010 (4) and provides merit to customer claims that the Company may be non-responsive during times outside of normal working hours. Staff heard multiple similar reports from SK&M customers. Multiple customers reported to Staff that the company would reference its tariff language (without specifying what portion) and claim they were following the rules approved by the Commission and didn't need to do anything more.

[58] Staff phone call from Kathy Williams, August 1, 2026.

Potential violations Staff noted with Company responsiveness include:

- 20 CSR 4240-60.010(4) – Failure to promptly investigate complaints concerning charges, practices, facilities, or service.
- 20 CSR 4240-60.010(6) – Failure to maintain an emergency contact.
- 20 CSR 4240-13.040 (2)(A) – Failure to provide a qualified person to receive and respond to customer inquiries

## Billing and Customer Service

As mentioned previously, Staff received numerous reports and comments from SK&M customers concerning the Company's billing practices as well as the quality of SK&M's customer service. To investigate these customer experience allegations, Staff issued several DRs centered on various aspects of billing, general customer service procedures, the Company's complaint process, disconnection procedures, and more. Data requests were also issued requesting information regarding specific customer accounts and service addresses that were brought to the attention of Staff through the July 13, 2026, town hall meeting and public comments submitted in the WO-2026-0360 and SO-2026-0361 case dockets.

The customer experience problems uncovered as a result of the investigation are pervasive and concerning. Staff is of the opinion that several of the issues found are probable violations of 20 CSR 4240-13 and SK&M's Commission-approved tariffs, while other issues are potential violations of the same .[59] Though not violations per Staff's analysis, there are also several other areas of critical concern that this section will address.

[59] Rules of the Department of Commerce and Insurance, Division 4240 – Public Service Commission, Chapter 13 – Service and Billing Practices for Residential Customers of Electric, Gas, Sewer, and Water Utilities.

## Billing and Customer Service- Probable Violations

**Customer Information Brochure**

One of the major customer experience concerns prompting the opening of the investigation were customer claims of little or no knowledge of the Commission.[60] This fact is particularly noteworthy because Commission Rule 20 CSR 4240-13.040(3) clearly states that all utilities must provide, in one form or another, a customer brochure or information document that "…summarizes the rights and responsibilities of the utility and its customers in accordance with this chapter." While this brochure is not guaranteed to ensure knowledge of the Commission among utility customers, compliance with this regulation nonetheless serves an important role in raising awareness of the Commission.

Staff DR 0004.0 asked the Company to provide any and all documentation they use to ensure the company's compliance with the aforementioned Commission regulations. SK&M provided a copy of the company brochure and claimed that copies of the document had been sent to all customers following the Company's previous rate case.[61] However, the Company also admitted that it had, at times, neglected to provide the brochure to new customers. In addition, the brochure supplied by SK&M does not include any information about deposit or guarantee requirements despite their explicit mention in the Company's water[62] and sewer[63] tariffs. Both of these oversights constitute Commission rule violations.[64]

While not a violation in the strictest sense, other concerns about the customer brochure also came to light as Staff communicated with an SK&M customer. The customer in question provided a photograph of the customer brochure they were sent when they commenced service with the Company in August 2025.[65] Staff reviewed the cancelled tariffs of SK&M and concluded that the customer must have been sent an old brochure that had not been

[60] Staff's Motion to Open an Investigatory Docket, p.3-4.
[61] Response to Staff DR 0004.0 and Attachment "SKM CUSTOMER BROCHURE 2022.pdf".
[62] JW-2019-0214, Company Tariff, P.S.C. MO No.4, Original Sheet No. 24, Rule 10 – Bills for Service.
[63] JS-2019-0213, Company Tariff, P.S.C. MO No.5, Original Sheet No. 32, Rule 10 – Bills for Service.
[64] 20 CSR 4240-13.040(3).
[65] Attachment 28 – Old Brochure, received from customer via email 9/1/2026.

updated with the current rates. Staff verified that the customer had been charged with the current Commission-approved rates, but providing the incorrect document to the customer may be the source of some of the ongoing customer confusion about surrounding billing. Reviewing the Company's existing brochure also revealed that SK&M has neglected to update its brochure with accurate references to Commission rule numbers and that no mention of a convenience fee for online payment is noted in the brochure despite its requirement when using that method.[66]

**Disconnection Notice**

While issues with the Company's disconnection practices were not a recurring theme noted by SK&M customers, Staff chose to inquire about SK&M's disconnection procedure due to concerns that the Company may not have adequately complied with the conditions laid out in the disposition agreement agreed to in Case No. SR-2022-0239.[67] Staff DR 0006.0 asked SK&M to furnish a step-by-step account of the Company's disconnection process along with sample copies of its disconnection notice. In response, SK&M did provide a sample disconnect notice and its disconnection procedure as requested.[68]

Although SK&M's disconnection procedure itself appears sound, Staff found that the same could not be said of the disconnection notice provided by the Company. Commission Rule 20 CSR 4240-13.050(4)(E) establishes that all disconnection notices must make note of "The possibility of a payment agreement if the claim is for a charge not in dispute and the customer is unable to pay the charge in full at one (1) time." As SK&M's disconnection notice does not include this information, the Company is not in compliance with Commission rules.

[66] Response to Staff DR 0042.0.
[67] Case No. SR-2022-0239, Item 20, *Order Approving Disposition Agreement and Implementing a Small Company Rate Decrease*, p.3, para. 1, (8)(b).
[68] Response to Staff DR 0006.0 and Attachments.

**Overcharge and Undercharge Procedures**

The various billing worries voiced by SK&M customers prior to and in the course of the investigation prompted Staff to explore several peripherally related aspects of the Company's billing process. Staff became concerned that, should the claims surrounding billing errors be verified, customers who were over or undercharged may not have received the remedies they were due under Commission rules. To determine whether or not this was the case, Staff issued DRs 0029.0 and 0029.1, which asked SK&M to describe both its over- and undercharge procedures as well as provide samples of actual bills sent to customers illustrating both scenarios. The Company responded with an example of a customer's overcharge bill[69] and the following statement:

> when a customer is overcharged there is an update done to the reading and the customer is given their new balance. If it is not caught right away then the customer has a base bill (no usage) until it catches up. If a customer is undercharged we have no way of really knowing that until the next months readings then the usage is just put onto the current months bill per the meter reader sheet.[70]

As described by SK&M, the company's undercharge procedure is a Commission rule violation;

a utility is required to give customers a chance to pay any adjusted bill over twice the period covered by said bill.[71] Staff also found the overcharge procedure demonstrated in the provisioned customer bill to be equally unviable; rather alarmingly, the bill shows zero usage over a thirty-day period, and the listed beginning and end meter reads are identical. To confirm that this is indeed the established SK&M process, Staff procured another overcharge sample displaying the no usage "base bill" directly from a customer that could

[69] Response to Staff DR 0029.1 and Attachment "sample bill – getting caught up.pdf".
[70] Response to Staff DR 0029.0.
[71] 20 CSR 4240-13.025(C).

be cross-checked with Company-sourced meter usage data.[72] A review of this usage data[73] for the latter customer verifies that the information provided on the bill is the same as what the Company has in its records. Commission Rule 20 CSR 4240 13.020(2) states that all utility bills rendered to a customer must be based upon actual usage, and unless a customer does, in fact, use no water during the billing period, SK&M's handling of customer bills when a customer is overcharged constitutes a violation as well.[74] This also raises an additional concern: if a customer did use water during the period in which they received a no usage "base bill," then the next bill rendered to the customer[75] presumably includes usage from two different billing periods that cannot be readily distinguished on the standard billing statement used by the Company or in the Company's own meter usage data. As a result, SK&M may be further violating the usage-based billing requirement of 20 CSR 4240 13.020(2) as well as Commission rules on the length of billing periods if the rollover spans multiple days of usage.[76]

**Non-Metered Rate/Flat Rate Swaps**

Staff's initial pleading cited reports from customers stating that they were being charged something akin to a flat rate for service despite SK&M providing usage-based water service to their service addresses. After the investigation officially opened, two different customers came forward with clear evidence that they had been charged a flat rate for several months in 2025 and 2026. Staff requested billing statements, account notes, and meter usage data from SK&M to investigate their allegations. The Company did not initially provide customer bills as requested but did furnish account histories and meter usage data.

Customer #1 first expressed their problems in a public comment[77] and, through follow-up communications with Staff, provided bills marked "WATER - NON-METERED"[78] while

[72] Attachment 21 – Overcharge Correction 01, received from SK&M customer via email on 8/18/2026.
[73] Response to Staff DR 0033.0 and Attachment "119 inner circle readings – 8-25 to present.pdf".
[74] 20 CSR 4240-13.020 (2) – Billing and Payment Standards.
[75] Attachment 21 – Overcharge Correction 02, received from SK&M customer via email on 8/18/2026.
[76] 20 CSR 4240-13.015.
[77] P202700001.
[78] Attachment 22 – Non-Metered 01-02, received from SK&M customer via email on 7/19/2026.

explaining that the Company had changed them to a Non-Metered Rate due to their persistent billing issues.[79] A review of Customer #1's SK&M-supplied account history[80] corroborates this claim; they were changed to the Non-Metered Rate in June 2026 following rather large fluctuations in their bills. Per SK&M's Commission-approved tariff, the Company is allowed to place customers on a Non-Metered Rate of $30.56 for water service. However, SK&M's tariff only allows the Company to change a customer to the Non-Metered Rate if the customer has a "non-functioning meter" and said customer has been informed via written notification at least twenty-one days before the change.[81] The Company's response to Staff DR 0033.0 indicates that SK&M did check the meter and it appears to be working properly, but emails exchanged between Customer #1 and SK&M imply that the customer's rate was swapped before the Company established if the meter met the definition of "non-functioning meter."[82] The same customer noted in a later email to Staff that they were not notified of the change prior to it taking place.[83] Due to these procedural errors, SK&M violated its tariff and, by extension, Commission Rule 20 CSR 4240-13.020(2) by rendering a non-usage-based customer bill in an unapproved manner.

Customer #2 expressed their concerns through a public comment as well,[84] providing images of their meter, a June 2026 bill marked "WATER – NON-METERED", and a description of events leading up to their rate change. In their description, Customer #2 claimed that in 2025, the Company instructed them to pay the minimum charge for several months (a $22.76 water customer charge and the $0.27 Missouri Primacy Fee) due to the customer's concerns that their meter was broken. The account history and bills provided by SK&M confirms that, starting in February 2025, Customer #2 was repeatedly charged $23.03; it also shows that in April 2026, Customer #2 was moved to the Non-Metered Rate.[85,]

[79] Attachment 22– Non-Metered 03, email communication with SK&M customer received 7/16/2026.
[80] Response to Staff DR 0032.0 and Attachment "119 inner circle billing – 8-25 to present.pdf".
[81] JW-2019-0214, Company Tariff, P.S.C. MO No.4, First Revised Sheet No. 4, Schedule of Rates.
[82] *Id*.
[83] Attachment 22 - Non-Metered 04, email communication with SK&M customer received 9/1/2026.
[84] P202700159.
[85] Response to Staff DR 0035.0 and Attachment "24 green meadows billing – 24 mos.pdf".

[86] As mentioned previously, SK&M is not allowed to charge a customer a flat rate except in very specific circumstances laid out in the Company water tariff. SK&M did state that Customer #2's meter appears to be broken, and the meter usage data provided by the Company suggests that the meter may meet the definition of "non-functioning meter."[87] If this is accurate, then the Company may have been justified in moving Customer #2 to the Non-Metered Rate in April 2026. However, it was not permissible for SK&M to instruct or allow Customer #2 to pay the minimum charge from February 2025 to March 2026; according to Commission rule 20 CSR 4240-13.020(2) and the Company's tariff, the customer should have been charged based on actual usage at the rates specified in the Commission-approved Schedule of Rates.[88] If actual usage was unavailable, SK&M should have used estimated reads for billing until it determined the cause of the problem. As it stands, the Company violated the aforementioned Commission rule and its tariff by effectively charging Customer #2 an unauthorized flat rate.

It should be noted that SK&M claims that conversations occurred with each Non-Metered Rate customer before the change in rates occurred.[89] However, the Company's statement does not articulate whether these conversations included an actual discussion of the swap, and SK&M was unable to provide a specific date for the transition to the Non-Metered Rate for any of the customers on the supplied list. In light of this and Customer #1's statement to the contrary, Staff maintains its stance that SK&M was in violation of its tariff.

**21 Days to Pay**

To gain a better understanding of a typical customer's bills and SK&M's regular billing process, Staff submitted a DR for a random sample of sixty customer bills from Q1 2026 (20 unique customer accounts and 1 bill per quarter for each) and asked if the format of the company's billing statement had changed at any point within the past five years. The Company responded with the requested samples and indicated that the billing

[86] Response to Staff DR 0035.1 and Attachments.
[87] Response to Staff DR 0036.0 and Attachment "24 green meadows readings – 24 mos.pdf".
[88] JW-2019-0214, Company Tariff, P.S.C. MO No.4, Original Sheet No. 24, Rules 10A and 10O.
[89] Response to Staff DR 0040.1.

statement had not changed in the specified timeframe.[90] After an extensive review, Staff found a noticeable violation taking place in the relatively small sample of bills provided.

Commission rule 20 CSR 4240-13.020(7) plainly states: "A monthly-billed customer shall have at least twenty-one (21) days and a quarterly-billed customer shall have at least sixteen (16) days from the rendition of the bill to pay the utility charges…". Upon careful review of the bills furnished in response to Staff DR 0008.0, however, it became apparent that each customer's January 2026 bill only provided the customer with twenty days to pay instead of the required twenty-one. These clear violations of the above-quoted Commission rule particularly stand out due to the Company's response to Staff DR 0041.0, where SK&M explicitly stated "…billing is generated on the 19th or 20th of each month with bills getting put into the mail on 20th or 21st of each month – due dates are ALWAYS at least 21 days after."[91]

**10x Usage Multiplier**

Relatively late into the investigation, Staff received information from a customer that brought one potential billing violation into enough focus to call it a probable violation. Staff had received other bills from this customer, but this was the first bill that Staff received with SK&M-taken reads that were close enough to the customer's own reads to facilitate a cross examination of the available evidence.

On August 18, 2026, Staff received a customer's May 2026 bill with a previous usage taken April 16, 2026, of 233,970 gallons and a current usage taken May 15, 2026, of 235,320 gallons.[92] While the customer's own readings taken on April 20, 2026, and May 14, 2026 (233,540 and 234,950 gallons, respectively)[93] do not quite match those provided on the customer's bill, Staff believed that the margin of error was small enough to warrant taking the reads provided on the customer's bill as generally accurate representations of the

[90] Response to Staff DR 0008.0 and Attachments.
[91] Response to Staff DR 0041.0.
[92] Attachment 23 – 10x Usage Multiplier 01, received from a customer via email 8/18/2026.
[93] Attachment 23 – 10x Usage Multiplier 02-03, received from a customer via email 7/16/2026.

customer's usage. As such, Staff could reasonably apply SK&M's standard billing formula to the customer's bill to determine if the charged amount of $100.13 was appropriate. Unfortunately, when Staff ran this calculation and recorded the steps in the document titled "May 2026 Bill Calculation", it was determined that an unnecessary multiplier of ten was applied to the customer's usage. The inflated usage resulted in a bill 46% ($31.59) higher than what the customer should have been charged for their service.[94] This represents another violation of Commission Rule 20 CSR 4240-13.020(2), as the customer's bill was not based on their actual usage.

Without further investigation into SK&M's billing system and processes, Staff cannot be entirely certain as to how this error occurred or how widespread it might be among the Company's customer base. SK&M claims that this particular customer's issue was "due to meter reader reading incorrectly and in addition to that myself and the customer were adding an extra 0 so it was coming out wrong every month."[95] Staff notes, however, that the multiplier appears to have been applied to every bill that Staff has reviewed in the course of the investigation. Given the potential magnitude of the issue should it be a common occurrence, Staff is understandably concerned by SK&M's general lack of transparency and the sizable ramifications for the Company's customers.

**Complaint Log**

One of the earliest DRs sent to the Company was a very standard request for a log of customer complaints.[96] At the time of the request, SK&M had seven (7) active informal complaints filed against it with the Commission.[97] Staff initially requested the complaint log on June 26, 2026, and the Company eventually responded to a follow-up request on September 21, 2026, with "we do not keep an actual log because it is just the two of us."[98]

[94] Attachment 24 – 10x Usage Explanation, created by Staff as a demonstrative document.
[95] Response to Staff DR 0033.1.
[96] Staff DR 0001.0.
[97] CI202601470, CI2020601456, CI2020601457, CI2020601458, CI2020601462, CI2020601468, and CI202700037.
[98] Response to Staff DR 0001.1.

As SK&M simply has no record of customer complaints, it is in violation of Commission rules 20 CSR 4240-13.040(5)(B) and 20 CSR 4240-60.010(4).

## Billing and Customer Service- Potential Violations

**Conflicting Meter Usage Data**

Customer attestations that their self-taken meter reads did not match those provided on their bills were one of the main drivers prompting Staff's opening of an investigation.[99] Staff requested SK&M meter usage data[100, 101, 102] for several customers who were particularly vocal about problems with their meters and reviewed customer-supplied bills and meter reads to detect any consistent trends.[103] Upon examination, Staff found that customer concerns in this regard were warranted; the meter reads taken by the customers are frequently thousands if not hundreds of thousands of gallons apart from those on their bills and in official SK&M records. Staff issued a DR[104] asking the Company to explain the discrepancies in the data SK&M provided, but as noted in the final paragraph of the above "10x Usage Multiplier" section, the explanations given were somewhat vague and do little to explain the circumstances that could have led to such problems in the first place.

Without further information illuminating the origin of the discrepancies, Staff is hesitant to draw definite conclusions on whether or not all of the conflicting meter usage numbers constitute a violation of Commission Rule 20 CSR 4240-13.020(2) or other potentially applicable regulations. SK&M has also stated that they have had difficulty recruiting and retaining meter readers, and Staff recognizes that the Company has hired new meter readers in July 2027 that may ameliorate the known issues.[105] However, Staff firmly believes that if SK&M knew of problems surrounding its meter readers and recorded usage, the Company

[99] Staff's Motion to Open an Investigatory Docket, p.3.
[100] Response to Staff DR 0036.0 and Attachment "24 green meadows readings – 24 mos.pdf".
[101] Response to Staff DR 0039.0 and Attachment "390 outer circle readings – 24 mos.pdf".
[102] Response to Staff DR 0033.0 and Attachment "119 inner circle readings – 8-25 to present.pdf".
[103] Attachment 25 – Meter Mismatch, received from customers via email on 7/15/2026, 7/16/2026, and 7/19/2026.
[104] Staff DR 0033.1.
[105] Response to Staff DR 0033.0.

should have been providing any affected customers with estimated bills until the situation could be wholly explained and resolved.

**Overlapping Billing Periods**

While it was not originally a concern, the individual described as Customer #1 in the "Billing and Customer Service - Probable Violations" subsection "Non-Metered Rate/Flat Rate Swaps" also provided Staff with bills they had received with overlapping billing periods.[106] Customer #1's December 2025 bill lists a billing period of twenty-nine days spanning November 22, 2025, to December 21, 2025. Customer's #1's January 2026 bill lists a billing period of thirty days spanning December 16, 2025, to January 25, 2026.

As mentioned previously, Staff issued DRs to the company requesting Customer #1's billing statements; this information was not provided by the Company in a timely fashion, leaving Staff to speculate on exactly what took place and investigate if the customer was double billed for usage. Despite the bills eventually being provided to Staff, slow cooperation and a lack of transparency on the Company's part made it difficult to draw any clear conclusions. Without a way to parse out the usage, Staff was unable to determine if the customer was billed twice for the overlapping days of the billing period. If they were, then this would be a rather unusual violation of 20 CSR 4240-13.020(2), as Customer #1 would not have been billed according to their actual usage for the two billing periods.

## Billing and Customer Service- Additional Areas of Concern

Throughout Staff's investigation, a number of other areas of SK&M's operations were explored in light of customer feedback. While Staff did uncover a considerable number of probable and potential violations as noted above, Staff also found a great many customer experience issues that, while not technically violations, still elicited a fair amount of concern.

[106] Attachment 26- Overlapping Billing Period, received from customer via email on 7/19/2026.

**Customer Service and Communications**

From the beginning of the investigation, Staff has been aware of customers reporting a lack of communication and poor customer service on the part of the Company.[107] As the investigation progressed, Staff received more detailed information regarding the nature of these instances. Customers provided screenshots of emails and text messaging chains showing dismissive, contradictory, argumentative, and passive-aggressive intimidation behavior on the part of SK&M representatives.[108] Staff is concerned to learn about such behavior from a regulated utility,and while Staff cannot claim a clear violation of Commission rules in these circumstances, it is certainly noteworthy.

**Missing Bills**

At various points in the investigation, Staff received customer complaints about missing or late billing statements. Staff submitted DR 0041.0 to gather information about SK&M's standard billing practices and better understand the timeframes surrounding the process. SK&M was also asked what safeguards are in place to ensure that customers receive their bills in a timely manner. The Company responded to the DR on July 27, 2026, with the required information, but Staff believes SK&M's response of "We mail out within that two-day window each and every month and I am not sure how you can safeguard anything with the post office in this day and age"[109] is simply a deflection of responsibility. Staff recognize that the local post office is outside of SK&M's control, but such a lax response to a rather basic inquiry suggests a lack of concern about the implications for the customers should their bills arrive late.

**Late Fees**

Analysis of the customer bills provided in response to Staff DR 0008.0 also revealed an area of concern with SK&M's calculation and application of late fees. Per its Commission-

[107] Staff's Motion to Open an Investigatory Docket, p.3.
[108] Attachment 27 - Communications, received from customers via email 7/10/2026, 7/16/2026, and 9/9/2026.
[109] Response to Staff DR 0041.0.

approved tariffs, SK&M is permitted to add the higher amount between $5 or 3% to a customer's delinquent bill on a monthly basis.[110, 111] Several bills examined by Staff, however, revealed that SK&M appears to be universally applying a $5 late fee regardless of a higher 3% value.[112, 113, 114] In addition, certain customers also received what appear to be dual late fees of $10 applied to the delinquent balance on their following bill despite their previous bill noting a potential past due balance only $5 higher than the amount due for that previous bill.[115, 116] On the surface, these appear to be tariff violations; upon review, however, Staff found that SK&M is likely charging customers individual late fees for each utility service they receive from the Company but is only adding one of the possible late charges to the amount due if delinquent on customer bills. The language of SK&M's tariff does not explicitly forbid the Company from assessing distinct late fees for water and sewer service, but the exclusion of one of the late fees from the listed amount due if delinquent lacks transparency and is likely to confuse customers receiving both water and sewer service should their next bill reflect both late fees.

**Inaccurate Reporting of Water Usage to Third Parties**

While many of SK&M's customers receive both water and sewer service from the Company, several of the customers only receive water service. This subset of customers receives sewer service from the City of Perryville, which takes water usage from SK&M to calculate the customer's sewer bill. Given the concerns surrounding accurate meter usage data expressed in this investigation report, Staff is concerned that the numbers reported to the City of Perryville are fictitious or otherwise wildly inaccurate. This would indirectly lead to customers being over or undercharged as a result of their utility service from SK&M.

[110] JW-2019-0214, Company Tariff, P.S.C. MO No.4, Original Sheet No. 5, Late Charges.
[111] JS-2019-0213, Company Tariff, P.S.C. MO No.5, Original Sheet No. 5, Late Charges.
[112] Response to Staff DR 0008.0, Attachment "brewer jan bill.pdf".
[113] Response to Staff DR 0008.0, Attachment "manche mar bill.pdf".
[114] Response to Staff DR 0008.0, Attachment "torbert jan bill.pdf".
[115] Response to Staff DR 0008.0, Attachments "manche jan bill.pdf", "manche feb bill.pdf", "manche mar bill.pdf".
[116] Response to Staff DR 0008.0, Attachments "brewer jan bill.pdf", "brewer feb bill.pdf", "brewer mar bill.pdf".

Staff requested a list of Non-Metered Rate SK&M customers as well as information regarding how said customers receiving sewer service from the City of Perryville have their usage reported to the city.[117] Although the Company did respond with the requested information, it did not allay Staff's concerns that customers may be indirectly charged more or less than they should be; the individual described as Customer #2 in the "Billing and Customer Service - Probable Violations" subsection "Non-Metered Rate/Flat Rate Swaps," is one of the customers listed in the information provided, and as noted earlier, the Company stated that Customer #2's meter appears to be broken. If this is the case, then the customer may well have been over- or undercharged at some point for their related sewer service.

Staff recognize that any erroneous charges associated with sewer service provided by the City of Perryville are not regulated by the Commission. However, due to the fact that faults in usage data made by a regulated utility may be the cause, Staff believed that this potential problem was worth bringing to the attention of the Commission.

**Company Providing Free Service to Unregistered Customers**

During the town hall held on July 13, 2026, a customer related that they had been charged for sewer service despite not contacting SK&M to activate service.[118] Although the customer acknowledged that the house had a leak, Staff thought it worth inquiring about the Company's process for starting service. While most of the response was rather standard, the final line of the response states: "There are no instances in which service is started at an address unless you consider someone new moving in and not calling us to set up service in their name so they have free water and sewer for a few months."[119] As with some of the other answers provided to Staff DRs, this response communicates a lack of care when it comes to the managing of SK&M. While the breadth of this issue is unclear, Staff is also concerned that accidentally providing free service could have downstream effects for the Company and could impact adjustments made to rates in future rate cases.

[117] Response to Staff DR 0040.0 and Attachments.
[118] Attachment 29 – Service Without Request, received in-person during 07/13/2026 town hall.
[119] Response to Staff DR 0044.0.

## Summary of Additional Areas of Concern

- Poor communication and customer service, including dismissive, contradictory, argumentative, and passive-aggressive intimidation behavior from SK&M staff;
- Missing customer bills and deflection of responsibility;
- Opaque assessment and application of late fees to customers receiving both water and sewer service;
- Potentially inaccurate reporting of water usage to third party sewer provider City of Perryville;
- Provision of outdated company brochures to new customers; and
- Providing free service to unregistered customers

## Recommendations

Given the enormity of the infrastructure problems detailed in the Sewer Treatment Plan and Collection System sections of this report, Staff cannot create a complete list of recommendations. The Company will likely need to obtain the services of an engineer to determine the most effective approach to rehabilitate the sewer collection system, which could require some redesign to eliminate SSOs if proper maintenance and repair does not resolve the issues. The Company will also need an engineer to evaluate any necessary updates to the Facility Plan to comply with any changes in DNR requirements associated with replacing the sewer treatment plant. However, there are changes that the Company can make immediately related to customer billing and infrastructure issues. Staff makes the following recommendations for SK&M to implement:

1) Revise its company brochure to include required deposit and guarantee information, updated Commission regulation numbers, and a notice that the online payment option includes a $3 convenience fee;
2) Provide the updated company brochure to all new customers and make an announcement to SK&M customers that such information is available;
3) Update its disconnection notice to include information about the possibility of a payment agreement if the delinquent amount is not in dispute;

4) Revise its standard billing statement to include the type of read being displayed (e.g., actual or estimated);
5) Revise its standard billing statement to distinctly note all potentially applicable late fees should a bill become delinquent (e.g., late fees for both water and sewer service if late fees may be assessed for both services);
6) Revise its undercharge procedure to comply with Commission Rule 20 CSR 4240-13.025(C) and allow customers to pay the undercharge as required by the same;
7) Revise its overcharge procedure so customers continue to receive a bill with actual usage listed instead of zero usage;
8) Provide customers complaining or providing evidence of meter issues or usage inconsistencies with estimated bills until such time SK&M can determine if their meter is a non-functioning meter, at which point the Company may change the customer to the Non-Metered Rate allowed per its tariff;
9) Ensure all bills given to residential monthly-billed customers allow said customers at least twenty-one days to pay;
10) Provide additional transparency and reliability to the billing process by notifying customers when their bills are mailed or otherwise available (i.e., via a post on SK&M's social media, optional mass email, etc.);
11) Conduct an audit of customer accounts to determine the scale of the 10x multiplier issue, request a waiver of Commission Rule 20 CSR 4240-13.025(1)(A) to remove all time limits that could disqualify eligible customers from receiving adjustments, and provide affected customers with all remedies guaranteed to them by Commission rules and SK&M's tariff;
12) Review SK&M's billing process and training provided to SK&M meter readers to ensure that accurate, consistent meter reads and billing periods are listed on customer bills and recorded in SK&M's systems;
13) Create and maintain a complaint log per 20 CSR 4240-13.040 (5)(C);
14) Work with Staff to ensure that SK&M's estimation procedure is in line with Commission Rule 20 CSR 4240-13.020(2)(C);

15) Establish a 24-hour emergency contact line, and retain an emergency back-up operator;
16) Immediately repair and re-bury all broken sewer lines that are visible on the surface;
17) Respond promptly to customer complaints, including sewage back-ups, SSOs, etc.
18) Secure funding for the upgrade and replacement of the sewer treatment plant before a catastrophic collapse occurs;
19) Begin investigating and fixing sources of I&I;
20) Begin inspecting the entire sewer collection system for signs of collapsed sewer lines;
21) Establish a sewer line cleaning program to prevent clogged lines;
22) Maintain consistent disinfection, both in the sewer treatment plant and the drinking water treatment systems;
23) Comply with all DNR requirements for the drinking water and sewer systems;
24) Retain the services of a qualified engineer to begin the process of replacing the sewer treatment plant.

Furthermore, SK&M should:

- provide copies of the revised brochure, disconnection notice, and billing statement to Staff of the Commission's Customer Experience Department ("CXD") for approval before implementation and provide an example of each document provided to an actual customer after approval and implementation;
- provide CXD Staff with a copy of a bill sent to a customer or other documentation illustrating the Company's new undercharge procedure and its compliance with Commission rules;
- provide CXD Staff with a copy of a bill sent to a customer illustrating the Company's new overcharge procedure and its compliance with Commission rules;
- provide CXD Staff with a sample announcement to customers stating that their bills have been mailed or are otherwise available;

- provide CXD Staff with a random sample of billing statements produced for ten distinct customer accounts each quarter (3 bills per account for a total of 30 bills per quarter), starting in Q1 2027 and ending in Q4 2027;
- provide CXD Staff with a quarterly list of customers affected by the 10x multiplier issue with the total amount of each customer's overcharge balance, until such time that all affected customers have had their account overcharge balance caught up;
- provide CXD Staff with SK&M's complaint log on a quarterly basis, starting in Q1 2027 and ending in Q4 2027;
- describe the training provided to SK&M's meter readers and provide affirmation to CXD Staff that this training was given to all meter readers in SK&M's employ, and
- provide CXD Staff with a breakdown of SK&M's estimation procedure and work with Staff to ensure compliance with Commission rules or SK&M's tariff.

## Conclusion

The current owners acquired a troubled water and sewer utility in need of significant investment. Since that time, it is the opinion of Staff that the system has continued to deteriorate and is now in crisis. The main basin of the sewer treatment plant could collapse without warning, does not comply with DNR requirements, and is causing pollution. Raw sewage is allowed to leak out of the collection system and persist in pools in a subdivision. Prior to Staff's investigation, even the most basic maintenance tasks, such as vegetation control or proper disposal of trash, were not being conducted. Failing collection systems require additional jetting to clean out sediment and typical sewer debris from locations where partially collapsed pipes or broken pipes cause clogs. Despite the rise in SSOs and basement back-ups, the Company has chosen not to conduct preventative maintenance and instead tell customers the clogs were in the customers' service lines. When jetting has occurred, it has sometimes been days after sewage began leaving the collection system.

SK&M's performance in the areas of billing and customer service has been similarly deficient.

An ample amount of evidence suggests that customers are not, for a wide variety of reasons described above, being billed according to their actual usage at the Commission-approved rates in the Company tariff. SK&M has also failed to comply with past Commission orders as well as basic Commission regulations regarding billing provision, disconnection notices, brochures, complaint records, and twenty-four-hour emergency responsiveness. Taken together, the cumulative impact of these issues has had a substantial effect on the customer experience provided by the Company.

Overall, the water and sewer utilities are in significantly worse condition than when the current owners took over SK&M. These systems require not only diligent operation and maintenance, but also significant investment. The current owners appear to be unable or unwilling to provide safe and adequate service, and the manner in which SK&M has conducted itself as a regulated utility has created considerable hardship and real, lasting impacts for its customers.

**BEFORE THE PUBLIC SERVICE COMMISSION**

**OF THE STATE OF MISSOURI**

| | | |
|---|---|---|
| In the Matter of an Investigation into the Operation and Condition of S.K.&M. Water and Sewer Company | ) ) ) | Case No. WO-2026-0360 |

**AFFIDAVIT OF RUSSELL DRURY**

| | | |
|---|---|---|
| STATE OF MISSOURI | ) | |
| | ) | ss. |
| COUNTY OF COLE | ) | |

**COMES NOW RUSSELL DRURY,** and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Staff Investigation Report;* and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.

Russell Drury

**RUSSELL DRURY**

**JURAT**

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 28th day of October 2026.

D. Suzie Mankin

Notary Public

D. SUZIE MANKIN
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: April 04, 2029
Commission Number: 12412070

**BEFORE THE PUBLIC SERVICE COMMISSION**

**OF THE STATE OF MISSOURI**

| | | |
|---|---|---|
| In the Matter of an Investigation into the Operation and Condition of S.K.&M. Water and Sewer Company | ) ) ) | Case No. WO-2026-0360 |

**AFFIDAVIT OF CURT B. GATELEY**

| | | |
|---|---|---|
| STATE OF MISSOURI | ) | |
| | ) | ss. |
| COUNTY OF COLE | ) | |

**COMES NOW CURT B. GATELEY,** and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Staff Investigation Report;* and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.

**CURT B. GATELEY**

**JURAT**

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 28th day of October 2026.

Notary Public

D. SUZIE MANKIN
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: April 04, 2029
Commission Number: 12412070

**BEFORE THE PUBLIC SERVICE COMMISSION**

**OF THE STATE OF MISSOURI**

| | | |
|---|---|---|
| In the Matter of an Investigation into the Operation and Condition of S.K.&M. Water and Sewer Company | ) ) ) | Case No. WO-2026-0360 |

**AFFIDAVIT OF ADAM STAMP**

| | | |
|---|---|---|
| STATE OF MISSOURI | ) | |
| | ) | ss. |
| COUNTY OF COLE | ) | |

**COMES NOW ADAM STAMP,** and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Staff Investigation Report;* and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.

**ADAM STAMP**

**JURAT**

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 29th day of October 2026.

Notary Public

D. SUZIE MANKIN
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: April 04, 2029
Commission Number: 12412070

**BEFORE THE PUBLIC SERVICE COMMISSION**

**OF THE STATE OF MISSOURI**

| | | |
|---|---|---|
| In the Matter of an Investigation into the Operation and Condition of S.K.&M. Water and Sewer Company | ) ) ) | Case No. WO-2026-0360 |

**AFFIDAVIT OF JASON THOMASON**

| | | |
|---|---|---|
| STATE OF MISSOURI | ) | |
| | ) | ss. |
| COUNTY OF COLE | ) | |

**COMES NOW JASON THOMASON,** and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Staff Investigation Report;* and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.

Jason Thomason

**JASON THOMASON**

**JURAT**

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 28th day of October 2026.

D. Suzie Mankin

Notary Public

D. SUZIE MANKIN
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