BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Veolia Energy) Kansas City, Inc. for Authority) to File Tariffs to Increase Rates	Case No. HR-2014-0066
STATE OF ILLINOIS COUNTY OF Cook)	SS

Affidavit of Charles P. Melcher

Charles Melcher, being first duly sworn, on his oath states:

- 1. I am Vice President of Operations for Veolia Energy North America Holdings, Inc. and its affiliate Veolia Energy Kansas City, Inc. (collectively referred to as "Veolia"). My duties and responsibilities include the management and oversight of Veolia Energy Kansas City, Inc. and Trigen-St. Louis Energy Corporation.
- 2. On August 29, 2013, I met with Mr. Steve DeGarmo, Director of Facilities, of Truman Medical Center ("TMC") at my request. The primary purpose of this meeting was to explicitly inform TMC of Veolia's expected rate case. As Veolia Kansas City's largest tariff customer, I wanted TMC to learn of the planned rate filing directly from me and well in advance of the actual filing date. At this meeting, I specifically told Mr. DiGarmo that Veolia planned to file the present rate increase case with the Missouri Public Service Commission with a planned filing date of October 2013. I also informed Mr. DiGarmo that the planned rate increase would be about the same as the last rate case and that the proposed increase would on the usage charge. Additionally, I advised Mr. DeGarmo of the Veolia's plan to seek approval of a production adjustment cost clause and generally explained how such clause would work if approved.
- 3. On November 27, 2013, Veolia filed its application for a rate increase with the Missouri Public Service Commission almost three months after my meeting with Mr. DeGarmo. This filing was about a month later than the planning date that I shared with Mr. DeGarmo and the proposed increase was about 75% of the amount I anticipated at the time of our meeting on August 29, 2013.
- 4. On February 3, 2014, TMC filed an out of time petition to intervene in this docket, which identified TMC's outside counsel as Polsinelli PC ("Polsinelli").

- Polsinelli currently represents Trigen-St. Louis Energy Corporation, an affiliate of Veolia Energy Kansas City, Inc. Both of these entities are indirectly owned by Veolia Energy North America Holdings, Inc.
- 6. Polsinelli's representation of Trigen-St. Louis Energy Corporation is governed by the Veolia Energy North America Holdings, Inc. Outside Counsel Guidelines ("Outside Counsel Guidelines"). A copy of the Outside Counsel Guidelines signed by Polsinelli is attached to this Affidavit as Attachment 1.
- The Outside Counsel Guidelines define "Veolia" as "Veolia Energy North American 7. Holdings, Inc., its subsidiaries and affiliates" and provides in pertinent part: "By undertaking representation of Veolia or any of its affiliates, Counsel expressly agrees to avoid all representation adverse to Veolia or any of its affiliates without the prior, express approval of Veolia."
- 8. To my knowledge after due investigation, no employees of Veolia Energy North American Holdings, Inc., or any of its subsidiaries or affiliates were aware prior to February 3, 2014 that Polsinelli represented TMC as counsel regarding matters adverse to Veolia Energy North America Holding, Inc. or any of its subsidiaries or affiliates.

I hereby swear and affirm that information provided herein is true and correct.

Subscribed and sworn to before me this 6th day of March, 201

JONATHAN E. SCHWARTZ **Notary Public** OMMONWEALTH OF MASSACHUSETTS My Commission Expires July 29, 2016