



John Kindschuh
Direct: 314-259-2313
Fax: 314-259-2020
john.kindschuh@bryancave.com

July 6, 2011

VIA E-MAIL

Susan Myers
General Counsel
Metropolitan St. Louis Sewer District
2350 Market Street
St. Louis, MO 63103-2555

Re: MIEC Discovery Request 1-1 and 2-1

Dear Susan:

Please allow this letter to serve as another attempt by the MIEC to receive a response to MIEC's Discovery Request 1-1 and 2-1 and to receive an electronic copy, with formulas intact, of the May 10, 2011 MSD Wastewater Rate Proposal drafted by Black & Veatch. The MIEC requests a written response from MSD to this letter by 5:00 pm on Thursday, July 7, 2011.

The MIEC submitted Discovery Request 1-1 on June 7, 2011 to MSD requesting the following:

Referring to Exhibit MSD 1, please provide an electronic copy, with all formulas intact, of the May 10, 2011 Metropolitan St. Louis Sewer District wastewater rate proposal performed by Black & Veatch. Please note whether or not any revised model has been made since May 10, 2011, and provide an electronic copy of the updated version.

Jan Zimmerman of MSD responded to Discovery Request 1-1 on June 17, 2011 by stating:

Exhibit MSD 4, Exhibit 4a and Exhibit MSD 5 provide all the tables, detailed calculations and formulas underlying the rate model use dot develop the Rate Change Proposal (Exhibit MSD 1). No revisions have been made since its submittal to the Rate Commission.

In its response, MSD did not provide the MIEC with an electronic copy of the Black & Veatch wastewater proposal. Significantly, MSD did not object to providing the MIEC with this information in its response.

Bryan Cave LLP
One Metropolitan Square
211 North Broadway
Suite 3600
St. Louis, MO 63102-2750
Tel (314) 259-2000
Fax (314) 259-2020
www.bryancave.com

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On July 1, 2011, we spoke via telephone regarding MSD's response to Discovery Request 1-1. You indicated that you had spoken with Jan Zimmerman, and she did not have an electronic copy of the information requested in Discovery Request 1-1. You also stated that you were going to speak with Keith Barber of Black & Veatch to inquire further about the MIEC's request, but he would not be available until July 5, 2011 because of holiday travels. We also discussed the possibility of arranging a conference among Black & Veatch, Brubaker and Associates ("BAI"), and legal counsel to further discuss the MIEC's discovery request and MSD's response.

During our conversation, I also informed you that I would be submitting a discovery request later that day renewing the MIEC's request for the electronic copy of the information requested in Discovery Request 1-1. Accordingly, on July 1, 2011, the MIEC submitted Discovery Request 2-1 to MSD:

The MIEC's Discovery Request 1-1 dated June 7, 2011 requested MSD to provide an electronic copy, with formulas intact, of the May 10, 2011 MSD Wastewater Rate Proposal drafted by Black & Veatch. On June 17, 2011, MSD responded to MIEC 1-1, but MSD did not provide an electronic copy of the proposal as requested. The MIEC's request for the electronic copy of the May 10, 2011 MSD Wastewater Rate Proposal is renewed. Please provide the electronic copy of this document to the MIEC as soon as possible.

On July 6, 2011, I received a call from Jan Zimmerman regarding the MIEC's Discovery Request 1-1 and 2-1. Ms. Zimmerman informed me that the electronic copy of the Black & Veatch document is proprietary, and MSD is not willing to provide the information to the MIEC. I also spoke with Ms. Zimmerman about arranging a conference as soon as possible among Keith Barber and his team from Black & Veatch, Michael Gorman and his team from BAI, MSD staff, MSD's legal counsel, and the MIEC's legal counsel to further discuss the MIEC's need for the information and Black & Veatch's objection that the information requested is proprietary. Ms. Zimmerman said that she would speak with you about coordinating a conference.

Later in the afternoon on July 6, 2011, you contacted me via telephone and informed me that MSD will not be providing the information to the MIEC requested in Discovery Request 1-1 and 2-1 because the information is proprietary. You indicated that you had spoken with representatives from Black & Veatch, and Black & Veatch informed you that they have not provided similar information in other rate cases. You asked me to provide you with a list of rate cases when Black & Veatch provided parties with similar information. You also stated that you were not willing to schedule a conference among the parties; rather, you wanted to share this letter with Black & Veatch prior to committing to scheduling a conference. Per your request, I have provided Jan Zimmerman with a copy of this letter.

In response to your request, Black & Veatch has provided electronic copies of similar documents in two 2010 rate cases: (1) Board of Public Utilities (BPU) in Kansas City, Kansas; and (2) the City of Newark, Delaware. The MIEC appreciates your assistance in contacting Black & Veatch to encourage Black & Veatch to provide this information in the format requested in this rate case. BAI is willing to

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assert that this information has been provided in other rate proceedings with commitments that the proprietary work product will be protected. The MIEC is willing to commit that Black & Veatch's model's confidentiality will be protected in this rate case.

The MIEC and other parties in this rate case are significantly prejudiced if they do not receive this information. Importantly, the information contained in the Black & Veatch electronic model is historical data for MSD. It is imperative that this data and the associated calculations are provided and reviewed by the parties as soon as possible. The procedural schedule for this rate case is already compressed; in an effort to meet these deadlines, the MIEC appreciates MSD's cooperation in providing information that has been distributed in other rate cases.

As we discussed, the MIEC would like to schedule a conference among Keith Barber and his team from Black & Veatch, Michael Gorman and his team from BAI, MSD's legal counsel, and the MIEC's legal counsel as soon as possible, but by no later than Friday, July 8, 2011. If MSD is still unwilling to provide the requested information, the MIEC will be forced to file a Motion to Compel immediately and will have to involve the Rate Commission.

We look forward to receiving a written response from MSD to this letter prior to 5:00 pm tomorrow, Thursday, July 7, 2011. Thank you for your assistance.

Sincerely,

/s/ John R. Kindschuh

John Kindschuh

Cc: Michael Gorman, Brubaker and Associates
Diana M. Vuylsteke, Esq.
Jan Zimmerman