

**BEFORE THE RATE COMMISSION OF THE
METROPOLITAN ST. LOUIS SEWER DISTRICT**

**JULY 29, 2011 FIRST DISCOVERY REQUEST
OF THE METROPOLITAN ST. LOUIS SEWER DISTRICT**

ISSUE: WASTEWATER RATE CHANGE PROPOSAL

WITNESS: THE RATE COMMISSION OF THE METROPOLITAN
ST. LOUIS SEWER DISTRICT

SPONSORING PARTY: METROPOLITAN ST. LOUIS SEWER DISTRICT

DATE PREPARED: JULY 29, 2011

**Metropolitan St. Louis Sewer District
2350 Market Street
St. Louis, Missouri 63103**

**BEFORE THE RATE COMMISSION
OF THE METROPOLITAN ST. LOUIS SEWER DISTRICT**

For Consideration of a Wastewater)
Rate Change Proposal by the Rate)
Commission of the Metropolitan)
St. Louis Sewer District)

**JULY 29, 2011 FIRST DISCOVERY REQUEST
OF THE METROPOLITAN ST. LOUIS SEWER DISTRICT TO
THE RATE COMMISSION OF THE METROPOLITAN ST. LOUIS SEWER DISTRICT**

Pursuant to §§ 7.280 and 7.290 of the Charter Plan of the Metropolitan St. Louis Sewer District (the "Charter Plan"), Operational Rule 3(2) and Procedural Schedule §§ 1, 14, 15 and 17 of the Rate Commission of the Metropolitan St. Louis Sewer District ("Rate Commission"), the Metropolitan St. Louis Sewer District ("District") requests additional information and answers from The Rate Commission of The Metropolitan St. Louis Sewer District (the "Commission") regarding the Rate Change Proposal dated May 10, 2011 (the "Rate Change Proposal").

Raftelis is requested to amend or supplement the responses to this Discovery Request, if The Commission obtains information upon the basis of which (a) The Commission knows that a response was incorrect when made, or (b) the Commission knows that the response, though correct when made, is no longer correct.

The following Discovery Request is deemed continuing so as to require the Commission to serve timely supplemental answers if the Commission obtains further information pertinent thereto between the time the answers are served and the time of the Prehearing Conference.

DEFINITIONS

A. As used herein, the terms “you”, “your” and “Consultant” mean the Commission, William G. Stannard, PE, Raftelis Financial Consultants, Inc. (Raftelis), Inc. and, any representative, agent, contractor or other person or entity acting or purporting to act for or on behalf of the Commission.

B. As used herein, the term “MSD” means The Metropolitan St. Louis Sewer District, and any attorney, representative, agent, contractor or other person or entity acting or purporting to act for or on behalf of The Metropolitan St. Louis Sewer District.

C. As used herein, the term “document” or “documents” means any writing, drawings, graphs, charts, photographs, phonograph records, electronic records, reports, correspondence and other data compilations from which information can be obtained, translated, if necessary, by the requesting party through detection devices into reasonably usable form, that are in your possession, custody or control.

D. As used herein, the terms “refer to” or “relate to” mean in any way concerning, containing, contained in, referring to, evidencing, pertaining to, embodying, or connected to or a part of, in whole or in part.

E. As used herein, the terms “and” and “or” shall be construed disjunctively or conjunctively as necessary in order to bring within the scope of an individual, document or information which might otherwise be construed to be outside the scope of an interrogatory.

F. As used herein, the term “communication” means any oral, written, mechanical, electronic or other transmission of words, symbols, numbers or depictions to a person, entity, file or repository of data or information.

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1. Does the Consultant perform utility rate design consulting work? Please provide a list of all clients for which this type of consulting work was performed since 2002.
 - 1.a Please indicate the type of rate design development performed for each client and indicate if the client provides natural gas, electric, water/wastewater combined and/or stand alone wastewater.
 - 1.b Please indicate the type of rate analysis and review performed for each client and indicate if the client provides natural gas, electric, water/wastewater combined and/or stand alone wastewater.
 - 1.c Please indicate which clients listed are currently managing capital project programs or similar initiatives and the dollar size of each program.
 - 1.d Please indicate which clients listed have issued bonds, total outstanding bonds to date, anticipated dollar size of future issuances through June 30, 2016 and breakdown by types of bonds (general obligation, revenue, State or Federal bond programs).
2. Please describe the tools and methods used by Raftelis to design wastewater rates. Please describe if and/or how these tools and methods were used by Mr. Stannard to analyze the basic requirements and assumptions utilized in MSD's May 10, 2011 Rate Proposal (Exhibit MSD 1).
3. Please describe Mr. Stannard's experience representing clients, developing and facilitating credit presentations with the major rating agencies Moody's, Fitch, Standard & Poors and Eagan Jones.
 - 3.a Please provide a list of these clients indicating the dollar size of presented bond issuance and resulting bond ratings.
 - 3.b Please indicate the key issues addressed by the rating agencies during the listed client credit presentations and their impacts in the resulting bond ratings.
4. Describe Mr. Stannard's experience in handling the issuance of bonds for clients. Please provide a list of these clients and Mr. Stannard's involvement in the issuance of these bonds.
 - 4.a Please describe Mr. Stannard's role in the issuance of bonds for each of the listed clients.
 - 4.b Please describe Mr. Stannard's experience with the underwriting of bonds?
 - 4.c Please describe Mr. Stannard's experience in the development of bond feasibility studies including your involvement in such studies for the clients

listed.

5. Please provide all analyses performed to support Mr. Stannard's findings and recommendations as stated in his rebuttal testimony, Page 3, Lines 4 through 28, and Page 4, Lines 1 through 7. Provide all paper and electronic copies, related correspondence, documents, agreements, e-mails, and/or other communications related to this analysis.


Susan Myers, General Counsel
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CERTIFICATE OF SERVICE

The undersigned hereby certifies that on the 29th day of July, 2011:

An electronic copy of the foregoing instrument was emailed to the Secretary of the Rate Commission c/o jfenton@stlmsd.com

SECRETARY OF RATE COMMISSION: Ms. Nancy Bowser
Secretary of Rate Commission
Metropolitan St. Louis Sewer District
2350 Market Street
St. Louis, MO 63103-2555
robowser@swbell.net

At the request of Rate Commission Counsel, one paper original and associated Exhibits are held at the Rate Commission office for Commissioner review.

An electronic copy of the foregoing instrument and Exhibits were emailed to:

RATE COMMISSION LEGAL COUNSEL: Lisa O. Stump, Esq.
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