

Wastewater Rate Change Proceeding - 2019

**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)

**FIRST DISCOVERY REQUEST OF THE
MISSOURI INDUSTRIAL ENERGY CONSUMERS
TO 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(5) and Procedural Schedule §§ 1, 17 and 18 of the Rate Commission of the Metropolitan St. Louis Sewer District (“Rate Commission”), Intervenor Missouri Industrial Energy Consumers (“MIEC”) requests additional information and answers from the Metropolitan St. Louis Sewer District (“MSD” or “District”) regarding the Rate Change Proposal dated March 4, 2019 (the “Rate Change Proposal”).

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

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

REQUEST NO. 1: Page 4-31 of the Rate Change Proposal notes that Infiltration and Inflow (“I/I”) is allocated on the basis of 40% customer, 60% contributed volume.

- a. Please provide the 2005 CDM study that developed this customer-demand split.
- b. Please explain the relationship between I/I and customers’ wastewater contributed volumes.
- c. Can I/I be reduced if customers reduce their contributed volumes? Please explain.
- d. What is the relationship between I/I and the number of customers connected to MSD’s wastewater system.

RESPONSE NO. 1:

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REQUEST NO. 2: With respect to the Inputs tab of the Excel file, “Exhibit MSD 52 - St. Louis MSD Rate Financial Plan Model FY21-24 Final Unlocked.xlsm.”

a. Please describe the analyses performed by MSD to develop the annual Account Growth Rates (shown in Excel rows 333-338) for each rate class as listed below:

- i. Single Family (metered & unmetered): 0.1% per year
- ii. Multi-Family (metered & unmetered): 0.4% per year
- iii. Non-Residential: -0.2% per year

b. Please explain why MSD believes these Account Growth Rates are reasonable.

c. Please describe the analyses performed by MSD to develop the annual Wastewater Volume Growth Rates (Excel rows 341-346) for each customer class as listed below:

- i. Single Family (metered): -1.7% per year
- ii. Multi-Family (metered): 2.0% per year
- iii. Non-Residential: 1.2% per year
- iv. Anheuser Busch: -1.0% in FY 2020, +1.2% in FY 2021, and 0% per year

for FY 2022 and beyond

- v. Single Family (unmetered): -0.1% per year
- vi. Multi-Family (unmetered): -0.4% per year

d. Please explain why MSD believes these annual Wastewater Volume Growth Rates are reasonable.

e. Please describe the studies/analyses performed by MSD to develop the annual escalation rate of -1.2% for all Extra Strength Loadings (BOD, Suspended Solids, COD), as shown in rows 353-355.

f. Please explain why MSD believes these Extra Strength Loadings escalation rates are reasonable.

RESPONSE NO. 2:

REQUEST NO. 3: With respect to the O&M-Funct tab of the Excel file, “Exhibit MSD 52 - St. Louis MSD Rate Financial Plan Model FY21-24 Final Unlocked.xlsm,” please explain how MSD developed the percentages used to allocate costs across the wastewater functional categories (i.e. collection, conveyance, treatment, compliance, billing & customer, General & Admin).

REQUEST NO. 3:

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REQUEST NO. 4: With respect to the Plant-Funct tab of the Excel file, “Exhibit MSD 52 - St. Louis MSD Rate Financial Plan Model FY21-24 Final Unlocked.xlsm,” please explain how MSD developed the percentages (shown in Excel rows 146-153) used to allocate costs across the wastewater functional categories (i.e. collection, conveyance, treatment, compliance, billing & customer, General & Admin).

RESPONSE NO. 4:

REQUEST NO. 5: With respect to the O&M-Alloc tab of the Excel file, “Exhibit MSD 52 - St. Louis MSD Rate Financial Plan Model FY21-24 Final Unlocked.xlsm”:

a. Please describe the studies/analyses completed by MSD to develop the percentage allocations (shown in Excel rows 9-23) of O&M functional costs to the cost drivers (i.e. volume, capacity, compliance, customer & billing, TSS, BOD/COD).

b. Most of these allocation percentages are the same percentages that were used in the 2015 Rate Proposal. Please explain how MSD has determined that these percentages are still valid, and do not need to be updated in the current case. Please provide all studies, documentation and workpapers supporting MSD’s response to this question.

RESPONSE NO. 5:

REQUEST NO. 6: With respect to the Plant-Alloc tab of the Excel file, “Exhibit MSD 52 - St. Louis MSD Rate Financial Plan Model FY21-24 Final Unlocked.xlsm.”

a. Please describe the analyses/studies performed by MSD to develop the percentage allocations (shown in Excel rows 9-23) of the Plant in Service functional costs to the cost drivers (i.e. volume, capacity, compliance, customer & billing, TSS, BOD/COD).

b. Most of these allocation percentages are the same percentages that were used in the 2015 Rate Proposal. Please explain how MSD has determined that these percentages are still valid, and do not need to be updated in the current case. Please provide all studies, documentation and workpapers supporting MSD’s response to this question.

RESPONSE NO. 6:

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CERTIFICATE OF SERVICE

The undersigned certifies that a copy of the foregoing was sent by electronic transmission to the following on this 8th day of April, 2019.

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