

**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)

**FOURTH DISCOVERY REQUEST
OF THE RATE COMMISSION**

Pursuant to §§ 7.280 and 7.290 of the Charter Plan of the Metropolitan St. Louis Sewer District (the “Charter Plan”), Restated Operational Rule § 3(7) and Procedural Schedule §§ 16 and 17 of the Rate Commission of the Metropolitan St. Louis Sewer District (the “Rate Commission”), the Rate Commission requests additional information and answers from the Metropolitan St. Louis Sewer District (the “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.

FOURTH DISCOVERY REQUEST

1. Please provide a copy of the most recent official statement regarding the District's Wastewater System Improvement and Refunding Revenue Bonds.

RESPONSE:

2. Please provide a summary of all pending litigation against the District, including estimated exposure risk to the District for each case. Please identify any lawsuit in which an adverse ruling would impact the Rate Change Proposal.

RESPONSE:

3. Please provide a copy of the Rate Model, Ex. MSD 52, with all tabs unlocked. *Note: The version previously provided by the District in response to the Rate Commission's Discovery Request had some tabs hidden and unavailable for review and/or edits to inputs, such as the "Rate Summary" tab, which is referenced on the Sanitary Dashboard where projected revenue increases are indicated (lines 55 and 56).*

RESPONSE:

4. On page 4-14 of the Rate Change Proposal, Ex. MSD 1, Table 4-6 shows a roughly \$15.7 million increase in General Fund Operating Expenses from FY 2018 to FY 2019. Please identify all factors accounting for this increase.

RESPONSE:

5. Please state whether the District anticipates increased delinquencies if voters reject additional bond authorizations and higher rate increases are implemented as a result. Please provide an analysis of the potential increase in delinquencies if voters do not approve the additional bond authorizations proposed in the Rate Change Proposal and describe how such increases were accounted for in the development of the alternative rates that will be presented to voters for the "No Bond Authorization" option.

RESPONSE:

6. Please provide the number of basement backups reported to the District for each year from FY 2009 – FY 2018.

RESPONSE:

7. Please provide the number of dry weather overflows of which the District is aware for each year from FY 2009 – FY 2018.

RESPONSE:

8. Please state whether the failure of Proposition S (2019) will result in additional anticipated costs being shifted from stormwater to wastewater. If the answer is “Yes”, please identify the amounts anticipated to be shifted, and state how such funds will be spent.

RESPONSE:

9. Please identify all tunnel projects planned as part of the Consent Decree. For each project, please state the project’s name, start date, completion date, length and diameter of tunnel, approximate location, and its estimated cost. If a map of such projects is available, please provide a copy.

RESPONSE:

10. Please provide a chart/model from PFM illustrating the historical and current interest rate differentials between AAA, AA, A, etc.

RESPONSE:

11. Please explain the anticipated impact on borrowing costs if the District’s bond rating is upgraded or downgraded.

RESPONSE:

12. Please explain how the District establishes insurance requirements for projects. Please provide examples of insurance requirements for CIRP projects of varying sizes.

RESPONSE:

13. In the FY 2021 – FY 2024 CIRP, \$38.6 million is identified as green infrastructure or raingardens. Will the District get credit towards the \$100 million in Bissell and \$20 million in Lemay Consent Decree requirements for these projects?

RESPONSE:

14. Please provide a copy of Table 7.8 on page 7-118 of the Rate Change Proposal, Ex. MSD 1, for wastewater only.

RESPONSE:

15. Please state the total number of projects the District is required to complete for the Consent Decree.

RESPONSE:

16. Please explain the impact an unanticipated revenue shortfall, due to decreasing billable units or some other factor(s), would have on the Rate Change Proposal.

RESPONSE:

Respectfully submitted,



Lisa O. Stump
Brian J. Malone
LASHLY & BAER, P.C.
714 Locust Street
St. Louis, Missouri 63101
Tel: (314) 621-2939
Fax: (314) 621-6844
lostump@lashlybaer.com
bmalone@lashlybaer.com

CERTIFICATE OF SERVICE

The undersigned certifies that a copy of the foregoing was sent by electronic transmission to Janice Fenton, Office Associate Senior, Metropolitan St. Louis Sewer District; Susan Myers, Counsel for the Metropolitan St. Louis Sewer District, on this 11th day of April, 2019.

Ms. Janice Fenton
Office Associate Senior
Metropolitan St. Louis Sewer District
2350 Market Street
St. Louis, Missouri 63103
jfenton@stlmsd.com

Ms. Susan Myers
General Counsel
Metropolitan St. Louis Sewer District
2350 Market Street
St. Louis, Missouri 63103
smyers@stlmsd.com

Brandon W. Neuschafer
Kamilah Jones
Bryan Cave, LLP
211 North Broadway, Suite 3600
St. Louis, Missouri 63102
bwneuschafer@bclplaw.com
kami.jones@bclplaw.com

*Attorneys for Missouri Industrial
Energy Consumers*



Brian J. Malone