

MISSOURI · WATER UTILITIES · CAPITAL BRIEFING

Two federal consent decrees, a century of pipe, and a rate case almost every year.

In Missouri the capital pressure is court-enforced. St. Louis and Kansas City are working through multi-billion-dollar sewer consent decrees, Missouri American Water is back at the PSC on a near-annual clock, and lead-line inventories are now a federal deadline. Every one of those forces reshuffles the projects on your list. Invizion helps Missouri utilities re-sequence a capital portfolio in a click — and defend every decision.

1.6M¹	\$4.7B²	\$1.6B³	\$3.8B⁴
People served by Missouri American Water — the state's largest water & wastewater utility, rate-regulated by the Missouri PSC.	The 23-year federal consent decree behind MSD Project Clear in St. Louis — one of the largest sewer programs in the country.	System investment Missouri American Water is asking the PSC to recover in its 2026 rate review, covering work through May 2028.	Grants and loans Missouri's State Revolving Funds have deployed to communities since inception.

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THE MISSOURI LANDSCAPE

Four forces are moving your project list at once

None of these is theoretical, and most of them are on a clock you don't control. Together they mean the capital plan you approved last year may already be the wrong plan.

RENEWAL — AGING PIPE

A century of pipe, replaced one main at a time

St. Louis has delivered drinking water since 1832, drawing from the Mississippi and Missouri Rivers.⁵ Systems that old don't get a pause — the mains, valves, and plants underneath them are all past due somewhere.

Missouri American Water is spending against exactly that: its 2026 rate review asks the PSC to recover roughly \$1.6 billion in completed and planned system investment through May 2028.³ Renewal is the baseline — and it competes for dollars with everything below.

COMPLIANCE — CONSENT DECREES

Two of the country's biggest sewer decrees run here

The Metropolitan St. Louis Sewer District's Project Clear is a \$4.7 billion, 23-year federal consent decree entered in 2012 and later extended.² EPA's WIFIA program has closed two low-cost loans to MSD to help carry it — \$330 million in 2023 and \$48 million in 2018.⁶

Kansas City runs its own: the Smart Sewer overflow-control program, a 30-year plan (2010–2035) that has captured about 68% of combined sewer overflows and rehabilitated more than 270 miles of sewer.⁷ These schedules move on a court's clock, not a budget cycle.

COMPLIANCE — LEAD

Lead lines, now on a federal inventory clock

EPA's Lead and Copper Rule Improvements require every water system to inventory its service lines and replace the lead ones on a set schedule.⁸ Missouri's oldest systems — St. Louis, serving since 1832, and Kansas City — carry the deepest inventories⁵

The state is channeling Bipartisan Infrastructure Law money into it: DNR's DWSRF lead grants run up to \$2.05 million, or up to \$5 million for disadvantaged communities.⁹ The money helps, but it doesn't reorder the projects for you.

FINANCE — STACKED CAPITAL

Renewal, decrees, and lead — one set of dollars

None of this work replaces the rest. Consent-decree projects are court-ordered, lead has a federal deadline, and the pipe keeps aging underneath all of it. Every dollar is either recovered from ratepayers or borrowed — which is why Missouri American Water now returns to the PSC on a near-annual cadence.³

Missouri's State Revolving Funds stretch the money — more than \$1.4 billion in borrower interest savings to date.⁴ But cheaper capital doesn't solve the sequencing problem. Deciding what moves, what waits, and what that does to rates is the hard part.

WHO RUNS MISSOURI'S WATER

A few large systems, and a very long tail

Missouri’s biggest metros run their own water and sewer utilities, one investor-owned provider dominates the private side, and hundreds of small municipalities and public water supply districts fill in the rest. The pressures are shared; the accountability path differs.

Municipal & public systems

Rates set by city councils and district boards

St. Louis City Water Division	Serving the City of St. Louis since 1832; Mississippi & Missouri River sources ⁵
KC Water (Kansas City)	172,000 customers · 320 sq mi service area ¹⁰
Metropolitan St. Louis Sewer District (MSD)	Regional wastewater & stormwater; Project Clear ²
Springfield, Columbia, Independence	Large municipal water & sewer providers
Public water supply districts & small towns	Hundreds of systems statewide

Kansas City has committed roughly \$2 billion over five years across water, sewer, and stormwater.¹⁰

Investor-owned utilities

Rates & capital recovery regulated by the Missouri PSC

Missouri American Water	~1.6M people served · the state's dominant private provider ¹
American Water (parent)	~14M people across 14 states · 6,700 employees ¹¹
Small IOUs & consolidators	PSC-regulated operators acquiring troubled small systems
Numerous rural systems	Where funding gaps hit hardest

Missouri American Water filed a PSC rate review on July 1, 2026 to recover about \$1.6 billion in system investment through May 2028.³

Every capital dollar has to be defensible

Whether you answer to the Public Service Commission, a city council, or a federal judge overseeing a consent decree, the question is the same: why this project, why now, why at this cost?

Missouri Public Service Commission (PSC) sets rates and approves capital recovery for investor-owned utilities such as Missouri American Water, which now returns for review on a near-annual cadence.³

WSIRA (Water & Sewer Infrastructure Rate Adjustment) — 2021 legislation lets qualifying utilities recover eligible infrastructure-replacement costs between full rate cases, speeding pipe renewals³

Missouri DNR holds Safe Drinking Water Act primacy and administers Lead & Copper Rule service-line inventories and the compliance capital that follows.⁹

Federal consent decrees — MSD in St. Louis and Kansas City run court-enforced overflow-control schedules overseen by EPA and the Department of Justice²⁷

City councils & district boards approve municipal water and sewer capital plans in public, in front of ratepayers.

The money is moving — can your plan absorb it?

Missouri utilities have low-cost capital available through the SRFs, WIFIA, and Bipartisan Infrastructure Law set-asides. The constraint is increasingly readiness: which projects qualify, which are shovel-ready, and how the timing lines up with the consent-decree and rate clocks.

Missouri's State Revolving Funds — the Clean Water and Drinking Water SRFs, administered by DNR, have provided more than \$3.8 billion in grants and loans to communities, with over \$1.4 billion in borrower interest savings.⁴

WIFIA — EPA has closed two low-cost federal loans to MSD: \$330 million in 2023 for Project Clear solids-management upgrades and \$48 million in 2018 for the Deer Creek tunnels.⁶

Bipartisan Infrastructure Law lead-line funding — DNR is awarding DWSRF lead grants of up to \$2.05 million (up to \$5 million for disadvantaged communities), with the current round open through Dec. 31, 2026.⁹

USDA Rural Development — the Water & Waste Disposal Loan & Grant program funds small and rural Missouri water and wastewater systems.¹²

MISSOURI WATER, IN BRIEF

Questions Missouri utility leaders are asking

Short, sourced answers — the same facts we'll dig into on a call, in the context of your system.

Who regulates water rates in Missouri?

The Missouri Public Service Commission sets rates and approves capital recovery for investor-owned utilities such as Missouri American Water. Municipal systems — St. Louis, Kansas City, Springfield, and others — set rates through their own city councils and district boards. Either way, capital spending has to be justified to a governing body and, increasingly, to ratepayers³

What is MSD Project Clear and how big is the consent decree?

Project Clear is the Metropolitan St. Louis Sewer District's program to bring its wastewater and stormwater system into compliance under a federal consent decree — a \$4.7 billion, 23-year commitment entered in 2012 and later extended. EPA's WIFIA program has closed \$330 million (2023) and \$48 million (2018) in low-cost loans to help fund it²⁶

What is Kansas City's Smart Sewer program?

KC Water's Overflow Control Program, branded Smart Sewer, is a 30-year plan running from 2010 to 2035 to reduce combined and separate sewer overflows under a federal consent decree. To date it has captured about 68% of combined sewer overflows and rehabilitated more than 270 miles of sewer⁷.

How much funding has Missouri's State Revolving Fund provided?

Missouri's Clean Water and Drinking Water SRFs, administered by DNR, have provided more than \$3.8 billion in grants and loans to communities since inception, saving borrowers over \$1.4 billion in interest. DWSRF lead-service-line grants are funded through the Bipartisan Infrastructure Law⁴⁹

Why is Missouri American Water raising rates again?

Missouri American Water filed a rate review with the PSC on July 1, 2026 to recover roughly \$1.6 billion in completed and planned system investment through May 2028; new rates could take effect in mid-2027. Missouri's 2021 WSIRA law also lets it recover some infrastructure-replacement costs between full rate cases.³

How does Invizion help Missouri water utilities plan capital?

Invizion is scenario-based capital portfolio optimization for water utilities. It lets you model how a consent-decree milestone, a funding award, a lead-line deadline, or a PSC rate outcome reshuffles your whole project list, re-sequence the portfolio automatically against the constraints you set, and keep a defensible record of every trade-off for the PSC, your board, a federal overseer, or ratepayers. The best next step is a short first meeting to look at it against your own program.

REFERENCES

Sources

Every figure in this briefing is tied to a primary or authoritative source.

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3. Missouri American Water, "Water and Wastewater Rates" — July 1, 2026 PSC rate review to recover ~\$1.6 billion of system investment through May 2028; current rates effective May 2025; WSIRA infrastructure surcharge (2021 law). amwater.com
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7. KC Water, "Smart Sewer" (Overflow Control Program) — 30-year consent-decree program (2010–2035); ~68% of combined sewer overflows captured and 270+ miles of sewer rehabilitated to date, 2025. kcsmartsewer.us
8. U.S. EPA, "Lead Service Line Replacement" — Lead and Copper Rule Improvements require water systems to inventory service lines and replace lead ones, 2024. epa.gov
9. Missouri Department of Natural Resources, "DWSRF Lead Service Line Funding" — Bipartisan Infrastructure Law grants up to \$2.05M (replacement), \$5M for disadvantaged communities, and \$102,500 for inventories; application round open through Dec. 31, 2026. dnr.mo.gov
10. KC Water — 172,000 customers, 320 sq mi service area, and roughly \$2 billion of planned investment over five years, 2025. kcwater.us
11. American Water (Missouri American Water parent company) — regulated water and wastewater service to more than 14 million people in 14 states, ~6,700 employees, 2025. amwater.com
12. USDA Rural Development, Missouri — Water & Waste Disposal Loan & Grant Program for rural water and wastewater systems, 2025. rd.usda.gov

ABOUT INVIZION

Capital program optimization for utilities

Invizion is a purpose-built capital lifecycle management platform for water and wastewater utilities. It integrates budgeting, CIP, scenario analysis, and funding-source tracking in one system — so utilities can re-sequence a capital portfolio in a click and demonstrate audit-ready, defensible decisions to regulators, boards, and rating agencies.

See what a defensible Missouri capital plan looks like — book a 20-minute first meeting.

Book your first meeting →