

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of Missouri-American)	<u>Case No. WR-2007-0216</u>
Water Company's Request for Authority)	Tariff File Nos. YW-2007-0407, YW-2007-
to Implement a General Rate Increase)	0409, YW-2007-0410, YW-2007-0411,
for Water Service Provided in Missouri)	YW-2007-0412, and YW-2007-0413
Service Areas)	

LIST OF DISPUTED ISSUES AND WITNESSES

COMES NOW Intervenor City of Joplin, by and through counsel, and for its list of disputed issues and witnesses pursuant to the Commission's Order issued on August 9, 2007, states as follows:

List of Disputed Issues

- 1. Proper basis for allocating Missouri American Water Company's (MAWC) corporate administrative and general expenses.**

The proper allocation of corporate and administrative general expenses relates to an individual district's cost of service and the resultant rates that accrue from that cost of service. The proper allocation of the corporate administrative and general expenses is by linear feet of pipe within each District and not by payroll expenses as advocated by the Staff. Staff's position is arbitrary and capricious and has no basis to be adopted.

By eliminating the inherent profitability of the local district through the guise of using payroll to allocate corporate expense and therefore shouldering Joplin with a greater burden than it should be responsible for carrying, the rates of the Joplin ratepayers dramatically increase. That dramatic increase serves the goal of the Staff: to discriminate against and punish Joplin ratepayers.

2. Proper normalization of chemicals for treating water, particularly in the Joplin District.

The chemical use during the test year was normalized and annualized to have a great increase in the amount of cost for a “normal” year. If any adjustment is made to the chemical usage costs in Joplin, it should be a reduction of the cost of chemicals, directly tied to the reduction in water revenues, and not the increase of nearly 100 percent as proposed by Staff.

3. Payroll tax payment as annualized for the Joplin District and certain depreciation issues.

The payroll tax annualization should follow the payroll annualization. Simply put, if payroll increases since payroll taxes are a direct percentage thereof, the amount of payroll tax annualization should increase correspondingly.

4. Depreciation issues

Corporate allocation of corporate depreciation is also excessive and based upon improper allocation factors.

5. Resulting Rates

Joplin opposes the discriminatory rates that these issues impose upon Joplin ratepayers. Staff's egregious behavior, and the co-opting of other parties through that behavior, must be stopped by this Commission. The rates proposed cannot be supported by any facts or law.

6. Other Issues

At this time, Joplin does not oppose the resolution of any additional issues encompassed in the Agreement that it has not already identified in its pre-hearing filings or in this Statement.

Witnesses to be Cross-Examined

Intervenor City of Joplin will cross-examine the following witnesses:

1. Ed Grubb, Don Petry and Greg Weeks of Missouri American Water Company

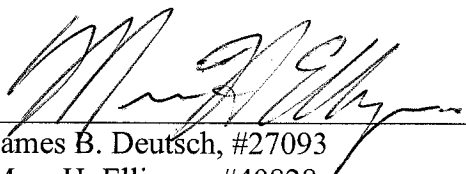
2. Steve Rackers, Roberta Grissum and Lisa Hannekan of the Staff of the Missouri Public Service Commission.

WHEREFORE, Intervenor City of Joplin prays that this Commission deny the relief requested by Staff and properly craft rates that are just, reasonable and lawful.

Respectfully submitted,

BLITZ, BARDGETT & DEUTSCH, L.C.

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Certificate of Service

I hereby certify that true copies of the foregoing List of Disputed Issues and Witnesses were sent to each of the following persons by electronic mail this 10th day of August, 2007:

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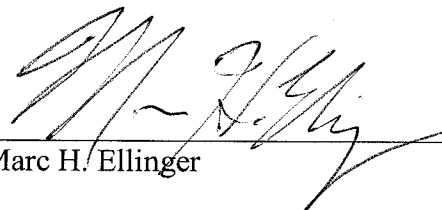
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