

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of Missouri-American)
Water Company's Request for Authority)
to Implement a General Rate Increase)
for Water Service Provided in Missouri)
Service Areas)

Case No. WR-2007-0216, et al.

ORDER DIRECTING STAFF TO FILE PREVIOUSLY ORDERED REVISED RECONCILIATION IN PROPER FORMAT, FILE DISTRICT SPECIFIC SETTLEMENT ANALYSIS AND REVISED ACCOUNTING SCHEDULES

Issue Date: September 10, 2007

Effective Date: September 10, 2007

The Commission adjourned the evidentiary hearing in this matter on August 14, 2007.¹ On August 15, the Commission issued post-hearing procedure orders and on August 20, the Commission further clarified those orders.

On August 23, the Commission provided the parties additional instructions for post-hearing filings. One of the Commission's directives was for its Staff to:

file a revised reconciliation based upon the resolution of the issues in the Non-Unanimous Stipulation and Agreement. The revised reconciliation shall include what Return on Equity was used and what Rate of Return ultimately resulted.

On September 7, Staff filed a revised reconciliation that was specific to the issues contested by the City of Joplin in this matter. While the Commission appreciates this filing, and the quantification of Joplin's remaining issues, the Commission's August 23 order lacked sufficient clarity for Staff to properly comply.

¹ All dates throughout this order refer to the year 2007 unless otherwise noted.

The Commission will re-direct its Staff to file a revised reconciliation based upon the resolution of the issues embodied in the Non-Unanimous Stipulation and Agreement (“Agreement”) filed on August 9. The reconciliation should mirror the format of the reconciliation Staff filed on July 30, reflecting all company-wide variables, not those specific only to the Joplin District. The Commission further directs its Staff to provide citations to the record identifying the relevant portions of the record supporting the derivation of the amounts used to determine the over-all revenue requirement for MAWC that was reached in the Agreement as will be reflected in the revised reconciliation.

Additionally, the Staff will be directed to file a spread sheet settlement analysis, based upon the Agreement, as corrected for the adjustment to the cost of chemicals for Joplin, reflecting MAWC’s revenue requirement as it was allocated on a District Specific basis. This analysis shall include the settled revenue requirement for each district, the settled revenue requirement as a percentage of system revenue, the rate base allocated to each district and percentage of system rate base per district.

Staff shall also file revised Accounting Schedules # 1 for each District, demonstrating the revenue requirement for each district as it was determined by the Agreement. For Joplin’s District it shall file a Schedule # 1 demonstrating the contrast between the revenue requirement as determined by the Agreement and the variance created utilizing the allocation factors advocated by Joplin.

IT IS ORDERED THAT:

1. No later than September 17, the Staff of the Missouri Public Service Commission shall prepare and file with the Commission the revised reconciliation, a

pleading with record citations supporting the revised reconciliation, spread sheet settlement analysis and revised accounting schedules as directed in the body of this order.

2. This order shall become effective on September 10, 2007.

BY THE COMMISSION

A handwritten signature in black ink, appearing to read 'Colleen M. Dale', written over a horizontal line.

Colleen M. Dale
Secretary

(S E A L)

Harold Stearley, Regulatory Law Judge,
by delegation of authority pursuant to
Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,
on this 10th day of September, 2007.