

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

In the Matter of the Petition of)
Missouri-American Water Company for) **File No. WO-2021-0428**
Approval to Establish a Water and Sewer)
Infrastructure Rate Adjustment ("WSIRA"))

**MAWC’S RESPONSE TO STAFF RECOMMENDATION
AND OPC OBJECTION AND RECOMMENDATION**

COMES NOW Missouri-American Water Company (“MAWC”), by and through counsel, and, as its *Response to Staff Recommendation and OPC Objection and recommendation*, states as follows to the Missouri Public Service Commission (“Commission”):

1. On September 3, 2021, MAWC filed its *Petition for Approval to Establish a Water and Sewer Infrastructure Rate Adjustment (WSIRA) and Motion for Approval of Customer Notice* (“Petition”) pursuant to the provisions of the Missouri Water and Sewer Infrastructure Act, Sections 393.1500 and 393.1509, RSMo., and Commission Rule 20 CSR 4240-2.060(1). This WSIRA concerns the actual WSIRA eligible investment placed in service from January 1, 2021, through October 31, 2021.

2. On December 2, 2021, the Staff of the Commission (“Staff”) filed its *Staff Recommendation* and the Office of the Public Counsel (“OPC”) filed its *Objection and Recommendation* concerning the Petition.

3. MAWC has reviewed the *Staff Recommendation* the *Objection and Recommendation* and hereby provides its response to those pleadings as follows:

- a) Staff’s suggested that the WSIRA rates be designed to recover annual WSIRA revenues of \$16,094,958 for St. Louis water, \$2,651,819 for All Other water, \$42,340 for Arnold sewer, and \$165,055 for All Other sewer for a total of \$18,954,172.


MAWC has discussed this recommendation with Staff, provided additional documentation, and believes that Staff now agrees that WSIRA rates should be designed to recover annual WSIRA revenues of \$16,135,000 for St. Louis water, \$2,659,795 for All Other water, \$42,491 for Arnold sewer, and \$165,495 for All Other sewer for a total of \$19,002,781. The calculation of these amounts is found on **Revised Appendix C** attached hereto.

- b) As indicated by OPC's Objection and Recommendation, MAWC does not object to the tariff changes suggested by OPC. Accordingly, attached as **Revised Appendix A** and **Revised Appendix B** are exemplar tariff sheets reflecting those changes,¹ as well as the rates resulting from the annual WSIRA revenues described above.
- c) Lastly, attached as **Revised Appendix K** is a revised customer notice that includes the change identified by the *Staff Recommendation*.

4. Accordingly, MAWC asks that the Commission approve the WSIRA surcharge revenues identified herein, subject to the changes to the tariff sheets and customer notice found in **Revised Appendix A**, **Revised Appendix B**, and **Revised Appendix K**.

WHEREFORE, MAWC respectfully submits this *Response to Staff Recommendation and OPC Objection and Recommendation* and requests that the Commission issue an order approving the establishment of a WSIRA for MAWC as described herein.

Respectfully submitted,



Dean L. Cooper MBE #36592
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312 E. Capitol Avenue

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Corporate Counsel
MISSOURI-AMERICAN WATER
COMPANY
727 Craig Road

¹ A language change requested by the City of St. Joseph is also included in these tariff sheets.

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ATTORNEYS FOR MISSOURI-AMERICAN WATER COMPANY

CERTIFICATE OF SERVICE

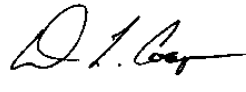
I hereby certify that a copy of the above and foregoing document was sent via electronic mail on this 13th day of December, 2021, to:

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Missouri-American Water Company
 Name of Issuing Corporation

For

St. Louis County
 Community, Town or City

Rate W			
Water & Sewer Infrastructure Replacement Surcharge (WSIRA)			
<p>DESCRIPTION - Rate W is designed to recover costs associated with the Company's eligible infrastructure projects: 1) Replacement of or cleaning and relining of existing mains, hydrants, meters, service lines, laterals, sewer taps, curbstops and manholes, 2) Replacement of lead mains, goosenecks, lead service lines and associated valves and meters, 3) Replacement of booster station and lift station pumps, with equipment of similar capacity and operation, as well as related pipes, valves and meters, 4) Facilities relocations required due to construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain; provided that the costs related to such projects have not been reimbursed to the water or sewer corporation; 5) Replacement of water and wastewater treatment mechanical equipment with equipment of similar capacity and operation, including well and intake pumps, transfer pumps, high service or discharge pumps, and metering pumps, 6) Replacement of Supervisory Control and Data Acquisition Systems (SCADA) components necessary for the operation and monitoring of remote installations including radio and cellular communication equipment, and programmable logic controllers. The WSIRA rate is calculated and implemented in accordance with the provisions of sections 393.1500 to 393.1509 RSMO. Any future changes to this rate will also be made in accordance with those provisions.</p>			*
<p>APPLICABILITY - This rate is applicable to any customer class who benefits from the subject utility plant projects eligible for WSIRA recovery. The surcharge is calculated consistent with the customer class cost-of-service study recognized by the Missouri Commission in the Company's most recent general rate proceeding.</p>			*
<p>RATE COMPONENTS - In addition to the other charges provided for in the Company's tariffs, a separate charge for the WSIRA will apply for service rendered on and after the effective date.</p>			*
<u>Customer Rate Class</u>	<u>Rate per 100 Gallons</u>	<u>Rate per 1,000 Gallons</u>	*
Rate A	\$0.04828	\$0.48279	*
Rate B	\$0.01810	\$0.18104	*
Rate J	\$0.01288	\$0.12877	*
<p>RULES AND REGULATIONS – The General Rules and Regulations set forth in this tariff shall govern the supply of service under this rate.</p>			*
<p>PAYMENT TERMS - All bills for service under this schedule will be rendered in arrears on a monthly or quarterly basis. The due date on the tariff shall be ten (10) days after the "date of rendition" of the bill to the customer. The customer's bill will be due and payable after this due date. The delinquent date printed on the bill will not be less than twenty-one (21) days after the date of the postmark of the bill. Any accounts remaining unpaid at the expiration of twenty-one (21) days shall be considered delinquent and the Company may take such action as specified in its filed rules and regulations.</p>			*
<p>TAXES - These rates do not include any municipal, state or federal taxes computed on either billing or consumption basis. Any such taxes applicable shall be added as separate items in rendering each bill.</p>			*

* *Indicates new rate or text*

+ *Indicates change*

Date of Issue: January XX, 2022 Effective Date: February XX, 2022

Issued By: Rich C. Svindland, President
727 Craig Road, St. Louis, MO 63141

Missouri-American Water Company
 Name of Issuing Corporation

For

All Missouri Service Areas Outside of St. Louis County
 Community, Town or City

Rate W			
Water & Sewer Infrastructure Replacement Surcharge (WSIRA)			
<p>DESCRIPTION - Rate W is designed to recover costs associated with the Company’s eligible infrastructure projects: 1) Replacement of or cleaning and relining of existing mains, hydrants, meters, service lines, laterals, sewer taps, curbstops and manholes, 2) Replacement of lead mains, goosenecks, lead service lines and associated valves and meters, 3) Replacement of booster station and lift station pumps, with equipment of similar capacity and operation, as well as related pipes, valves and meters, 4) Facilities relocations required due to construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain; provided that the costs related to such projects have not been reimbursed to the water or sewer corporation; 5) Replacement of water and wastewater treatment mechanical equipment with equipment of similar capacity and operation, including well and intake pumps, transfer pumps, high service or discharge pumps, and metering pumps, 6) Replacement of Supervisory Control and Data Acquisition Systems (SCADA) components necessary for the operation and monitoring of remote installations including radio and cellular communication equipment, and programmable logic controllers. The WSIRA rate is calculated and implemented in accordance with the provisions of sections 393.1500 to 393.1509 RSMO. Any future changes to this rate will also be made in accordance with those provisions.</p>			*
<p>APPLICABILITY - This rate is applicable to any customer class who benefits from the subject utility plant projects eligible for WSIRA recovery. The surcharge is calculated consistent with the customer class cost-of-service study recognized by the Missouri Commission in the Company’s most recent general rate proceeding.</p>			*
<p>RATE COMPONENTS - In addition to the other charges provided for in the Company’s tariffs, a separate charge for the WSIRA will apply for service rendered on and after the effective date.</p>			*
<u>Customer Rate Class</u>	<u>Rate per 100 Gallons</u>	<u>Rate per 1,000 Gallons</u>	*
Rate A	\$0.02559	\$0.25591	*
Rate B	\$0.00825	\$0.08246	*
Rate J	\$0.00894	\$0.08936	*
<p>RULES AND REGULATIONS – The General Rules and Regulations set forth in this tariff shall govern the supply of service under this rate.</p>			*
<p>PAYMENT TERMS - All bills for service under this schedule will be rendered in arrears on a monthly or quarterly basis. The due date on the tariff shall be ten (10) days after the "date of rendition" of the bill to the customer. The customer's bill will be due and payable after this due date. The delinquent date printed on the bill will not be less than twenty-one (21) days after the date of the postmark of the bill. Any accounts remaining unpaid at the expiration of twenty-one (21) days shall be considered delinquent and the Company may take such action as specified in its filed rules and regulations.</p>			*
<p>TAXES - These rates do not include any municipal, state or federal taxes computed on either billing or consumption basis. Any such taxes applicable shall be added as separate items in rendering each bill.</p>			*

* Indicates new rate or text

+ Indicates change

Date of Issue: January XX, 2022 Effective Date: February XX, 2022

Issued By: Rich C. Svindland, President
727 Craig Road, St. Louis, MO 63141

Missouri-American Water Company
Name of Issuing Corporation

For

City of Arnold and Surrounding Area
Community, Town or City

Rate W		
Water & Sewer Infrastructure Replacement Surcharge (WSIRA)		
DESCRIPTION - Rate W is designed to recover costs associated with the Company’s eligible infrastructure projects: 1) Replacement of or cleaning and relining of existing mains, hydrants, meters, service lines, laterals, sewer taps, curbstops and manholes, 2) Replacement of lead mains, goosenecks, lead service lines and associated valves and meters, 3) Replacement of booster station and lift station pumps, with equipment of similar capacity and operation, as well as related pipes, valves and meters, 4) Facilities relocations required due to construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain; provided that the costs related to such projects have not been reimbursed to the water or sewer corporation; 5) Replacement of water and wastewater treatment mechanical equipment with equipment of similar capacity and operation, including well and intake pumps, transfer pumps, high service or discharge pumps, and metering pumps, 6) Replacement of Supervisory Control and Data Acquisition Systems (SCADA) components necessary for the operation and monitoring of remote installations including radio and cellular communication equipment, and programmable logic controllers. The WSIRA rate is calculated and implemented in accordance with the provisions of sections 393.1500 to 393.1509 RSMO. Any future changes to this rate will also be made in accordance with those provisions.		*
APPLICABILITY - This rate is applicable to any customer class who benefits from the subject utility plant projects eligible for WSIRA recovery. The surcharge is calculated consistent with the customer class cost-of-service study recognized by the Missouri Commission in the Company’s most recent general rate proceeding.		*
RATE COMPONENTS - In addition to the other charges provided for in the Company’s tariffs, a separate charge for the WSIRA will apply for service rendered on and after the effective date. The WSIRA charge is calculated as a percentage of the customer’s total bill, prior to any taxes.		*
All Customers:	0.6773%	of the total bill
RULES AND REGULATIONS – The General Rules and Regulations set forth in this tariff shall govern the supply of service under this rate.		*
PAYMENT TERMS - All bills for service under this schedule will be rendered in arrears on a monthly or quarterly basis. The due date on the tariff shall be ten (10) days after the "date of rendition" of the bill to the customer. The customer's bill will be due and payable after this due date. The delinquent date printed on the bill will not be less than twenty-one (21) days after the date of the postmark of the bill. Any accounts remaining unpaid at the expiration of twenty-one (21) days shall be considered delinquent and the Company may take such action as specified in its filed rules and regulations.		*
TAXES - These rates do not include any municipal, state or federal taxes computed on either billing or consumption basis. Any such taxes applicable shall be added as separate items in rendering each bill.		*

* Indicates new rate or text

+ Indicates change

Date of Issue: January XX, 2022 Effective Date: February XX, 2022

Issued By: Rich C. Svindland, President
727 Craig Road, St. Louis, MO 63141

**Rate W
Water & Sewer Infrastructure Replacement Surcharge (WSIRA)**

DESCRIPTION - Rate W is designed to recover costs associated with the Company’s eligible infrastructure projects: 1) Replacement of or cleaning and relining of existing mains, hydrants, meters, service lines, laterals, sewer taps, curbstops and manholes, 2) Replacement of lead mains, goosenecks, lead service lines and associated valves and meters, 3) Replacement of booster station and lift station pumps, with equipment of similar capacity and operation, as well as related pipes, valves and meters, 4) Facilities relocations required due to construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain; provided that the costs related to such projects have not been reimbursed to the water or sewer corporation; 5) Replacement of water and wastewater treatment mechanical equipment with equipment of similar capacity and operation, including well and intake pumps, transfer pumps, high service or discharge pumps, and metering pumps, 6) Replacement of Supervisory Control and Data Acquisition Systems (SCADA) components necessary for the operation and monitoring of remote installations including radio and cellular communication equipment, and programmable logic controllers. The WSIRA rate is calculated and implemented in accordance with the provisions of sections 393.1500 to 393.1509 RSMO. Any future changes to this rate will also be made in accordance with those provisions.

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APPLICABILITY - This rate is applicable to any customer class who benefits from the subject utility plant projects eligible for WSIRA recovery. The surcharge is calculated consistent with the customer class cost-of-service study recognized by the Missouri Commission in the Company’s most recent general rate proceeding.

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RATE COMPONENTS - In addition to the other charges provided for in the Company’s tariffs, a separate charge for the WSIRA will apply for service rendered on and after the effective date. The WSIRA charge is calculated as a percentage of the customer’s total bill, prior to any taxes.

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All Customers: 2.5882% of the total bill

*

RULES AND REGULATIONS – The General Rules and Regulations set forth in this tariff shall govern the supply of service under this rate.

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PAYMENT TERMS - All bills for service under this schedule will be rendered in arrears on a monthly or quarterly basis. The due date on the tariff shall be ten (10) days after the "date of rendition" of the bill to the customer. The customer's bill will be due and payable after this due date. The delinquent date printed on the bill will not be less than twenty-one (21) days after the date of the postmark of the bill. Any accounts remaining unpaid at the expiration of twenty-one (21) days shall be considered delinquent and the Company may take such action as specified in its filed rules and regulations.

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TAXES - These rates do not include any municipal, state or federal taxes computed on either billing or consumption basis. Any such taxes applicable shall be added as separate items in rendering each bill.

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Date of Issue: January XX, 2022 Effective Date: February XX, 2022

Issued By: Rich C. Svindland, President
727 Craig Road, St. Louis, MO 63141

Missouri-American Water Company
WSIRA Revenue Requirements Calculation

1	WSIRA Revenue Requirement	STL County Water	Other Water	Arnold Sewer	Other Sewer	Total
2						
3	Utility Plant Projects--Replacement					
4	Utility Plant in Service--Replacement	\$166,700,053	\$28,474,824	\$476,620	\$1,663,192	\$197,314,689
5	Net Contributions in Aid of Construction	(4,701,629)	(134,535)	0	(444)	(4,836,608)
6	Deferred Taxes	(17,350,566)	(2,998,021)	(61,025)	(209,321)	(20,618,933)
7	Accumulated Depreciation	(1,729,930)	(321,302)	(2,510)	(21,209)	(2,074,950)
8						
9	Total Net Replacement Rate Base	\$142,917,928	\$25,020,967	\$413,084	\$1,432,219	\$169,784,198
10						
11	Utility Plant Projects--Facilities Relocations					
12	Utility Plant in Service--Relocations	\$11,031,046	\$261,085	\$0	\$0	\$11,292,131
13	Net Contributions in Aid of Construction	(980,500)	1,945	0	0	(978,555)
14	Deferred Taxes	(1,153,887)	(21,683)	0	0	(1,175,571)
15	Accumulated Depreciation	(85,777)	(4,436)	0	0	(90,213)
16						
17	Total Net Relocation Rate Base	\$8,810,881	\$236,911	\$0	\$0	\$9,047,793
18						
19	Utility Plant Projects--Total					
20	Utility Plant in Service--Total	\$177,731,099	\$28,735,910	\$476,620	\$1,663,192	\$208,606,820
21	Net Contributions in Aid of Construction	(5,682,129)	(132,591)	0	(444)	(5,815,163)
22	Deferred Taxes	(18,504,454)	(3,019,704)	(61,025)	(209,321)	(21,794,504)
23	Accumulated Depreciation	(1,815,707)	(325,738)	(2,510)	(21,209)	(2,165,163)
24						
25	Total WSIRA Rate Base	\$151,728,810	\$25,257,878	\$413,084	\$1,432,219	\$178,831,991
26						
27	Overall Pre-Tax Rate Of Return per Last O	8.71%	8.71%	8.71%	8.71%	8.71%
28						
29	Revenue Requirement on Capital	\$13,215,579	\$2,199,961	\$35,980	\$124,746	\$15,576,266
30	Depreciation Expense	2,919,421	459,834	6,511	40,748	3,426,514
31	Property Taxes	0	0	0	0	0
32						
33	Total Revenue Requirement	\$16,135,000	\$2,659,795	\$42,491	\$165,495	\$19,002,781
34						
35	Adjustments:					
36	Undercollection from WSIRA reconciliation					\$0
37	Revenue Cap Adjustment	0	0	0	0	0
38						
39	Total WSIRA Revenue Requirement	\$16,135,000	\$2,659,795	\$42,491	\$165,495	\$19,002,781
40						
41	Allocation of Revenue by Class					
42	Rate A	\$15,339,123	\$2,294,085			\$17,633,208
43	Rate B	285,992	100,142			386,133
44	Rate J	509,885	265,569			775,454
45	Sewer			42,491	165,495	207,985
46						
47	Total WSIRA Revenue Requirement	\$16,135,000	\$2,659,795	\$42,491	\$165,495	\$19,002,781

Missouri-American Water Company
WSIRA #1
Deferred Taxes

Book/Tax Depreciation Temporary Difference						
	Replacements		Relocations		Total All Property	
	2021	2022	2021	2022	2021	2022
Plant Additions						
STL Water - Other Than Meters	145,487,462	-	10,921,121	-	156,408,583	-
STL Water - Meters	21,212,591	-	109,925	-	21,322,516	-
STL Water - Total	166,700,053	-	11,031,046	-	177,731,099	-
Other Water - Other Than Meters	23,835,878	-	175,802	-	24,011,680	-
Other Water - Meters	4,638,947	-	85,283	-	4,724,230	-
Other Water - Total	28,474,824	-	261,085	-	28,735,910	-
Arnold WW - Other Than Meters	476,620	-	-	-	476,620	-
Arnold WW - Meters	-	-	-	-	-	-
Arnold WW - Total	476,620	-	-	-	476,620	-
Other WW - Other Than Meters	1,658,718	-	-	-	1,658,718	-
Other WW - Meters	4,474	-	-	-	4,474	-
Other WW - Total	1,663,192	-	-	-	1,663,192	-
Net Plant Additions	197,314,689	-	11,292,131	-	208,606,820	-
Total Tax Items						
Repairs Deduction						
Repairs % - Other Than Meters	53.1%	53.1%	53.1%	53.1%	53.1%	53.1%
Repairs % - Meters	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Repairs Deduction - STL Water	77,312,037	0	5,803,484	0	83,115,521	0
Repairs Deduction - Other Water	12,666,385	0	93,421	0	12,759,807	0
Repairs Deduction - Arnold Sewer	253,276	0	0	0	253,276	0
Repairs Deduction - Other Sewer	881,443	0	0	0	881,443	0
Total Repairs Deduction	91,113,141	-	5,896,905	-	97,010,046	-
Regular Depreciation						
Year 1 Depreciation Rate	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Months Included	12.0	1.0	12.0	1.0	12.0	1.0
Year 2 Depreciation Rate	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Months Included	1.0		1.0		1.0	
Net Plant Additions After Repairs						
Regular Tax Depr - STL Water	89,388,016	-	5,227,562	-	94,615,578	-
Regular Tax Depr - Other Water	15,808,439	-	167,664	-	15,976,103	-
Regular Tax Depr - Arnold Sewer	223,344	-	-	-	223,344	-
Regular Tax Depr - Other Sewer	781,749	-	-	-	781,749	-
Regular Tax Depreciation						
Regular Tax Depr - STL Water	2,085,720	-	121,976	-	2,207,697	-
Regular Tax Depr - Other Water	368,864	-	3,912	-	372,776	-
Regular Tax Depr - Arnold Sewer	5,211	-	-	-	5,211	-
Regular Tax Depr - Other Sewer	18,241	-	-	-	18,241	-
Total Regular Depreciation	2,478,036	-	125,889	-	2,603,925	-
Taxable Income - Contributions						
Contributions - STL Water	(4,795,314)	-	(990,039)	-	(5,785,352)	-
Contributions - Other Water	(136,480)	-	-	-	(136,480)	-
Contributions - Arnold Sewer	-	-	-	-	-	-
Contributions - Other Sewer	(450)	-	-	-	(450)	-
Total Contributions	(4,932,244)	-	(990,039)	-	(5,922,282)	-
Total Tax Deductions	88,658,933	-	5,032,755	-	93,691,688	-
Total Book Items						
Net Book Depreciation						
Book Depreciation - STL Water	1,729,930	-	85,777	-	1,815,707	-
Book Amortization - STL Water	(93,685)	-	(9,539)	-	(103,224)	-
Net Book Depreciation - STL Water	1,823,615	-	95,316	-	1,918,930	-
Book Depreciation - Other Water	321,302	-	4,436	-	325,738	-
Book Amortization - Other Water	(1,945)	-	(1,945)	-	(3,889)	-
Net Book Depreciation - Other Water	323,247	-	6,380	-	329,627	-
Book Depreciation - Arnold Sewer	2,510	-	-	-	2,510	-
Book Amortization - Arnold Sewer	-	-	-	-	-	-
Net Book Depreciation - Arnold Sewer	2,510	-	-	-	2,510	-
Book Depreciation - Other Sewer	21,209	-	-	-	21,209	-
Book Amortization - Other Sewer	(6)	-	-	-	(6)	-
Net Book Depreciation - Other Sewer	21,215	-	-	-	21,215	-
Total Net Book Depreciation	2,170,586	-	101,696	-	2,272,283	-
Book/Tax Temporary Difference						
STL Water	(72,778,829)	-	(4,840,106)	-	(77,618,935)	-
Other Water	(12,575,523)	-	(90,953)	-	(12,666,475)	-
Arnold Sewer	(255,977)	-	-	-	(255,977)	-
Other Sewer	(878,018)	-	-	-	(878,018)	-
Book/Tax Depreciation Temporary Difference	(86,488,347)	-	(4,931,059)	-	(91,419,406)	-
Net Deferred Income Taxes						
	Replacements		Relocations		Total All Property	
	2021	2022	2021	2022	2021	2022
Effective Tax Rate	23.8%	23.8%	23.8%	23.8%	23.8%	23.8%
Deferred Tax Liability - STL Water	(17,350,566)	-	(1,153,887)	-	(18,504,454)	-
Deferred Tax Liability - Other Water	(2,998,021)	-	(21,683)	-	(3,019,704)	-
Deferred Tax Liability - Arnold Sewer	(61,025)	-	-	-	(61,025)	-
Deferred Tax Liability - Other Sewer	(209,321)	-	-	-	(209,321)	-
Net Deferred Income Taxes	(20,618,933)	-	(1,175,571)	-	(21,794,504)	-

Missouri-American Water Company
WSIRA #1
Tariff Rates

WSIRA Water Tariff Rates			
WSIRA Revenue Requirement - Water			
	STL County Water	Other Water	Total
Rate A	\$15,339,123	\$2,294,085	\$17,633,208
Rate B	285,992	100,142	386,133
Rate J	509,885	265,569	775,454
Total	\$16,135,000	\$2,659,795	\$18,794,795

Customer Usage (000g) - Water ¹			
	STL County Water	Other Water	Total
Rate A	31,771,914	8,964,577	40,736,491
Rate B	1,579,721	1,214,373	2,794,094
Rate J	3,959,678	2,971,865	6,931,543
Total	37,311,313	13,150,816	50,462,129

¹ Per billing determinants in Case WR-2020-0344

	Current WSIRA Rate		Adjustment to Current Rate		Proposed Rate	
	STL County Water	Other Water	STL County Water	Other Water	STL County Water	Other Water
Rate Per 1,000 Gallons						
Rate A	\$0.00000	\$0.00000	\$0.48279	\$0.25591	\$0.48279	\$0.25591
Rate B	\$0.00000	\$0.00000	\$0.18104	\$0.08246	\$0.18104	\$0.08246
Rate J	\$0.00000	\$0.00000	\$0.12877	\$0.08936	\$0.12877	\$0.08936

	Current WSIRA Rate		Adjustment to Current Rate		Proposed Rate	
	STL County Water	Other Water	STL County Water	Other Water	STL County Water	Other Water
Rate Per 100 Gallons						
Rate A	\$0.00000	\$0.00000	\$0.04828	\$0.02559	\$0.04828	\$0.02559
Rate B	\$0.00000	\$0.00000	\$0.01810	\$0.00825	\$0.01810	\$0.00825
Rate J	\$0.00000	\$0.00000	\$0.01288	\$0.00894	\$0.01288	\$0.00894

WSIRA Sewer Tariff Rates			
	Arnold Sewer	Other Sewer	Total
WSIRA Revenue Requirement	42,491	165,495	207,985
Revenues Authorized in Case WR-2020-0344	6,273,964	6,394,237	12,668,201
% of Authorized Revenues	0.6773%	2.5882%	1.6418%

	Current WSIRA Rate		Adjustment to Current Rate		Proposed Rate	
	Arnold Sewer	Other Sewer	Arnold Sewer	Other Sewer	Arnold Sewer	Other Sewer
Rate as a % of Total Base Bill						
Sewer WSIRA Rate	0.0000%	0.0000%	0.6773%	2.5882%	0.6773%	2.5882%

Missouri-American Water Company
WSIRA #1
Property Taxes

1	Property Tax Estimate		
2	Year Placed in Service	2021	Total
3	Vintage Year	1	
4			
5	Plant Additions		
6	WO-2021-0428	208,606,820	
7	Total Investment	208,606,820	
8	% Good	96.250%	
9	Subtotal	200,784,065	
10			
11	Retirements		
12	WO-2021-0428	(15,186,186)	
13	Total Retirements	(15,186,186)	
14	% Good	20.000%	
15	Subtotal	(3,037,237)	
16			
17	Net Plant to be Assessed	197,746,827	
18	Assessment Rate	32.000%	
19	Assessed Value	63,278,985	
20	Tax Rate	8.849%	
21	Tax Due on WSIRA Investment	5,599,839	
22			
23	Due within 12 months from filing?	<input type="text" value="No"/>	
24			
25	Property Tax Expense to Include in ISRS (Due within 12 Months)		0
26			
27	Property Tax Allowed in Prior WSIRA		
28			
29	Net Incremental Property Tax Included in This WSIRA		0
30			

31 **20 Year MACRS Table**

Year	MACRS	% Good
1	3.750%	96.250%
2	7.219%	89.031%
3	6.677%	82.354%
4	6.177%	76.177%
5	5.713%	70.464%
6	5.285%	65.179%
7	4.888%	60.291%
8	4.522%	55.769%
9	4.462%	51.307%
10	4.461%	46.846%
11	4.462%	42.384%
12	4.462%	37.922%
13	4.461%	33.461%
14	4.462%	28.999%
15	4.461%	24.538%
16	4.461%	20.077%
17	4.462%	20.000%
18	4.461%	20.000%
19	4.462%	20.000%
20	4.461%	20.000%
21	2.231%	20.000%

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56 Notes: 1) MACRS % from IRS Publication 946, Table A-1
57 2) There is a 20% floor on the % Good

Missouri-American Water Company
WSIRA #1
Cost of Service Allocation

	Base Revenues - WR-2020-0344				
	STL County Water	Other Water	Arnold Sewer	Other Sewer	Total
Rate A Customers	\$221,936,832	\$73,834,621			\$295,771,453
Rate B Customers	4,137,921	3,223,043			7,360,964
Rate J Customers	7,377,364	8,547,272			15,924,636
Sewer			6,273,964	6,394,237	12,668,201
Total	\$233,452,117	\$85,604,935	\$6,273,964	\$6,394,237	\$331,725,253

	Share of Base Revenues - WR-2020-0344				
	STL County Water	Other Water	Arnold Sewer	Other Sewer	Total
Rate A Customers	95.067%	86.250%			89.162%
Rate B Customers	1.772%	3.765%			2.219%
Rate J Customers	3.160%	9.985%			4.801%
Sewer			100.000%	100.000%	3.819%
Total	100.0%	100.0%	100.0%	100.0%	100.00%

	Allocation of WSIRA Cost of Service				
	STL County Water	Other Water	Arnold Sewer	Other Sewer	Total
Rate A Customers	\$15,339,123	\$2,294,085			\$17,633,208
Rate B Customers	285,992	100,142			386,133
Rate J Customers	509,885	265,569			775,454
Sewer			42,491	165,495	207,985
Total	\$16,135,000	\$2,659,795	\$42,491	\$165,495	\$19,002,781

	Percentage Increase				
	STL County Water	Other Water	Arnold Sewer	Other Sewer	Total
Rate A Customers	6.9%	3.1%			6.0%
Rate B Customers	6.9%	3.1%			5.2%
Rate J Customers	6.9%	3.1%			4.9%
Sewer			0.7%	2.6%	1.6%
Total	6.9%	3.1%	0.7%	2.6%	5.7%

Missouri-American Water Company
WSIRA #1
Net Contributions

	STL County Water	Other Water	Arnold Sewer	Other Sewer	Total
Replacements					
Reimbursements	(\$4,795,314)	(\$136,480)	\$0	(\$450)	(\$4,932,244)
Accumulated Amortization	93,685	1,945	0	6	95,636
Net CIAC	(\$4,701,629)	(\$134,535)	\$0	(\$444)	(\$4,836,608)

	STL County Water	Other Water	Arnold Sewer	Other Sewer	Total
Relocations					
Reimbursements	(\$990,039)	\$0	\$0	\$0	(\$990,039)
Accumulated Amortization	9,539	1,945	0	0	11,483
Net CIAC	(\$980,500)	\$1,945	\$0	\$0	(\$978,555)

Missouri-American Water Company
WSIRA #1
Net Depreciation Expense

	STL County Water	Other Water	Arnold Sewer	Other Sewer	Total
1					
2	\$2,997,939	\$554,514	\$7,531	\$44,392	\$3,604,376
3					
4	154,100	4,011	0	13	158,124
5					
6	(232,619)	(98,691)	(1,019)	(3,657)	(335,986)
7					
8	\$2,919,421	\$459,834	\$6,511	\$40,748	\$3,426,514

INVESTING IN WATER AND SEWER SYSTEMS



INFRASTRUCTURE INVESTMENT

The Missouri Water and Sewer Infrastructure Act (WSIRA) surcharge will fund more than \$200 million in water and sewer system improvements in 2021.

The WSIRA charge on your water or sewer bill will help fund completed improvements to the vast network of pipelines, fire hydrants, sewers and other critical components of our water and sewer system. These ongoing improvements are designed to reduce the number of water main breaks and to improve service reliability and fireprotection while enhancing the integrity of our water and sewer system.

The typical residential water customer using 5,000 gallons per month pays an average WSIRA charge of \$2.41 per month in St. Louis County, and \$1.28 outside of St. Louis County. The WSIRA charge for wastewater customers is a percentage of the total bill - 0.6773% for customers in Arnold and 2.5882% for sewer customers outside of Arnold.

WSIRA WATER RATES (per 1,000 Gallons)

Customer Class	St. Louis County	Other Missouri
Residential, Commercial and Public Authority (Rate A)	\$0.48279	\$0.25591
Sale of Water for Resale (Rate B)	\$0.18104	\$0.08246
Large Quantity Users	\$0.12877	\$0.08936

WSIRA WASTEWATER RATES (Percent of Total Bill)

Customer Class	Arnold	Other Missouri
All Users	0.6773%	2.5882%

WSIRA is implemented pursuant to section 393.1500 through 393.1509, RSMo.

Missouri American Water serves one in four Missourians. We maintain about 6,800 miles of pipeline and 44,000 fire hydrants in more than 200 communities across the state. The WSIRA surcharge helps us upgrade our aging infrastructure more quickly, improving water service reliability.

For additional information, visit missouriamwater.com.

INFRASTRUCTURE. ONE MORE WAY WE KEEP LIFE FLOWING.