## 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 and Sewer ) Service Provided in Missouri Service Areas. )

Case No. WR-2008-0311 SR-2008-0312

## UNANIMOUS STIPULATION AND AGREEMENT

COME NOW Missouri-American Water Company (MAWC or Company), the Staff of the Missouri Public Service Commission (Staff), the Office of the Public Counsel (Public Counsel), AG Processing Inc. (AGP), Missouri Energy Group (MEG), Public Water Supply District Nos. 1 and 2 of Andrew County and Public Water Supply District No. 1 of DeKalb County (Water Districts), Missouri Industrial Energy Consumers (MIEC), Metropolitan St. Louis Sewer District (MSD), City of Joplin (Joplin), City of Riverside (Riverside), Missouri Gaming Company (MGC) and the Utility Workers Union of America Local 335, AFL-CIO (Local 335), and respectfully state to the Missouri Public Service Commission (Commission) that, as a result of negotiations, the undersigned parties (Signatories) have reached the stipulations and agreements contained herein.

1. **Issues Settled.** This Stipulation and Agreement is intended to settle among the Signatories for purposes of the above captioned cases all issues previously identified by some or all of the Signatories through testimony and or schedules in both Case No. WR-2008-0311 and Case No. SR-2008-0312, except for the MSD Rate

# ATTACHMENT TO ORDER APPROVING STIPULATIONS AND AGREEMENTS

issue.<sup>1</sup> If this Stipulation and Agreement is approved by the Commission, the Nonunanimous Stipulation and Agreement as to Certain Issues filed on October 29, 2008, and the Second Nonunanimous Stipulation and Agreement as to Certain Issues filed on October 31, 2008, are superseded by this Stipulation and are of no effect. The Signatories recommend that the Commission accept this Stipulation and Agreement as a fair compromise of their respective positions on all issues.

2. **Party Not Objecting.** While it is not a Signatory, the City of Jefferson has affirmatively stated to the Signatories that it has no objection to this Stipulation and Agreement and does not request a hearing concerning the matters resolved by this Stipulation and Agreement.

3. Annual Revenue Requirement. In settlement of the above issues, the Parties agree that the Company's annual revenue requirement for purposes of these cases is \$225,271,638. In order to achieve this revenue requirement, the Parties agree that the Company's base rates shall be increased by \$34,471,092 annually, for service rendered on and after November 28, 2008, or as soon thereafter as is reasonably practicable. Revenue amounts referenced in this paragraph are exclusive of any applicable license, occupation, franchise, gross receipts taxes or other similar tax or taxes.

<sup>&</sup>lt;sup>1</sup> The MSD Rate issue is addressed by the Stipulation and Agreement Between MAWC and MSD, filed with the Commission on September 17, 2008. Public Counsel filed an objection to the Stipulation and Agreement Between MAWC and MSD, but has since filed an amended response and statement of no objection. No other party objected to Stipulation and Agreement Between MAWC and MSD. If this Stipulation and Agreement is approved by the Commission, the Signatories agree that the Commission may treat the Stipulation and Agreement Between MAWC and MSD as unanimous.

4. **Rate Design/Cost of Service.** Rates will be designed using the following parameters:

A) The Signatories agree that the revenue increase established in this case shall be allocated to each District as shown in **Appendix A** attached hereto.

B) Class revenues, to include fire services, shall be increased or decreased in equal percentages within each district, except for information services provided to MSD, the rate paid by Triumph Foods in St. Joseph, Rates H and G-1 in St. Louis and all non-tariff revenues.

C) For purposes of Rate Design, the Signatories will use the agreed to billing determinants attached hereto as <u>Appendix B</u>.<sup>2</sup>

D) The Signatories agree that the St. Louis and St. Charles rate districts shall be merged using St. Louis County's rate structure and shall thereafter be known as the St. Louis Metro District.

E) The new rates to be filed as a result of this Stipulation and Agreement will reflect an equal percentage increase or decrease, as appropriate, for both customer charge revenues and volumetric revenues for Residential and Commercial rates for all districts.

F) Equal percentage adjustments shall be made to existing customer charges within each district.

G) The Parkville water district will retain uniform rates across customer classes.

<sup>&</sup>lt;sup>2</sup> <u>Appendix E</u> attached hereto identifies the present rate revenues to be used for the St. Joseph District and the percentage reduction to be applied to each of the rate elements; provided, however, that the residential volumetric charges will be further modified to a single rate block.

H) In all water districts, other than the Parkville District, the Residential class rates will move to a single block rate.

 In all water districts, other than the Parkville District, non-Residential customer classes will receive an equal percentage increase or decrease to the current block rates (to include Rate A in the St. Louis Metro District).

J) The usage block descriptions found in MAWC's tariffs shall be adjusted, as necessary, to reflect consistent units of measure.

5. Pension/FAS 87 Tracker Mechanism and OPEB/FAS 106 Tracker Mechanism. The Company and Staff agree that MAWC will continue to use the Pensions/FAS 87 and OPEB/FAS 106 "Tracker Mechanisms" as established in the stipulation approved by the Commission in Case No. WR-2007-0216, and as further described in the attached <u>Appendix C</u>. The current case (Case No. WR-2008-0311) revenue requirement will include the amortization of the tracker balances at the true-up date (September 30, 2008) amortized over a five year period, with the unamortized tracker balances to be included in rate base as regulatory assets or regulatory liabilities, as appropriate.

The cost for FAS 87 of \$4,615,665 (after application of a payroll expense O&M allocation factor as calculated at September 30, 2008, based upon MAWC's Payroll Model) and the cost for FAS 106 of \$4,315,012 (after application of a payroll expense O&M allocation factor as calculated at September 30, 2008 based upon MAWC's Payroll Model) will be used as the starting point for a new "vintage" of Pensions/FAS 87 and OPEB/FAS106 Tracker Mechanisms, respectively, at the time new rates in the current case become effective. The subsequent tracker balances resulting from this

case will start to be booked in the month following the true-up date in this rate case and will continue to be booked until the later of the test year ending date, test year update period ending date or the true-up date in the Company's next rate case. The new tracker balances resulting from this case (Case No. WR-2008-0311) will be amortized over a five year period beginning on the first day of the month following implementation of new rates in the Company's next rate case. Any unamortized tracker balances will be included in rate base as a regulatory asset or liability, as appropriate. Nothing in this agreement is intended to impair the ability of any party in the Company's next rate case proceeding to challenge the prudency of the Company's calculated levels of pension and OPEB expenses that it proposes to recover from the tracker mechanisms.

6. **OPEB Permanent Investment**. The Signatories agree that MAWC will amortize the OPEB "permanent investment" from Case No. WR-95-205 to expense for ratemaking purposes over a period of not less than five years. The amortization will begin with the first month that new rates become effective as a result of Case No. WR-2008-0311.

7. **Tank Painting Tracker.** The Signatories agree that MAWC will continue the regulatory asset or liability for tank painting and inspection expense previously established in Case No. WR-2007-0216. The regulatory asset or liability will increase or decrease each year by the same amount that actual tank painting and inspection expense is either greater than or less than \$1,000,000. The tracker will be maintained through the effective date of the rates established in the next general rate proceeding. The method of recovery of any amounts accumulated (under or over) will be determined in the next general rate proceeding.

8. **Call Center Records.** MAWC agrees to begin reporting monthly all data it presently reports to the Staff and the Office of the Public Counsel on a quarterly basis, including all call center performance metrics beginning with January 2009 data. In addition, the Company agrees to inform the Staff and the Office of the Public Counsel of all future operational and technological changes that may be utilized by either of its call centers in Alton, Illinois or in Pensacola, Florida such as the implementation of virtual hold technology, the ability to record all calls coming into the centers, enhancements in the call routing process or other significant changes.

9. **Customer Records Information.** MAWC agrees to retain, through each subsequent rate case, monthly customer records information that would provide to the parties the number of customers for each customer class and meter size. This information will be made available to any party requesting such information in the context of a rate case. The company will not object to Staff, Public Counsel or any other requesting party retaining such information for use in future rate cases provided the designated level of confidentiality of the information is maintained.

10. **Bad Debt/Recovery Tracking.** MAWC agrees to track actual bad debt write-offs and recoveries separately for each operating district within MAWC.

11. Infrastructure System Replacement Surcharge (ISRS). As required by statute and Commission rule, MAWC's current ISRS shall be reset to zero upon the effective date of new rates in this proceeding. The Signatories agree that, for any ISRS filings implemented between the date new rates are established in this proceeding and the effective date of new rates established in the Company's next general rate case proceeding, the overall rate of return shall be computed by utilizing a 10% return on

common equity and the Company's capital structure filed in this case. Plant in service additions to be included in a future ISRS may include those additions placed in service after September 30, 2008.

12. **Depreciation**. The Signatories agree that MAWC shall be authorized to continue to use the depreciation rates authorized by the Commission in Case No. WR-2007-0216 (attached hereto as **Appendix D**), as to all of its operating districts.

13. **Class Cost of Service Studies**. The Company will perform a Class Cost of Service study for each district and file it as part of the Company's next rate filing.

14. **Work Papers.** The Company will provide to Staff, Public Counsel and any other requesting signatories with its next rate filing, complete copies of the work papers relating to any cost studies submitted as a part of its rate filing. The Company will also make copies of any or all of these work papers available upon request to other parties to this agreement.

The work papers provided will include both the input data and the computations in sufficient detail that the Company's results are replicable. The work papers shall be provided in executable, electronic format, that is accessible by readily and commercially available software, preferably EXCEL.

To the extent the Company does not functionalize costs consistent with the NARUC USOA, the Company will provide a schedule matching the accounts used to the NARUC USOA accounts.

15. **City of Riverside**. MAWC and the City of Riverside agree to work together informally to address issues relating to infrastructure and fire flows in the City of Riverside.

16. **Triumph Foods, LLC**. MAWC agrees to not oppose a Public Counsel or Staff request for a Commission review of the continued appropriateness of the alternative rate set forth in the Contract for Retail Sale and Delivery of Potable Water between MAWC and Premium Pork, LLC (now known as Triumph Food, LLC), with the purpose of such review being to determine whether the alternative rate continues to be in the best interest of all customers in the Company's St. Joseph service area.

17. **Customer Classifications and Cost Studies**. The Company shall agree to participate in a collaborative working group formed in order to perform a review of cost of service issues. This review will be completed within ninety (90) days of the effective date of new rates in this case. The review will identify information and studies the Company shall provide with the filing of the next rate case or upon completion of the studies as agreed to by the collaborative working group or ordered by the Commission. This will include the following issues:

A) The collaborative working group will consider the appropriate tariff classifications and customer classes to use for the purposes of class cost of service for districts other than the St. Louis Metro district. Class descriptions as determined by the collaborative shall be added to tariffs.

B) The collaborative working group will address the availability and cost of providing district specific information for all districts on:

- Class average use by class, by existing districts;

- Maximum factor use by class, by existing districts; and,

- Peak factor use by class, by existing districts.

C) The collaborative working group will address the availability and cost of providing district specific cost studies for all districts including:

- Meter cost study;
- Service Line cost study;
- Meter Reading cost study;
- Billing cost study; and,
- Customer Promotion and Advertising cost study.

D) The collaborative working group will address the availability and cost of providing an Outside Contractor Work cost study limited to the St. Louis County operations of MAWC.

Any stakeholder may participate in the collaborative working group. Participants shall make good faith efforts to reach consensus regarding the issues to be reviewed by the collaborative working group. If consensus cannot be reached within ninety (90) days of the effective date of new rates in this case, any unresolved matter may be brought to the Commission for resolution. In such situation, the parties agree to ask the Commission to consider the matter in dispute in an expedited manner.

Parties to the collaborative working group agree not to oppose recovery of prudently incurred costs associated with any studies that are ultimately conducted as a result of the agreement of the collaborative working group or as may be ordered by the Commission.

### Contingent Waiver of Rights

18. This Stipulation and Agreement is being entered into solely for the purpose of settling the identified issues in the cases that are listed above. Unless

otherwise explicitly provided herein, none of the Signatories to this Stipulation and Agreement shall be deemed to have approved or acquiesced in any ratemaking or procedural principle, including, without limitation, any method of cost determination or cost allocation or revenue-related methodology. Other than explicitly provided herein, none of the Signatories shall be prejudiced or bound in any manner by the terms of this Stipulation and Agreement in these or any other proceeding regardless of whether this Stipulation and Agreement is approved.

19. This Stipulation and Agreement has resulted from extensive negotiations among the Signatories and the terms hereof are interdependent. If the Commission does not approve this Stipulation and Agreement unconditionally and without modification, then this Stipulation and Agreement shall be void and no Signatory shall be bound by any of the agreements or provisions hereof, except as explicitly provided herein.

20. If the Commission does not approve this Stipulation and Agreement without condition or modification, and notwithstanding the provision herein that it shall become void; neither this Stipulation and Agreement nor any matters associated with its consideration by the Commission shall be considered or argued to be a waiver of the rights that any Party has for a decision in accordance with §536.080 RSMo 2000 or Article V, Section 18 of the Missouri Constitution, and the Signatories shall retain all procedural and due process rights as fully as though this Stipulation and Agreement had not been presented for approval, and any suggestions, memoranda, testimony, or exhibits that have been offered or received in support of this Stipulation and Agreement shall become privileged as reflecting the substantive content of settlement discussions

and shall be stricken from and not be considered as part of the administrative or evidentiary record before the Commission for any purpose whatsoever.

21. In the event the Commission accepts the specific terms of this Stipulation and Agreement without condition or modification, the Signatories waive their respective rights to present oral argument and written briefs pursuant to §536.080.1 RSMo 2000; their respective rights to the reading of the transcript by the Commission pursuant to RSMo §536.080.2 RSMo 2000; their respective rights to seek rehearing, pursuant to §536.500 RSMo 2000; and their respective rights to judicial review pursuant to §386.510 RSMo 2000. Further, in the event the Commission accepts the specific terms of this Stipulation and Agreement, all prefiled testimony not yet admitted into evidence shall be received into evidence without the necessity of the witnesses taking the stand. The waivers contained in this paragraph apply only to a Commission order approving this Stipulation and Agreement without condition or modification issued in this proceeding and only to the issues that are resolved hereby. It does not apply to any matters raised in any prior or subsequent Commission proceeding nor any matters not explicitly addressed by this Stipulation and Agreement.

WHEREFORE, for the foregoing reasons, the undersigned Parties respectfully request that the Commission issue its Order approving all of the specific terms and

conditions of this Stipulation and Agreement.

Respectfully submitted,

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### CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the foregoing document has been sent by electronic mail this 10<sup>th</sup> day of November, 2008, to:

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### Missouri-American Water District Revenue Requirement Appendix A

	Operating District	<u>Revenue Requirements</u>	Percent Increase In Annualized District Revenues
1	Brunswick Water	\$107,734	36.41%
2	Jefferson City	714,952	13.33%
3	Joplin	3,311,550	24.60%
4	Mexico	211,736	6.06%
5	Parkville Sewer	8,312	14.38%
6	Parkville Water	1,121,132	28.45%
7	St. Joseph	(432,207)	-1.98%
8	Warrensburg	756,620	24.06%
9	Warren County Water	68,655	35.69%
10	Warren County Sewer	49,245	35.27%
11	Cedar Hill	94,323	43.80%
12	St. Louis Metro	28,459,040	20.53%
		\$34,471,092	18.07%

#### **Missouri-American Water** Billing Determinants at 9/30/08

Rate Class     No. of Cust. Bills     No. of Qust. Bills     No. of Maglions (envalued)     No. of Qust. Bills     No. of Maglions (envalued)     No. of Qust. Bills     No. of Maglions     No. of Qust. Bills     No. of Maglions     No. of Qust. Bills     No. o					Billing Dete	erminants	at 9/30/08	5						
Rate Class     Cust. Bills     Mgalions     Cust. Bills <th></th> <th>Brunsw</th> <th>ick 1708</th> <th colspan="4">Jefferson City 1712 Joplin 1711</th> <th colspan="3">Mexico 1710 Parkville</th> <th colspan="2">ville Water 1704 St.</th> <th colspan="2">St. Charles 1709</th>		Brunsw	ick 1708	Jefferson City 1712 Joplin 1711				Mexico 1710 Parkville			ville Water 1704 St.		St. Charles 1709	
Image: Control (annualized) (annua		No. of	No. of	No. of	No. of	No. of	No. of	No. of	No. of	No. of	No. of	No. of	No. of	
Residential Monthly Quarterly Rate F     4,368.0     16,353     107,136.0     525,013     248,508.0     1,459,845     51,384.0     234,600     60,432.0     524,229     340,404.0     2,81       Monthly Quarterly Rate F     Single Family with Meters Residential without Meters (Flat Rate) Mobile Home Fark (Flat Rate) Commercial Monthly Quarterly Rate F     840.0     5,165     17,352.0     428,038     34,968.0     1,005,800     5,556.0     104,849     6,132.0     182,598     11,496.0     44       Monthly Quarterly Rate F     24.0     65     162.1     12,901     1,344.0     1,499,425     408.0     166,207     156.0     12.0       Large Industrial Rate J     24.0     65     162.1     12,901     1,344.0     1,499,425     408.0     166,207     156.0     12.0       Capital Complex Rate F     24.1     91,901     3,540.0     101,903     2,160.0     214,286     1,332.0     53,644     576.0     8,815     1,332.0     8       Rate A Rate A Rate A Rate A     60.0     12,764     0.0     84.0     329,054     72.0     111,477     4	Rate Class	Cust. Bills	Mgallons	Cust. Bills	Mgallons	Cust. Bills	Mgallons	Cust. Bills	Mgallons	Cust. Bills	Mgallons	Cust. Bills	Mgallons	
Monthly Quarterly Rate F     Non- Single Family with Meters (Flat Rate) Multi-Family Residence, per Unit (Flat Rate) Multi-Rating Residence, per Unit (Flat Rate)     840.0     5,165     17,352.0     428,038     34,968.0     1,005,800     5,556.0     104,849     6,132.0     182,598     11,496.0     44       Quarterly Rate F     24.0     65     162.1     12,901     1,344.0     1,499,425     408.0     166,207     156.0     12.0     12.0       Large Industrial Rate J     24.1     91,091     2,160.0     214,286     1,332.0     53,644     576.0     8,815     1,332.0     8       Capital Complex Rate F     0     0     2,160.0     214,286     1,332.0     53,644     576.0     8,815     1,332.0     8       Capital Complex Rate F     0     0     0     0     0     0     0     0     0     0     0     0 <t< td=""><td></td><td>(annualized)</td><td>(annualized)</td><td>(annualized)</td><td>(annualized)</td><td>(annualized)</td><td>(annualized)</td><td>(annualized)</td><td>(annualized)</td><td>(annualized)</td><td>(annualized)</td><td>(annualized)</td><td>(annualized)</td></t<>		(annualized)	(annualized)	(annualized)	(annualized)	(annualized)	(annualized)	(annualized)	(annualized)	(annualized)	(annualized)	(annualized)	(annualized)	
Quarterity Rate F     Single Family with Meters (Flat Rate)     Result (Flat Rate)	Residential	4,368.0	16,353	107,136.0	525,013	248,508.0	1,459,845	51,384.0	234,600	60,432.0	524,229	340,404.0	2,818,205	
Rate F   Single Family with Meters   Rate F	Monthly													
Single Family with Meters Residential with Meters Residential with Meters (Flat Rate) Multi-Family Residence, per Unit (Flat Rate) (Multi-Family Residence, per Unit (Flat Rate) Commercial Monthly Quarterly Rate F     840.0     5,165     17,352.0     428,038     34,968.0     1,005,800     5,556.0     104,849     6,132.0     182,598     11,496.0     44       Commercial Monthly Quarterly Rate F     24.0     65     162.1     12,901     1,344.0     1,499,425     408.0     166.207     156.0     12.0     12.0       Large Industrial Rate J Rate K     24.0     65     162.1     12.901     1,344.0     1,499,425     408.0     166.207     156.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0	Quarterly													
Residential without Meters (Flat Rate) Mobile Homes Inside Mobile Home Park (Flat Rate) Multi-Family Residence, per Unit (Flat Rate) Commercial   840.0   5,165   17,352.0   428,038   34,968.0   1,005,800   5,556.0   104,849   6,132.0   182,598   11,496.0   44     Commercial Monthly Quarterly Rate F   24.0   65   162.1   12,901   1,344.0   1,499,425   408.0   166,207   156.0   12.0   12.0     I Large Industrial Rate J   24.0   65   162.1   12,901   1,344.0   1,499,425   408.0   166,207   156.0   12.0   12.0     Rate F   24.1   91,091   1   1.344.0   1,499,425   408.0   166,207   156.0   12.0   12.0     Rate K   Rate N   1   91,091   1.344.0   1,499,425   408.0   166,207   156.0   12.0   12.0     Rate K   1   24.0   65.0   101,903   2,160.0   214,286   1,332.0   53,644   576.0   8,815   1,332.0   8     Capital Complex   1   1,817   1,817   1,817   1,816   1,32.0   1,148.0 <td>Rate F</td> <td></td>	Rate F													
Mobile Homes Inside Mobile Home Park (Flat Rate)     Auti-Family Residence, per Unit (Flat Rate)     840.0     5,165     17,352.0     428,03     34,968.0     1,005,800     5,556.0     104,849     6,132.0     182,598     11,496.0     444       Monthly Quarterly Rate F     24.0     65     162.1     12,901     1,344.0     1,499,425     408.0     166,207     156.0     12.0     12.0       Large Industrial Rate J     24.0     65     162.1     12,901     1,344.0     1,499,425     408.0     166,207     156.0     12.0     4,321     4,321     4,321     4,321     4,321     4,321     4,321     4,321     4,321     4,321     4,321     4,321     4,321     4,321     4,321     4,321     4,321     4,321     4,321     4,321     4,321     4,321     4,321     4,321     4,321     4,321     4,321     4,321     4,321     4,321     4,321     4,321     4,321     4,321     4,321     4,321     4,321     4,321     4,321     4,321     4,321     4,321     4,321	Single Family with Meters													
Multi-Family Residence, per Unit (Flat Rate)     840.0     5,165     17,352.0     428,038     34,968.0     1,005,800     5,556.0     104,849     6,132.0     182,598     11,496.0     444       Commercial     Monthy     Quarteriy     Rate F     11,344.0     1,499,425     408.0     166,207     156.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0     12.0	Residential without Meters (Flat Rate)													
Commercial   840.0   5,165   17,352.0   428,038   34,968.0   1,005,800   5,556.0   104,849   6,132.0   182,598   11,496.0   44     Monthly Quarterly Rate F   24.0   65   162.1   12,901   1,344.0   1,499,425   408.0   166,207   156.0   12.0   12.0     Large Industrials Rate J   24.0   65   162.1   12,901   1,344.0   1,499,425   408.0   166,207   156.0   12.0   4,321     Rate J   Rate J   24.1   91,091   2,160.0   214,286   1,332.0   53,644   576.0   8,815   1,332.0   80     Capital Complex Rate A   84   1,817   1,817   1,817   1,817   1,332.0   53,644   576.0   8,815   1,332.0   80     Capital Complex Rate F   60.0   12,764   0.0   0   84.0   329,054   72.0   111,477   48.0   66,368   0.0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0	Mobile Homes Inside Mobile Home Park (Flat Rate)													
Monthly Quarterly Rate F     24.0     65     162.1     12.901     1,344.0     1,499,425     408.0     166,207     156.0     12.0       Large Industrial Rate J Rate J Rate J Rate K     24.0     65     162.1     12.901     1,344.0     1,499,425     408.0     166,207     156.0     12.0       Capital Complex Rate F     96.0     894     3,540.0     101,903     2,160.0     214,286     1,332.0     53,644     576.0     8,815     1,332.0     8       Capital Complex Rate F     60.0     12,764     0.0     0     84.0     329,054     72.0     111,477     48.0     66,368     0.0       Rate F     60.0     12,764     0.0     0     84.0     329,054     72.0     111,477     48.0     66,368     0.0       Rate H (Fixed Annual Charge) Rate H (Cit Water) Sale for Reseale     0     0     0     0     0     0     0     0     2,077.5       Rate F - Tap Size Rate F - Tap Size     47.3     1,717.5     0     3,874.4     0     896.6     0	Multi-Family Residence, per Unit (Flat Rate)													
Quarterly Rate F     Quarterly Rate G     Quarterly Rate G<	Commercial	840.0	5,165	17,352.0	428,038	34,968.0	1,005,800	5,556.0	104,849	6,132.0	182,598	11,496.0	446,834	
Rate F   24.0   65   162.1   12,901   1,344.0   1,499,425   408.0   166,207   156.0   12.0     Large Industrials Rate J Rate J Rate K   24.0   65   162.1   12,901   1,344.0   1,499,425   408.0   166,207   156.0   4,321     Rate J Rate J Rate K   96.0   894   3,540.0   101,903   2,160.0   214,286   1,332.0   53,644   576.0   8,815   1,332.0   80     Capital Complex Rate A   Rate F   96.0   12,764   0.0   0   84.0   329,054   72.0   111,477   48.0   66,368   0.0     Capital Complex Rate B   60.0   12,764   0.0   0   84.0   329,054   72.0   111,477   48.0   66,368   0.0     Rate B   Rate H (Fixed Annual Charge) Rate H (C1 Water)   47.3   1,717.5   0   3,874.4   0   896.6   0   1,160.4   0   2,077.5     Rate F - Tap Size Rate F - Detector Check Meters   47.3   1,717.5   0   3,874.4   0   896.6   0   1,160.4   0   2,077.5	Monthly													
Industrial   24.0   65   162.1   12,901   1,344.0   1,499,425   408.0   166,207   156.0   12.0     Large Industrials Rate J Rate J Rate K Rate F   24.1   91,091   1,344.0   1,499,425   408.0   166,207   156.0   4,321   4,321     Other Public Authority   96.0   894   3,540.0   101,903   2,160.0   214,286   1,332.0   53,644   576.0   8,815   1,332.0   8     Capital Complex Rate A Rate F   60.0   12,764   0.0   0   84.0   329,054   72.0   111,477   48.0   66,368   0.0     Chire Vater Utilities   60.0   12,764   0.0   0   84.0   329,054   72.0   111,477   48.0   66,368   0.0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0	Quarterly													
Large Industrials   24.1   91,091   4,321   4,321     Rate J   Rate J   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8   8 <td< td=""><td>Rate F</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></td<>	Rate F													
Rate J   Rate K   Rate F   Rate F   Rate F   Rate A   Rate A   1,332.0   53,644   576.0   8,815   1,332.0   80     Capital Complex   Rate A   1,817   1,817   1,817   1,817   48.0   66,368   0.0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   <	Industrial	24.0	65	162.1	12,901	1,344.0	1,499,425	408.0	166,207	156.0		12.0		
Rate K Rate F   Percent for Public Authority   Pe	Large Industrials			24.1	91,091						4,321		797	
Rate F   Other Public Authority   96.0   894   3,540.0   101,903   2,160.0   214,286   1,332.0   53,644   576.0   8,815   1,332.0   88     Capital Complex Rate A   Rate F   60.0   12,764   0.0   0   84.0   329,054   72.0   111,477   48.0   66,368   0.0   0     Cher Water Utilities   60.0   12,764   0.0   0   84.0   329,054   72.0   111,477   48.0   66,368   0.0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0	Rate J													
Other Public Authority   96.0   894   3,540.0   101,903   2,160.0   214,286   1,332.0   53,644   576.0   8,815   1,332.0   88     Capital Complex   Rate A   1,817   1,817   1,817   1,817   1,817   1,817   1,32.0   53,644   576.0   8,815   1,332.0   88     Cother Water Utilities   60.0   12,764   0.0   0   84.0   329,054   72.0   111,477   48.0   66,368   0.0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0	Rate K													
Capital Complex Rate A Rate F1,8171,8171,817Other Water Utilities60.012,7640.0084.0329,05472.0111,47748.066,3680.0Rate B Rate H (Fixed Annual Charge) Rate H (C-1 Water)60.012,7640.0084.0329,05472.0111,47748.066,3680.0Sale for Resale Rate G-1 (Kirkwood)72.0111,47748.066,3680.000Private Fire Rate F - Tap Size Rate F - Detector Check Meters47.31,717.503,874.40896.601,160.402,077.5Public Fire Rate E000000000Public Fire Rate E00000000Rate E00000000	Rate F													
Rate A Rate F   Rate F   60.0   12,764   0.0   84.0   329,054   72.0   111,477   48.0   66,368   0.0     Other Water Utilities   60.0   12,764   0.0   0   84.0   329,054   72.0   111,477   48.0   66,368   0.0     Rate B Rate H (Fixed Annual Charge) Rate H (C-1 Water)   60.0   12,764   0.0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0 <td>Other Public Authority</td> <td>96.0</td> <td>894</td> <td>3,540.0</td> <td>101,903</td> <td>2,160.0</td> <td>214,286</td> <td>1,332.0</td> <td>53,644</td> <td>576.0</td> <td>8,815</td> <td>1,332.0</td> <td>86,321</td>	Other Public Authority	96.0	894	3,540.0	101,903	2,160.0	214,286	1,332.0	53,644	576.0	8,815	1,332.0	86,321	
Rate F60.012,7640.084.0329,05472.0111,47748.066,3680.0Other Water Utilities Rate B Rate H (Fixed Annual Charge) Rate H (C-1 Water)60.012,7640.0000000Sale for Resale Rate G-1 (Kirkwood)47.31,717.503,874.40896.601,160.402,077.5Private Fire Rate F - Detector Check Meters47.31,717.503,874.40896.601,160.402,077.5Public Fire Rate E000000003,020.0	Capital Complex				1,817									
Other Water Utilities   60.0   12,764   0.0   0   84.0   329,054   72.0   111,477   48.0   66,368   0.0     Rate B   Rate H (Fixed Annual Charge)   Rate H (C-1 Water)   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0   0<	Rate A													
Rate B Rate H (Fixed Annual Charge) Rate H (C-1 Water)Annual Charge) Rate H (C-1 Water)Annual Charge) Rate G-1 (Kirkwood)Annual Charge) Rate G-1 (Kirkwood)Annual Charge) Rate F - Tap Size Rate F - Detector Check MetersAnnual Charge) Rate F - Detector Check MetersAnnual Charge Annual	Rate F													
Rate H (Fixed Annual Charge) Rate H (C-1 Water)Private FirePrivate Fire	Other Water Utilities	60.0	12,764	0.0	0	84.0	329,054	72.0	111,477	48.0	66,368	0.0	0	
Rate H (C-1 Water)Sale for ResaleSale for ResaleRate G-1 (Kirkwood)Private FireA7.31,717.5Rate F - Tap SizeRate F - Detector Check MetersPublic FirePublic FireRate E000000000000000000000000000000000000000000000000000000000000000000000000000000000000000	Rate B													
Sale for Resale Rate G-1 (Kirkwood)47.31,717.503,874.40896.601,160.42,077.5Private Fire Rate F - Tap Size Rate F - Detector Check Meters47.31,717.503,874.4896.601,160.42,077.5Public Fire Rate E000000Rate E00000	Rate H (Fixed Annual Charge)													
Rate G-1 (Kirkwood)     47.3     1,717.5     3,874.4     896.6     1,160.4     2,077.5       Rate F - Tap Size Rate F - Detector Check Meters     1,717.5     3,874.4     896.6     1,160.4     2,077.5       Public Fire Rate E     0     0     0     0     0	Rate H (C-1 Water)													
Private Fire     47.3     1,717.5     3,874.4     896.6     1,160.4     2,077.5       Rate F - Tap Size     Rate F - Detector Check Meters     0     0     0     0     0     0     0     0     0     0     0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0     3,020.0	Sale for Resale				0		0		0		0		0	
Rate F - Tap Size Rate F - Detector Check Meters   Public Fire 0 0   Rate E 3,020.0	Rate G-1 (Kirkwood)													
Rate F - Detector Check Meters 0 0 0   Public Fire 0 0 0   Rate E 0 0 3,020.0	Private Fire	47.3		1,717.5	0	3,874.4	0	896.6	0	1,160.4	0	2,077.5	0	
Public Fire     0     0     0     0       Rate E     3,020.0     3,020.0     3,020.0	Rate F - Tap Size													
Rate E 3,020.0	Rate F - Detector Check Meters													
	Public Fire				0		0		0		0		0	
	Rate E											3,020.0		
Total Annualized Migalions 35,241 1,160,763 4,508,410 670,777 786,331 3,35	Total Annualized Mgallo	ns	35,241		1,160,763		4,508,410		670,777		786,331		3,352,157	

Note: No of Customer Bills includes meter billings St. Louis and St. Charles to be merged using St. Louis rate structure.

Appendix B Page 1 of 2

### **Missouri-American Water** Billing Determinants at 9/30/08

Rate Class     No. of Cuts. Bills Migalions (remained)		St. Jose	ph 1703	St. Lou	is 1702	Warrenst	ourg 1706	Warren Co.	Water 1714	Cedar H	Hill 1707	Parkville S	ewer 1705	Warren Co.	Sewer 1715
Image: constrained     image:		No. of	No. of	No. of	No. of	No. of	No. of	No. of	No. of	No. of	No. of	No. of	No. of	No. of	No. of
Image: constraint of the solution of the solutic solution of the solution of the solution of the soluti	Rate Class	Cust. Bills	Mgallons	Cust. Bills	Mgallons	Cust. Bills	Mgallons	Cust. Bills	Mgallons	Cust. Bills	Mgallons	Cust. Bills	Mgallons	Cust. Bills	Mgallons
Monthy Quartery*     229.4     68.911     239.4     68.911       Rate F     1,259,448.2     30.245,884     1,623     1,623     1,623     1,623     2,255.6     5,752     0     0     24.3       Single Family with Meters Residential without Meters (Flar Rate) Multi-Family Residence, per Unit (Flar Rate) Quartery     36,744.0     940,571     7,596.0     180,908     24.0     470     361.0     1,137.2     255.7       Commercial Quartery     36,744.0     940,571     6,008.1     2,747.104     7,596.0     180,908     24.0     470     361.0     1,137.2     255.7       Commercial Quartery     38,677     1,263.4     41,565     32,810     0     0     1     1,263.4     41,565     1     1     1     1     1     1     1     1     1     1     1     1     1     1     1     1     1     1     1     1     1     1     1     1     1     1     1     1     1     1     1     1     1     1     <		(annualized)	-	(annualized)	(annualized)		-	(annualized)				(annualized)	(annualized)	(annualized)	(annualized)
Quaren'y* Rate F     1,259,448.2     30,245,884     1,623     255,6     5,752     0     0     24.3       Residential with Meters     Residential with Meters     1,623     1,623     1,623     255,6     5,752     0     0     24.3       Mobile Homes Inside Mobile Home Park (Flat Rate)     36,744.0     940,571     7,596.0     180,908     24.0     470     361.0     1.137.2     225.7     20     0     0     24.3       Monthly     G.003.1     2,747.104     6,081.1     2,747.104     6,081.683     39.677     256.0     5,752     0     0     24.3       Monthly     Quarenty     1,263.4     41,665     39.677     25.60     32,810     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0     0	Residential	343,332.0	1,796,549			75,072.0	392,752	5,184.0	32,352			1,237	C	4,718.2	0
Rate F	Monthly			239.4	68,911										
Single Family with Meters Readershift with Meters (Filta Rate)   A   A   A   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B   B <td< td=""><td>Quarterly *</td><td></td><td></td><td>1,259,448.2</td><td>30,245,884</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></td<>	Quarterly *			1,259,448.2	30,245,884										
Residential without Meters (Flat Rate) Multi-Family Residence, per Unit (Flat Rate) Multi-Family Residence, per Unit (Flat Rate)   36,744.0   940,571   7,596.0   180,908   24.0   470   361.0     Monthy Quarterly Rate F   36,744.0   940,571   7,596.0   180,908   24.0   470   361.0     Industrial Industrial   2,015.8   39,077   7   7,596.0   180,908   24.0   470   361.0     Rate K   1,263.4   41,665.94   39,077   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7   7 <td< td=""><td>Rate F</td><td></td><td></td><td></td><td>1,623</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></td<>	Rate F				1,623										
Mubile Homes Inside Mobile Home Park (Flat Rate)   1,137.2     Commercial   36,744.0   940,571   7,596.0   180,908   24.0   470   361.0     Commercial   G,008.1   2,747,104   7,596.0   180,908   24.0   470   361.0     Monthly   G,008.1   2,747,104   7,596.0   180,908   24.0   470   361.0     Monthly   G,008.1   2,747,104   7,596.0   180,908   24.0   470   361.0     Matte F   39,677   39,677   39,677   361.0   41.565   41.56   41.565   41.56   41.56   41.56   41.56   41.56   41.56   41.56   41.56   41.56   41.56   41.56   41.56   41.56   41.56   41.56   41.56   41.56   41.56   41.56   41.56   41.56   41.56   41.56   41.56   41.56   41.56   41.56   41.56   41.56   41.56   41.56   41.56   41.56   41.56   41.56   41.56   41.56   41.56   41.56   41.56   41.56   41.56   41.56   41.56   41.56	Single Family with Meters									255.6	5,752	0	C	24.3	0
Multi-Parnity Residence, per Unit (Flat Rate)     36,744.0     940,571	Residential without Meters (Flat Rate)									6,660.7					
Multi-Pamily Residence, per Unit (Flat Rate)     36,744.0     940,571     -     7,596.0     180,908     24.0     470     361.0       Monthy     6,008.1     2,747,104     67,885.9     6,111,683     -     400     361.0       Quarterity     39,677     1,263.4     41,565     -     -     470     361.0       Industrial     2,015.8     1,263.4     41,565     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -     -	Mobile Homes Inside Mobile Home Park (Flat Rate)									1,137.2					
Monthly Quarterly     6,008.1     2,747,104       Rate F     67,885.9     6,911,698       Rate F     39,677       Rate K     1,263.4     41,565       Industrial     2,015.8     216.0     32,810       Large Industrials     2,098,028     216.0     32,810     0       Rate J     8,414     0     0     0     0       Other Public Authority     3,072.0     180,495     4,444     0     0       Capital Complex     3     238.4     89,187     0     0       Capital Complex     228.0     821,298     1,908.0     127,601     0       Capital Complex     238.4     89,187     0     1,819     0       Other Water Utilities     228.0     821,298     0     1,437,467     0       Rate A     0.0     1,861,892     1,437,467     0     0     0       Rate B     (Kirkwood)     0.0     1,52,353     3     0     0       Rate H (C-1 Water)     0     0     0 <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>255.7</td> <td></td> <td></td> <td></td> <td></td> <td></td>										255.7					
Monthly Quarterly     6,008.1     2,747,104       Guarterly     67,885.9     6,911,898       Rate F     39,677       Rate K     1,263.4     41,565       Large Industrial     2,015.8     2       Large Industrials     2,098,028     216.0     32,810       Rate J     8,414     0     0       Other Public Authority     3,072.0     180,495     1,908.0     127,601       Capital Complex     8,414     0     0     1,908.0     127,601       Cher Public Authority     3,072.0     180,495     4,8414     0     0       Capital Complex     238,4     89,187     1,908.0     127,601     0       Capital Complex     28,656.5     328,146     1,908.0     127,601     0       Quarterly     2,656.5     328,146     1,819     1,819     1,819     1,819       Other Water Utilities     228.0     821,298     0     1,437,467     1,437,467     1,437,467     1,437,467     1,437,467     1,437,467     1,437,467     1,437,467		36.744.0	940.571			7.596.0	180.908	24.0	470	361.0					
Quarenry Rate F   67,885.9   6,911,698     Rate F   39,677   39,677     Rate K   1,263.4   41,665     Industrial   2,015.8   2,098,028     Large Industrials   2,098,028   2,16.0   32,810     Rate K   2,098,028   2,316.0   4,645,944     Rate K   2,316.0   4,645,944	Monthly	, -	,-	6.008.1	2.747.104		,	-							
Rate F   39,677     Rate K   2,015.8     Large Industrials   2,015.8     Rate J   2,098,028     Rate J   2,316.0     Rate F   2,316.0     Other Public Authority   3,072.0     Other Public Authority   3,072.0     State Penitentiary   8,414     Quarterly   8,414     Quarterly   238.4     Rate B   2,236.5     Other Public Authority   2,265.5     State Penitentiary   2,265.5     Rate B   1,908.0     Rate B   1,819     Other Water Utilities   228.0     824 H (Fixed Annual Charge)   0.0     Rate B-1 (Kirkwood)   0     Rate G-1 (Kirkwood)   0     Rate G-1 (Kirkwood)   0     Rate G-1 (Kirkwood)   4,724.3     Rate F- Tap Size   4,030.3     Rate F- Detector Check Meters   2,791.6     Public Fire   0     Public Fire   0     Rate F- Detector Check Meters   2,791.6     Public Fire   0   0     Rate F-	,			,											
Rate K   1,263.4   41,565   216.0   32,810     Large Industrials   2,098,028   2,316.0   4,645,944   0     Rate J   2,316.0   4,645,944   0   0     Rate K   2,316.0   4,645,944   0   0     Rate K   2,316.0   4,645,944   0   0     Capital Complex   3,072.0   180,495   1,908.0   127,601   0     State Penitentiary   3,072.0   180,495   1,908.0   127,601   0     Rate A   238.4   89,187   1,808.0   96,945   0     Quarterly   282.0   821,298   1,818   0   0     Rate A   1,819   0   1,437,467   0   0     Rate G-1 (Kirkwood)   1,437,467   1,437,467   1,437,467   1   0     Rate G-1 (Kirkwood)   0   1,52,33   0   0   0   0     Rate G-1 (Kirkwood)   0   1,437,467   0   0   0   0   0     Rate G-1 (Kirkwood)   2,724.3   0   0   0   0				. ,	, ,										
Industrial   2,015.8   2,098,028   216.0   32,810   0     Rate J   2,098,028   2,316.0   4,645,944   0   0     Rate J   8,414   2,316.0   4,645,944   0   0     Cher Public Authority   3,072.0   180,495   1,908.0   127,601   0     Capital Complex   3,072.0   180,495   1,908.0   127,601   0     State Penitentiary   2,386.5   329,146   1,808.0   127,601   0     Quarterly   2,28.0   821,298   1,801.9   1,801.9   1,801.9     Rate A   28.0   821,298   36.0   96,945   0     Rate B   0.0   1,861.892   1,437,467   1   1     Rate H (Fixed Annual Charge)   0.0   1,152,353   0   0   0     Rate G-1 (Kirkwood)   0.0   1,152,353   0   0   0   0     Rate G-1 (Kirkwood)   4,724.3   0   925.9   0   0   0     Rate F - Tap Size   2,791.6   0   0   0   0   0				1.263.4											
Large Industrials   2,098,028   216.0   32,810   0     Rate J   2,316.0   4,645,944   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -		2.015.8		.,	,										
Rate J   2,316.0   4,645,944		_,	2 098 028			216.0	32 810		0						
Rate K   Rate F   8,414   8,414   1,908.0   127,601   0     Capital Complex   3,072.0   180,495   1,908.0   127,601   0     State Penitentiary   238.4   89,187   0   0   0     Rate A   238.4   89,187   0   0   0   0     Quarterly   228.0   821,298   1,819   0   0   0   0     Rate F   0.0   1,861,892   1,437,467   0   0   0   0     Rate G-1 (Kirkwood)   844   0.0   1,152,353   0   0   0   0     Rate H (C-1 Water)   0   0.0   1,152,353   0   0   0   0     Sale for Resale   0   0   0   0   0   0   0     Rate H (C-1 Water)   4,724.3   0   925.9   0   0   0   0     Rate F - Tap Size   2,791.6   0   0   0   0   0   0     Rate F - Tap Size   0   0   0   0   0   0   0 <td></td> <td></td> <td>2,000,020</td> <td>2 316 0</td> <td>4 645 944</td> <td></td> <td>02,010</td> <td></td> <td>Ū</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>			2,000,020	2 316 0	4 645 944		02,010		Ū						
Rate F   3,072.0   180,495   1,908.0   127,601   0     Capital Complex   1,908.0   127,601   0   0     State Penitentiary   238.4   89,187   5   0     Rate A   238.4   89,187   5   0     Quarterly   228.0   821,298   2,365.5   329,146   5     Rate F   1,819   -   -   6   6     Other Water Utilities   228.0   821,298   -   36.0   96,945   0     Rate B   0.0   1,861,892   -   -   -   -   -     Rate H (C-1 Water)   0.0   1,152,353   -   -   -   -   -     Sale for Resale   -   0.0   1,152,353   -   -   -   -     Sale for Resale   -   0   0   0   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -   -				2,01010	.,0.10,011										
Other Public Authority   3,072.0   180,495   1,908.0   127,601   0     Capital Complex   238.4   89,187   238.4   89,187   1,908.0   127,601   0     Rate A   238.4   89,187   2,656.5   329,146   1,819   1,819   1,819   1,819   1,819   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467   1,437,467					8 414										
Capital Complex   State Penitentiary     State Penitentiary   238.4   89,187     Rate A   238.4   89,187     Quarterly   2,656.5   329,146     Rate F   1,819   0     Other Water Utilities   228.0   821,298   0     Rate G-1 (Kirkwood)   228.0   821,298   0.0     Rate G-1 (Kirkwood)   1,437,467   0     Rate G-1 (Kirkwood)   0.0   1,152,353   0     Sale for Resale   0   0   0     Rate G-1 (Kirkwood)   0   0   0     Private Fire   4,724.3   0   0   0     Rate F - Tap Size   4,030.3   1   1   1     Public Fire   4,724.3   0   0   0     Public Fire   0   0   0   0		3 072 0	180 495		0,		127 601		0						
State Penitentiary   238.4   89,187     Quarterly   2,38.4   89,187     Quarterly   2,656.5   329,146     Rate F   1,819     Other Water Utilities   228.0   821,298     Rate B   0.0   1,861,892     Rate G-1 (Kirkwood)   1,437,467     Rate H (Fixed Annual Charge)   0.0     Rate G-1 (Kirkwood)   0.0     Private Fire   4,724.3     Private Fire   4,030.3     Rate F - Tap Size   4,030.3     Rate F - Tap Size   2,791.6     Public Fire   0   0		0,01 210	,			1,00010	,		Ū						
Rate A   238.4   89,187     Quarterly   2,656.5   329,146     Rate F   1,819     Other Water Utilities   228.0   821,298     Rate B   0.0   1,861,892     Rate G-1 (Kirkwood)   1,437,467     Rate H (Fixed Annual Charge)   0.0     Rate H (C-1 Water)   0.0     Sale for Resale   0     Private Fire   4,724.3     Private Fire   4,030.3     Rate F - Detector Check Meters   2,791.6     Public Fire   0     Public Fire   0   0     Public Fire   0   0															
Quarterly   2,656.5   329,146     Rate F   1,819   1,819     Other Water Utilities   228.0   821,298     Rate B   0.0   1,861,892     Rate G-1 (Kirkwood)   1,437,467     Rate H (Fixed Annual Charge)   0.0     Rate H (C-1 Water)   0.0     Sale for Resale   0.0     Private Fire   4,724.3     Rate F - Detector Check Meters   2,791.6     Public Fire   0     Public Fire   0				238.4	89 187										
Rate F   228.0   821,298   36.0   96,945   0     Rate B   0.0   1,861,892   0   0   1,437,467     Rate G-1 (Kirkwood)   0.0   1,152,353   0   0   0     Rate H (C-1 Water)   0.0   1,152,353   0   0   0     Sale for Resale   0   0   0   0   0     Private Fire   4,724.3   925.9   0   0   0     Rate F - Tap Size   4,030.3   2,791.6   0   0   0     Public Fire   0   0   0   0   0   0															
Other Water Utilities   228.0   821,298   36.0   96,945   0     Rate B   0.0   1,861,892   1437,467   1437,467   1437,467     Rate H (Fixed Annual Charge)   0.0   1,152,353   0   0   1     Rate H (C-1 Water)   0.0   1,152,353   0   0   0   0     Sale for Resale   0   0   0   0   0   0   0     Private Fire   4,724.3   0   925.9   0   0   0   0     Rate F - Tap Size   4,030.3   2,791.6   0   0   0   0   0     Public Fire   0   0   0   0   0   0   0   0				2,000.0											
Rate B   0.0   1,861,892     Rate G-1 (Kirkwood)   1,437,467     Rate H (Fixed Annual Charge)   0.0   1,437,467     Rate H (C-1 Water)   0.0   1,152,353     Sale for Resale   0   0   0     Rate G-1 (Kirkwood)   4,724.3   0   925.9   0     Private Fire   4,724.3   925.9   0   0     Rate F - Tap Size   4,030.3   1,791.6   1   1     Public Fire   0   0   0   0   0		228.0	821 298		1,010	36.0	96 945		0						
Rate G-1 (Kirkwood) Rate H (Fixed Annual Charge) Rate H (C-1 Water)1,437,467Sale for Resale Rate G-1 (Kirkwood)0.01,152,353Sale for Resale Private Fire Rate F - Tap Size Rate F - Detector Check Meters4,724.30Public Fire2,791.600Public Fire000		220.0	021,200	0.0	1 861 892		00,010		0						
Rate H (Fixed Annual Charge) Rate H (C-1 Water)0.01,152,353Sale for Resale Rate G-1 (Kirkwood)000Private Fire Rate F - Tap Size Rate F - Detector Check Meters4,724.3925.90Public Fire0000Public Fire0000				0.0	, ,										
Rate H (C-1 Water)   0.0   1,152,353     Sale for Resale   0   0   0     Rate G-1 (Kirkwood)   0   0   0     Private Fire   4,724.3   925.9   0     Rate F - Tap Size   4,030.3   0   0     Rate F - Detector Check Meters   2,791.6   0   0     Public Fire   0   0   0					1,407,407										
Sale for Resale000Rate G-1 (Kirkwood)4,724.3925.90Private Fire4,724.3925.90Rate F - Tap Size4,030.31Rate F - Detector Check Meters2,791.61Public Fire00				0.0	1 152 353										
Rate G-1 (Kirkwood)   4,724.3   925.9   0     Private Fire   4,724.3   925.9   0     Rate F - Tap Size   4,030.3   1     Rate F - Detector Check Meters   2,791.6   1     Public Fire   0   0			0	0.0	1,102,000		٥		٥						
Private Fire     4,724.3     0     925.9     0     0       Rate F - Tap Size     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3     4,030.3 </td <td></td> <td></td> <td>0</td> <td></td> <td>0</td> <td></td> <td>0</td> <td></td> <td>0</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>			0		0		0		0						
Rate F - Tap Size4,030.3Rate F - Detector Check Meters2,791.6Public Fire0		4 724 3	0			925 0	٥		٥						
Rate F - Detector Check Meters     2,791.6       Public Fire     0     0		7,727.0	0	4 030 3		520.5	0		0						
Public Fire 0 0				,											
				2,731.0			٥		٥						
				31 327 0			0		0						
Total Annualized Mgallons 5,836,941 49,582,685 831,016 32,821 5,752 0			5 926 044	51,527.0	10 592 695		921 046		22 024	<b></b>	5 750		-		0

Note: No of Customer Bills includes meter billings St. Louis and St. Charles to be merged using St. Louis rate structure.

## Appendix C

### OPEB/FAS 106 Tracker

The OPEB tracker mechanism represents the difference between the allocated and funded FAS 106 cost, as calculated on an ongoing basis by the Company's actuary, and the recalculated and allocated FAS 106 cost included in rates in this case. This difference results, in part, from the elimination of the corridor approach for amortizing unrecognized net gains and losses and a reduction in the amortization period. Instead of utilizing a corridor with a longer amortization period, the total net unrecognized gains and losses will be amortized over ten years.

### Pensions/FAS 87 Tracker

The Pensions tracker mechanism represents the difference between the allocated FAS 87 cost, as calculated on an ongoing basis by the Company's actuary, and the recalculated and allocated FAS 87 cost included in rates in this case. This difference results, in part, from the elimination of the corridor approach for amortizing unrecognized net gains and losses and a reduction in the amortization period. Instead of utilizing a corridor with a longer amortization period, the total net unrecognized gains and losses will be amortized over ten years.

### MISSOURI-AMERICAN WATER COMPANY WR-2008-0311 DEPRECIATION RATE SCHEDULE WATER

	WATER			
Account Number	Account Description	ASL (Years)	<u>Net Salvage %</u>	Depreciation Rate (%)
	SOURCE OF SUPPLY PLANT			
311.00	Structures and Improvements	55	(35)	2.45
312.00	Collecting and Impounding Reservoirs	80	0	1.25
313.00	Lake, River, and Other Intakes	65	(15)	1.77
314.00	Wells and Springs	60	0	1.67
315.00	Infiltration Galleries and Tunnels	60	0	1.67
316.00	Supply Mains	75	(20)	1.60
317.00	Miscellaneous Source of Supply-Other	25	0	4.00
	PUMPING PLANT			
004.00		75	(20)	4 70
321.00	Structures and Improvements	75	(30)	1.73
322.00	Boiler Plant Equipment	50	0	2.00
323.00	Power Generation Equipment	50	0	2.00
324.00	Pumping Equipment	45	(10)	2.44
	WATER TREATMENT PLANT			
331.00	Structures and Improvements	80	(30)	1.63
332.00	Water Treatment Equipment	45	(25)	2.78
333.00	Miscellaneous Water Treatment-Other	30	0	3.33
W				
	TRANSMISSION & DISTRIBUTION PLANT			
341.00	Structures and Improvements	45	(20)	2.67
341.10	Structures and Improvements-Special Crossing	N/A	N/A	0
342.00	Distribution Reservoirs & Standpipes	60	(35)	2.25
343.00	Mains-Transmission & Distribution	90	(35)	1.50
344.00	Mains-Fire	90	(35)	1.50
345.00	Services	65	(100)	3.08
346.00	Meters	40	3	2.43
347.00	Meter Installations	40	3	2.43
348.00	Fire Hydrants	65	(25)	1.92
349.00	Miscellaneous Transmission & Distribution-Other	50	0	2.00
	GENERAL PLANT			
390.00	Structures and Improvements	50	(20)	2.40
390.10	Structures and Improvements-Leasehold	20	0	5.00
391.00	Office Furniture	25	0	4.00
391.10	Computer Hardware & Software	7	0	14.29
391.20	Other Office Equipment	15	0	6.67
392.10	Transportation Equipment-Light Trucks	8	25	0
392.20	Transportation Equipment-Heavy Trucks	9	25	8.33
392.30	Transportation Equipment-Autos	5	25	0
392.40	Transportation Equipment-Other	15	0	0
393.00	Stores Equipment	35	0	2.86
394.00	Tools, Shop, and Garage Equipment	20	0	5.00
395.00	Laboratory Equipment	25	0	4.00
396.00	Power Operated Equipment	11	25	6.82
397.10	Communications Equipment-Non-Telephone	20	0	5.00
397.20	Communications Equipment-Telephone	15	0	6.67
398.00	Miscellaneous Equipment	20	0	5.00
399.00	Other Tangible Equipment	20	0	5.00

### MISSOURI-AMERICAN WATER COMPANY WR-2008-0311 DEPRECIATION RATE SCHEDULE

**SEWER** 

Account Number	Account Description	ASL (Years)	<u>Net Salvage %</u>	Depreciation Rate (%)
	COLLECTION PLANT			
351.00	Structures and Improvements	40	0	2.50
352.00	Collection Sewers	50	0	2.00
353.00	Services to Customers	50	0	2.00
	PUMPING PLANT			
363.00	Electric Pumping Equipment	10	0	10.00
	TREATMENT AND DISPOSAL PLANT			
372.00	Treatment and Disposal Equipment	20	0	5.00
374.00	Outfall Sewer Line	50	0	2.00

#### Missouri American Water Case No. WR-2008-0311 Annualized Water Revenues Present Rates St. Joseph District

Summary of Billed/Metered Revenues		onthly Min Charges	Volumetric Charges		Other (EDR Tariff) (1)	Present Rates Revenue		
Residential Revenues	\$	3,246,800	\$	7,571,654		\$	10,818,455	
Commercial Revenues		563,577		3,542,634			4,106,210	
Industrial		96,903		3,272,994	403,396		3,773,294	
Public Authority (Other)		92,632		602,720			695,352	
Private Fire Service		230,294					230,294	
Sale For Resale (Other Water Utilities)		22,324		1,941,988			1,964,312	
						\$	21,587,917	
Exclude EDR volumetric revenues not subject	to adjustm	nent				\$	(393,950	
Rate Revenue subject to adjustment							21,193,967	
Revenue Adjustment per Stipulation							(432,207	
Percent revenue adjustment on revenues subj	ect to adju	stment					-2.04%	

Notes:

(1) Includes minimum service charges and volumetric charges EDR Reflects Economic Development Rider Tariff