

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

In the Matter of the Application of)	
Missouri-American Water Company for)	
Waiver of Service Connection Charges)	Case No. _____
for Customer in the St. Charles District)	

**APPLICATION FOR WAIVER OF
SERVICE CONNECTION CHARGES AND
MOTION FOR EXPEDITED TREATMENT**

COMES NOW Missouri-American Water Company ("MAWC") and pursuant to its Tariff Sheet for Waiver of Service Connection Charges ("Waiver Tariff") states the following to the Missouri Public Service Commission ("Commission") as its Application for Waiver of Service Connection Charges for Customer in the St. Charles District and Motion for Expedited Treatment:

BACKGROUND INFORMATION

1. MAWC is a Missouri corporation with its principal office and place of business at 727 Craig Road, St. Louis, Missouri 63141. MAWC is a Missouri corporation in good standing. A Certificate of Good Standing from the Office of the Missouri Secretary of State was filed in Commission Case No. SA-2007-0316 and is hereby incorporated by reference. MAWC currently provides water service to the public in and around the cities of St. Joseph, Joplin, Brunswick, Mexico, Warrensburg, Parkville, Riverside, Jefferson City, and parts of St. Charles and Platte Counties Missouri, and most all of St. Louis County, Missouri. MAWC currently provides water service to approximately 452,000 customers. MAWC provides sewer service to approximately 1,100 customers in Jefferson, Platte, and Warren Counties, Missouri. MAWC is a "water corporation," a "sewer corporation" and a "public utility" as those terms are defined in Section 386.020 RSMo 2000, and is subject to the jurisdiction and supervision of the Commission as provided by law. MAWC currently has a general rate case pending before the Commission (WR-

2010-0131 and SR-2010-0135). MAWC has no overdue Commission annual reports or assessment fees.

2. Communications in regard to this Application should be addressed to:

Greg Weeks, Vice President
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St. Louis, Missouri 63141
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(314) 997-2451 (facsimile)
greg.weeks@amwater.com

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3. Taco Bell Corp. #2956, 1630 Jungerman Road, St. Charles, Missouri ("Taco Bell"), is a customer of MAWC, St. Charles District. Taco Bell has informed MAWC that it is planning to construct a new restaurant building at the site and will require a new connection for water service in light of the construction. The tariffed connection fee that Taco Bell will have to pay MAWC for the 1 1/2" service is \$3,608.59. (See Missouri-American Water Company Tariff Form No. 13, P.S.C.MO. No. 2, Sheet No. 12 (for City of Brunswick, Mexico, Warrensburg and Adjacent Areas and Certificated Areas in St. Charles and Platte Counties), Rule 4(m), attached hereto as Exhibit A).

4. The City of St. Peters ("St. Peters") is a political subdivision of the State of Missouri that operates a municipal water system. Upon information and belief, St. Peters notified Taco Bell that there will be no connection fee if Taco Bell stops taking service from MAWC but instead switches to St. Peters' municipal water system. (See e-mail dated April 22, 2010,

attached hereto as Exhibit B).

5. Pursuant to the Waiver Tariff (Missouri-American Water Company (formerly known as Missouri Cities Water Companies) Tariff Form No. 13, P.S.C.MO. No. 2, Sheet No. 13A, attached hereto as Exhibit C), MAWC is permitted to "waive all or part of any service connection charges in order to effectively compete with offers made to developers and/or customers by other water suppliers after requesting approval of the waiver from the Missouri Public Service Commission on a case-by-case basis and receiving an Order granting the waiver for good cause shown."

6. According to the Waiver Tariff, "good cause" is shown:

where the Company has provided the Missouri Public Service Commission Staff and the Office of the Public Counsel with reasonable and adequate documentation that:

- 1) Bonafide competition exists between water suppliers for new customers;
- 2) The addition of customers for whom the waiver applies would not result in a positive revenue requirement; and,
- 3) A positive net income will likely be achieved within a five-year period from the time the first new construction is placed in service.

ADDITIONAL INFORMATION

7. There is bonafide competition between MAWC and St. Peters to be the provider of water service to Taco Bell: MAWC is the current provider, while St. Peters has encouraged Taco Bell to switch to St. Peters for provision of water service.

8. There would not be a positive revenue requirement upon waiver of the connection charges because Taco Bell is a current customer of MAWC, which would simply be retaining Taco Bell's business. Loss of this customer would in fact cause a negative revenue requirement on the remaining customers.

9. A positive net income will likely be achieved within a five-year period from the time the first new construction is placed in service. Currently, Taco Bell's bill averages \$183 per

month, or \$2,196 annually and \$10,980 over five years. The cost of the connection is \$3,608.59.

10. Accordingly, pursuant to the Tariff, there is good cause to support the granting of this Application.

MOTION FOR EXPEDITED TREATMENT

11. Taco Bell informs MAWC that it intends to start construction by August 1, 2010. Therefore, MAWC moves the Commission to expedite its processing of this Application so that the Order regarding waiver of service connection charges is entered before August 1, 2010.

12. There will be no negative effect on MAWC's customers or the general public if the Commission enters its Order by August 1, 2010.

13. This pleading was filed as soon as it could have been after Taco Bell's construction plans and the stance of St. Peters became known.

WHEREFORE, MAWC respectfully requests that the Commission expedite the processing of this Application and before August 1, 2010 enter its Order authorizing MAWC to waive service connection charges for Taco Bell pursuant to the Waiver Tariff, and granting such other relief as may be deemed necessary and appropriate.

Respectfully submitted,



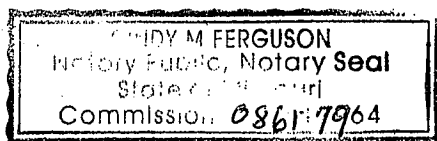
Kenneth C. Jones MBE #38498
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AFFIDAVIT

State of Missouri)
) ss
County of St. Louis)

I, Greg Weeks, having been duly sworn upon my oath, state that I am the Vice-President of Missouri-American Water Company, that I am duly authorized to make this affidavit on behalf of Missouri-American Water Company, that the matters and things stated in the foregoing Application and appendices thereto are true and correct to the best of my information, knowledge and belief.

Subscribed and sworn before me this 9 day of June, 2010.



Cindy M. Ferguson
Notary Public

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing was filed electronically and mailed postage prepaid the 9th day of June, 2010, to:

Kevin Thompson
Chief Staff Counsel
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P.O. Box 360
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