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

In the Matter of Missouri-American Water	)
Company for Authority (1) Issue up to	)
\$200,000,000 of Unsecured Long-Term	)
Debt and (2) to Issue and sell Additional	) Case No. WF-2007-0279
Common Stock to, or Receive Additional	)
Paid-in Capital from Its Parent Company in an	)
Aggregate Amount up to \$105,000,000	)

# MOTION TO REOPEN CASE FOR SECOND SUPPLEMENTAL ORDER AND FOR EXPEDITED CONSIDERATION

COMES NOW Missouri-American Water Company (hereinafter "Applicant") and for its motion to the Missouri Public Service Commission ("hereinafter "Commission") for a second supplemental order concerning its April 5, 2007, Order Granting Financing Application, states the following:

- 1. On January 24, 2007, Applicant filed an application (the "Application") with the Commission seeking certain financing approvals, including the ability to issue unsecured, long-term debt payable to an affiliate, American Water Capital Corp. ("AWCC"). On April 5, 2007, the Commission issued its Order Granting Financing Application (the "Order") pursuant to which the Commission granted the authority requested subject to certain conditions. Thereafter, on May 30, 2007, the Commission closed the case.
- 2. At the request of Applicant, the Commission modified a term of the Order in a July 15, 2008, Order Granting Motion to Reopen Case and Supplemental Order Modifying Conditions of Order Granting Financing Application

(the "Supplemental Order"). The Supplemental Order directed that the case be closed on July 26, 2008.

- 3. From the time of the Order until the present, Applicant has issued \$173 million dollars of unsecured, long-term debt. Applicant has remaining under the authority granted pursuant to the Order and the Supplemental Order, the ability to issue \$27 million dollars of additional long-term, unsecured indebtedness.
- 4. Applicant anticipates that it will issue an additional \$25 million dollars of unsecured long-term indebtedness, in one or more transactions, under the authority granted pursuant to the Order and the Supplemental Order during calendar year 2009. The proceeds from any such issuance will be used for the same purposes as set forth in ¶ 17 of the Application.
- 5. In its January 24, 2007 Application, the company stated the following:
  - 18. Applicant anticipates that debt and equity transactions totaling up to \$130 million dollars will occur prior to June 30, 2007. Any remaining balances of the proposed long-term debt and common equity or additional paid in capital will occur prior to December 31, 2008. (emphasis added)

The Order did not, however, expressly state that the authority granted by the Commission would expire as of December 31, 2008. As such, Applicant has been generally operating under the assumption that the Order, as supplemented, is not time limited.

6. To address this ambiguity and to ensure that the Company is operating pursuant to an order that is effective in accordance with its terms, Applicant requests that the Commission issue an order (1) extending the time

period of Applicant's financing authority until December 31, 2009 or, alternatively, (2) issue an order stating that no such modification is required in the circumstances.

- 7. Pursuant to Commission rules 4 CSR 240-2.080, Applicant requests that the Commission issue an order granting the relief requested (or stating no additional relief is required in the circumstances) by February 4, 2009, bearing effective date of not more than 10 days thereafter. Applicant currently plans to issue \$20 million dollars of long-term unsecured indebtedness under the authority granted by the Commission in this case during the first quarter of 2009, the purpose of which is to refund outstanding short-term indebtedness incurred by Applicant in connection with its ongoing operations.
- 8. This pleading was filed as soon as it could have been once the issue of the scope of authority became apparent to the undersigned.

WHEREFORE, Applicant requests the Commission reopen the case, extend Applicant's financing authority granted pursuant to the Order and the Supplemental Order through December 31, 2009 (or, alternatively, stating that no such modification of the Order is required in the circumstances) and to issue an order by no later than February 4, 2009, and bearing a ten-day effective date.

### Respectfully submitted,

#### BRYDON, SWEARENGEN & ENGLAND

By: /s/ Paul A. Boudreau\_

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ATTORNEYS FOR MISSOURI-AMERICAN WATER COMPANY

### **CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the above and foregoing document was electronically transmitted, sent by U.S. Mail, postage prepaid, or hand-delivered, on this 21<sup>st</sup> day of January, 2009, to:

Missouri Public Service Commission General Counsel's Office Governor Office Building 200 Madison Street, P.O Box 360 Jefferson City, MO 65102

Office of Public Counsel Governor Office Building 200 Madison Street, P.O. Box 7800 Jefferson City, MO 65102

/s/ Paul A. Boudreau
Paul A. Boudreau