

Missouri-American Water Company  
Name of Issuing Corporation

For

County of St. Charles, MO  
Community, Town or City**Rules and Regulations Governing Rendering of Water Service****Rule 4 SERVICE CONNECTIONS – YEARLY SERVICE (Contd.)****(Q) Waiver of Service Connection Charges –**

Where the Company faces competition for business with other water suppliers, the Company may 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.

“Good cause” shall be 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.

In the event a positive revenue requirement does result from the transaction, then any additional revenue requirement will be borne by the Company's shareholders, not its ratepayers.

The following listed areas, individuals, and/or subdivisions have been granted waivers by the Commission per the associated order numbers:

Order NumberArea and/or Subdivision

WE-2010-0360

Taco Bell Restaurant #2956  
1630 Jungerman Road, St. Charles\*  
\*

\*Indicates new rate or text  
+Indicates change

DATE OF ISSUE: July 14, 2010DATE OF EFFECTIVE: August 13, 2010

ISSUED BY: Frank Kartmann, President  
727 Craig Road, St. Louis, MO 63141