

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

In the matter of the Application of Missouri-)	
American Water Company for Authority to)	
Issue up to \$212,500,000 of Long-Term)	CASE NO. WF-2011-0173
Unsecured Debt)	

NOTICE OF COMPLIANCE

COMES NOW Missouri-American Water Company ("MAWC" or the "Company") and states to the Commission as follows:

1. On March 2, 2011, the Commission issued an Order Granting Financing Application ("Order") in the referenced case. The authority granted by the Order was subject to a number of conditions recommended by the Commission's staff. Among those were the following filing requirements:

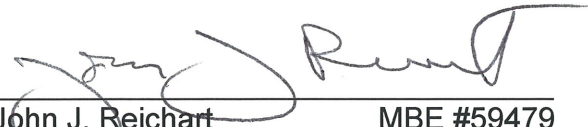
2) That MAWC file with the Commission any information concerning communication with credit rating agencies concerning the proposed financing.

3) That MAWC file with the Commission all final terms and conditions of the proposed financing, including, but not limited to, the aggregate proceeds received, price information, and estimated expenses.

2. On December 17, 2012, American Water Capital Corp. ("AWCC") issued \$300 million in 30-year senior unsecured taxable notes at a coupon rate of 4.30%. Pursuant to the authority granted by the Order, MAWC on that date issued a promissory note to AWCC for a portion of the proceeds to be used in construction, completion, extension or improvement of facilities, other capital investments and/or repayment of short-term debt. The MAWC note, in the amount of \$15,000,000, is evidenced by a promissory note on the same terms as AWCC, as reflected on Exhibit 1. After bond discount of \$27,300 and estimated issuance expenses of \$155,196, estimated proceeds from the note are \$14,817,504.

3. Pursuant to the Commission's Order, MAWC states that the only communication with credit rating agencies concerning the proposed financings was provision of American Water Capital Corporation's Term Sheet, which is reflected in the attached Exhibit 2.

Respectfully submitted,



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