

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

In the Matter of the Joint Application of)	
Missouri-American Water Company and both)	
Osage Water Company and Environmental)	
Utilities, L.L.C. for Authority for Missouri-)	
American Water Company to acquire the water)	Case No. WO-2005-0086
and sewer assets of both entities, and for the)	Case No. SO-2005-0087
transfer to Missouri-American Water Company of)	
Certificates of Convenience and Necessity to)	
continue operation of such assets as Water and)	
Sewer Corporations regulated by the Missouri)	
Public Service Commission.)	

MAWC’S PROPOSED LIST OF ISSUES

COMES NOW Missouri-American Water Company (MAWC or the Company), and, as its proposed list of issues, states as follows to the Missouri Public Service Commission (Commission):

1. On December 22, 2004, the Commission issued its Order Revising Procedural Schedule wherein the Commission, among other things, required that the parties “agree upon and the Staff shall file a list of the issues to be heard, the witnesses to appear on each day of the hearing and the order in which they shall be called, and the order of cross-examination for each witness.” As of this date, the parties have not been able to agree to such a list. Therefore, MAWC will file its own list of issues.

2. MAWC proposes the following list of issues:

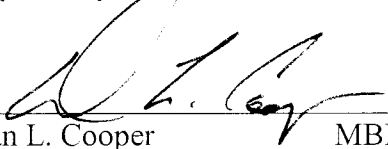
a) Given that MAWC meets the criteria under *Tartan Energy* for being qualified to run a public utility, is the proposed transfer of assets from Osage Water Company, Environmental Utilities and other entities who hold title to assets used by Osage Water Company in providing water and/or sewer service to MAWC, as proposed in

the Joint Application, detrimental to the public interest?

- b) Are the proposed sale prices reasonably representative of original cost of the assets, less depreciation, and thus a reasonable rate base number on which MAWC may rely in future rate proceedings?
- c) Should MAWC be allowed to file tariff sheets reflecting water and sewer rates for service that are greater than the current Osage Water Company/Environmental Utilities rates in order to enable MAWC to recover a reasonable rate of return on the cost of the assets purchased, plus its ongoing operation costs? If so, what water and sewer rates should be reflected in such tariffs?
- d) Should the existing certificates of Osage Water Company and Environmental Utilities be transferred to MAWC upon closing of the asset purchase transactions?
- e) Are expenditures needed to bring the physical condition of the assets into compliance with various Commission or other state or federal regulations? If so, will MAWC have the opportunity to seek to recover such expenditures in its next rate case?
- (f) If the Commission allows the proposed transfer of assets to MAWC, may it address the outstanding judgments, liens, fees, assessments and other undisputed debts owed by Osage Water Company? If so, how should these items be addressed?
- (g) Regarding the deep well and the wastewater treatment facilities used by Osage Water Company to provide water and sewer services respectively to Cedar Glen Condominiums (Cedar Glen), may the Commission consider any proposed sale or transfer of those facilities to Cedar Glen in the absence of an agreement or application? If so, what impact should this have on the Joint Application?

WHEREFORE, MAWC requests the Commission consider this list of issues.

Respectfully submitted,



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ATTORNEYS FOR
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CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the foregoing document was sent by U.S. Mail, postage prepaid, or electronic mail, on January 6, 2005, to the following:

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