

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office
in Jefferson City on the 19th
day of September, 2000.

In the Matter of Missouri-American Water)	
Company's Tariff Sheets Designed to Implement)	<u>Case No. WR-2000-281</u>
General Rate Increases for Water and Sewer)	Tariff No. 200100280
Service Provided to Customers in the Missouri)	
Service Area of the Company.)	

ORDER APPROVING TARIFF

On October 15, 1999, Missouri-American Water Company (MAWC or Company) submitted to the Commission its proposed tariff sheets intended to implement a general rate increase for water and sewer service provided to customers in the Missouri service areas of the Company. The proposed tariffs bore a requested effective date of November 15, 1999. The proposed water service tariffs were designed to produce an annual increase of approximately 53.97 percent (\$16,446,277) in the Company's revenues. The proposed sewer service tariffs were designed to produce an annual increase of approximately 5.0 percent (\$2,363) in the Company's revenues.

On October 28, 1999, the Commission issued its Suspension Order and Notice and Order Consolidating Cases by which the Commission consolidated Case No. SR-2000-282 into Case No. WR-2000-281 for all purposes and suspended the proposed tariffs for a period of 120 days, plus an additional six months beyond the requested effective date, in order to allow sufficient time to study the effect of the proposed tariffs and to determine if they are just, reasonable and in the public interest.

Thereafter, following normal contested case procedures and an extended evidentiary hearing, the Commission on August 31, 2000, issued its Report and Order by which it rejected the proposed water service tariffs, Tariff File No. 200000366, and approved the proposed sewer service tariffs,

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Tariff File No. 200000367, for service rendered on and after September 14, 2000. On September 14, 2000, the Commission issued its Order of Clarification. Thereafter, on September 15, 2000, MAWC filed its proposed water service tariffs in compliance with the Commission's Report and Order, Tariff File No. 200100280, effective October 15, 2000, together with its Motion for Expedited Treatment and Approval of Tariff Sheets. On September 18, 2000, MAWC filed a substitute proposed tariff sheet.

In its Motion, MAWC states that expedited treatment and approval are appropriate because the proposed tariffs are filed in compliance with the Commission's Report and Order herein. MAWC points out that it is experiencing a significant revenue deficiency, on the order of \$10.2 million annually.

On September 18, 2000, the Staff of the Commission filed its memorandum and recommendation, recommending approval of the proposed tariff sheets. Staff states that the proposed water service tariff sheets, as amended, are in compliance with the Commission's Orders of August 31, 2000, and September 14, 2000.

The Commission has considered the revised tariff sheets, MAWC's motion and Staff's memorandum. The Commission finds the proposed tariff sheets are compliant with the Commission's Orders of August 31 and September 14 and should be approved. The Commission determines that expedited approval is appropriate in that the tariffs are filed in compliance with a Commission Report and Order, following a full investigation and evidentiary hearing.

IT IS THEREFORE ORDERED:

1. That the proposed tariff sheets filed by Missouri-American Water Company on September 15, 2000, are approved as amended on

September 18, 2000, for service rendered on and after September 20, 2000.

The tariff sheets approved are:

P.S.C. MO. No. 1

8 th Revised Sheet No. 1, Canceling	7 th Revised Sheet No. 1
Original Sheet No. 1a	
7 th Revised Sheet No. 2, Canceling	6 th Revised Sheet No. 2

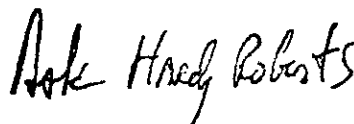
P.S.C. MO. No. 2

8 th Revised Sheet No. 3, Canceling	7 th Revised Sheet No. 3
2 nd Revised Sheet No. 4, Canceling	1 st Revised Sheet No. 4
5 th Revised Sheet No. 5, Canceling	4 th Revised Sheet No. 5
5 th Revised Sheet No. A-1, Canceling	4 th Revised Sheet No. A-1
4 th Revised Sheet No. A-2, Canceling	3 rd Revised Sheet No. A-2
4 th Revised Sheet No. A-3, Canceling	3 rd Revised Sheet No. A-3
3 rd Revised Sheet No. A-4, Canceling	2 nd Revised Sheet No. A-4
5 th Revised Sheet No. B-1, Canceling	4 th Revised Sheet No. B-1
4 th Revised Sheet No. B-2, Canceling	3 rd Revised Sheet No. B-2
4 th Revised Sheet No. B-3, Canceling	3 rd Revised Sheet No. B-3
3 rd Revised Sheet No. B-4, Canceling	2 nd Revised Sheet No. B-4
5 th Revised Sheet No. C-1, Canceling	4 th Revised Sheet No. C-1
4 th Revised Sheet No. C-2, Canceling	3 rd Revised Sheet No. C-2
4 th Revised Sheet No. C-3, Canceling	3 rd Revised Sheet No. C-3
3 rd Revised Sheet No. C-4, Canceling	2 nd Revised Sheet No. C-4
6 th Revised Sheet No. D-1, Canceling	5 th Revised Sheet No. D-1
4 th Revised Sheet No. D-2, Canceling	3 rd Revised Sheet No. D-2
4 th Revised Sheet No. D-3, Canceling	3 rd Revised Sheet No. D-3
1 st Revised Sheet No. D-5, Canceling	Original Sheet No. D-5
5 th Revised Sheet No. E-1, Canceling	4 th Revised Sheet No. E-1
4 th Revised Sheet No. E-2, Canceling	3 rd Revised Sheet No. E-2
4 th Revised Sheet No. E-3, Canceling	3 rd Revised Sheet No. E-3
Original Sheet No. E-4a	

2. That this order shall become effective on September 20, 2000.

BY THE COMMISSION

(S E A L)



Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

Lumpe, Ch., Schemenauer, and Simmons,
CC., concur.
Drainer, C., dissents.
Murray, C., not participating.

Thompson, Deputy Chief Regulatory Law Judge