

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a session of the Public Service
Commission held at its office
in Jefferson City on the 8th
day of June, 1990.

In the matter of the application of the Clarence Cannon)
Wholesale Water Commission for authority to issue bonded) Case No. WF-90-155
indebtedness.)
)

ORDER AMENDING FINANCING ORDER

On March 2, 1990, the Commission granted Clarence Cannon Wholesale Water Commission (CCWWC) authority to issue bonds in an amount not to exceed \$23,000,000 to be sold at not less than 98 percent of par value, and at a rate of interest not to exceed 8.25 percent per annum. On May 29, 1990, CCWWC filed an application seeking to amend the terms approved by the Commission for issuance of the \$23,000,000 in bonds. CCWWC states that it has been unable to sell its bonds under the terms approved and requests the terms be modified so that the bonds may be sold at 95 percent par value.

Commission Staff filed a recommendation with the Commission on June 4, 1990, in which it recommends the Commission amend its Order Approving Financing.

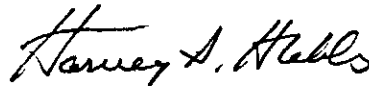
The Commission finds that the amendment requested by CCWWC is reasonable and will grant the authority requested. CCWWC has contracted to sell its 1990 Series bonds with an approximate average coupon rate of 8.23 percent at approximately 95 percent of par value to Dillon, Read & Company, Inc. Staff states that under current market conditions, this purchase by Dillon, Read & Company is the only realistic financing solution for CCWWC. The revised water rates, as projected by A.G. Edwards & Sons, Inc., are below the maximum level agreed upon by the CCWWC members participating in the financing. The approval of this amendment will enable the bonds to be sold in the near future, which will enable CCWWC to proceed with its construction.

It is therefore ordered:

1. That the Order Approving Financing issued March 2, 1990, be amended to authorize Clarence Cannon Wholesale Water Commission to sell bonds at not less than ninety-five (95) percent of par value.

2. That this order shall become effective on the date hereof.

BY THE COMMISSION



Harvey G. Hubbs
Secretary

(S E A L)

Mueller, Rauch, McClure and
Letsch-Roderique, CC., Concur.
Steinmeier, Chm., Absent.