

**STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION  
JEFFERSON CITY  
December 13, 2001**

**CASE NO: WO-2002-206**

**Office of the Public Counsel**  
P.O. Box 7800  
Jefferson City, MO 65102

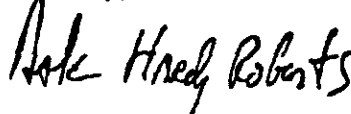
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112 South Hanley  
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**Enclosed find certified copy of an ORDER in the above-numbered case(s).**

Sincerely,



**Dale Hardy Roberts**  
**Secretary/Chief Regulatory Law Judge**

**STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION**

At a Session of the Public Service  
Commission held at its office in  
Jefferson City on the 13th day of  
December, 2001.

In the Matter of the Proposed Acquisition	)	
of Missouri-American Water Company and	)	<b><u>Case No. WO-2002-206</u></b>
American Water Works Company by the	)	
German Corporation RWE AG	)	

**ORDER CLOSING CASE**

This case was opened when the Office of the Public Counsel, on October 25, 2001, filed a "Motion to Review Proposed Acquisition of Missouri-American Water Company and American Water Works Company, by RWE AG, a German Corporation." In that motion, Public Counsel requested that the Commission open a case to review the proposed acquisition of Missouri-American Water Company and its parent American Water Works Company by the German corporation RWE AG.

American Water Works Company owns Missouri-American Water Company, a Missouri corporation that operates as a regulated water utility in Missouri. American Water Works is not a regulated water corporation or public utility, nor is RWE.

On November 20, Missouri-American, American Water Works, and RWE filed a joint response opposing Public Counsel's motion. They asserted that the transaction is between the parent company of Missouri-American and a non-regulated German corporation, and that the Commission does not have jurisdiction to review the transaction. They noted that when the transaction is complete, Missouri-American will

remain a wholly owned subsidiary of American Water Works, and that the transaction will be transparent to its customers.

On November 28, Public Counsel filed a pleading responding to Missouri-American, American Water Works, and RWE. On December 4, Missouri-American, American Water Works, and RWE responded to Public Counsel's November 28 reply. On December 7, the Staff of the Commission filed a pleading concurring with the position taken by Missouri-American, American Water Works, and RWE.

The Commission has reviewed the pleadings, the cases and the Missouri statutes cited by parties, and the structure of the proposed transaction. The Commission determines that there is nothing in the statutes that confers jurisdiction to examine the acquisition of a non-regulated corporation by another non-regulated corporation, even though one of them may own a Missouri-regulated utility company. The Commission's past approach to transactions of this type has been the proper one, and will be followed here. Since the Commission has no jurisdiction, it will close this case.

**IT IS THEREFORE ORDERED:**

1. That the motion to review the proposed transaction filed by the Office of the Public Counsel on October 25, 2001, is denied.
2. That this order shall become effective on December 23, 2001.

3. That this case may be closed on December 24, 2001.

**BY THE COMMISSION**

A handwritten signature in black ink that reads "Dale Hardy Roberts". The signature is written in a cursive, slightly slanted style.

**Dale Hardy Roberts  
Secretary/Chief Regulatory Law Judge**

(S E A L)

Simmons, Ch., Murray, Gaw and Forbis, CC., concur  
Lumpe, C., absent

Mills, Deputy Chief Regulatory Law Judge

ALJ/Secretary:

Mills/Doyce

12-11

Date Circulated

40-2002-206  
CASE NO.

KS

Simmons, Chair

CM  
Murray, Commissioner

West  
Lumpe, Commissioner

7/16  
Gaw, Commissioner

Forbis  
Forbis, Commissioner

12-13

Agenda Date

Action taken:

4-0 AS

Must Vote Not Later Than

## STATE OF MISSOURI

### OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and  
I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City,  
Missouri, this 13<sup>th</sup> day of Dec. 2001.

Dale Hardy Roberts

Dale Hardy Roberts  
Secretary/Chief Regulatory Law Judge

