



ST. LOUIS COUNTY WATER CO • 535 North New Ballas Road • St. Louis, Mo 63141 • (314) 991-3404

February 13, 1987

Slattery
The Honorable Harvey G. Hubbs
Secretary
Missouri Public Service Commission
P. O. Box 360
Jefferson City, Missouri 65102

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MO. PUBLIC SERVICE COM. L

Re: P.S.C. Case No. AO-87-48

Dear Secretary Hubbs:

Enclosed for filing, please find an original and 14 copies of
COMPANY'S RESPONSE TO COMMISSION ORDER AND MOTION FOR WAIVER OF
FILING REQUIREMENTS.

Please bring this matter to the attention of the Commission
at your earliest convenience.

Very truly yours,

[Signature]
Richard T. Ciottone
Vice President and
General Counsel

Enclosures

RTC/gb

cc: Staff
Public Counsel

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PUBLIC SERVICE COMMISSION

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BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the matter of the investigation)
of the revenue effects upon Missouri)
utilities of the Tax Reform Act of)
1986.)

Case No. AO-87-48

RESPONSE TO COMMISSION ORDER AND MOTION FOR
WAIVER OF FILING REQUIREMENTS

Comes now St. Louis County Water Company, ("Company")
and for its above described Response and Motion, states:

1. Responding to ORDERED:2 of the Commission's Order
of January 30, 1987, Company states that, in its opinion, the
suggested requirement for "Interim Tariffs" violates Missouri law
and is without support in Chapter 386 or 393 V.A.M.S.

2. ORDERED:3 of the Commission's Order of November 3,
1986 establishing the above docket required filings of the revenue
impact of the federal tax changes applied to 1985 operations on or
before December 15, 1986, and the revenue requirement of federal
tax changes on the Company's 1986 Missouri operations before
February 28, 1987. This later date was extended by subsequent
Commission order to March 2, 1987.

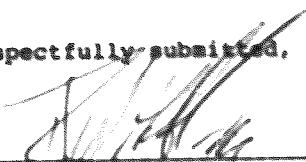
3. On or before December 15, Company complied with the
foregoing part of ORDERED:3 concerning 1985 revenues. Company is
presently involved in both a Complaint case filed by Staff and
Public Counsel, and a consolidated rate case (WC-87-83 and WR-82-2)
both of which have as a central issue the ramifications of the Tax
Reform Act on the Company's operations. Such issue will by
necessity be resolved in this proceeding. Compliance with that
section of ORDERED:3 above concerning 1986 revenues places undue
burden on the Company at this time and will apparently serve no
useful purpose whatsoever. Both Company and Staff, for all
practical purposes, will be using calendar year 1986 data in the
complaint and rate case, but such data is not in a form suitable
for filing out of context of the complaint and rate case as would
be necessary to comply with the requirement of ORDERED:3.

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WHEREFORE, Company prays that it be absolved from the requirement to file the data required in ORDERED:3 of the Commission's Order in the above cause dated November 3, 1986 relative to the effect of the Tax Reform Act on revenues for the year 1986.

Respectfully submitted,



Richard T. Clottone
Attorney for
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St. Louis, Missouri 63141
(314) 991-3404