

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

In the matter of the Petition of )  
Missouri-American Water Company for ) CASE NO. WO-2014-0237  
Approval to Change its Infrastructure ) TARIFF NO. YW-2014-0329  
System Replacement Surcharge (ISRS). )

RESPONSE TO STAFF'S RECOMMENDATION

COMES NOW Missouri-American Water Company (MAWC), and hereby notifies the Missouri Public Service Commission (Commission) of MAWC's Agreement with the Commission Staff (Staff) Recommendation filed on April 23, 2014:

1. On April 23, 2014, the Staff filed a Recommendation that contained a Memorandum describing Staff's review of MAWC's Petition.
2. Having reviewed the April 23, 2014 Staff Recommendation, Memorandum and attachments thereof, MAWC hereby notifies the Commission that MAWC agrees with the Staff Recommendation subject to the following comments.
3. As stated in its Recommendation, Staff proposes, and MAWC agrees, to include accumulated depreciation through the month of the effective date of rates, June 2014. However, MAWC submits that the calculation of additional accumulated depreciation for ISRS #12 should be from February 2014 to June 2014 because the depreciation included in ISRS #12 filing was through January 2014. The revised accumulated depreciation should be \$131,045.80.
4. The depreciation for ISRS #11 should also be from February 2014 through June 2014 because when MAWC filed ISRS #12, it included six months of depreciation of ISRS #11 investments through January 2014. The revised accumulated depreciation should be \$284,668.01.

5. The depreciation for ISRS #10 should be from August 2013 thru June 2014 because ISRS #11 included accumulated depreciation thru July 2013. MAWC inadvertently missed August 2013 thru January 2014 from ISRS #12 filing. The revised accumulated depreciation should be \$443,185.92.

6. In addition, MAWC notes the following language was included in the Staff recommendation: “By this filing, MAWC requests an adjustment to its ISRS rates and charges for ISRS eligible infrastructure system replacements and relocations made during the period of October 1, 2013, through March 31, 2013.” MAWC notes that the actual period should run through March 31, 2014.

WHEREFORE, for the foregoing reasons, MAWC respectfully request the Commission consider this Response to Staff’s Recommendation.

Respectfully Submitted,

/s/ Timothy W. Luft  
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ATTORNEY FOR  
MISSOURI-AMERICAN WATER COMPANY

CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the foregoing document was sent by electronic mail on April 29, 2014, to the following:

**Missouri Public Service Commission**

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/s/ Timothy W. Luft  
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