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Vice Chair

**Missouri Public Service Commission**

POST OFFICE BOX 360  
JEFFERSON CITY, MISSOURI 65102  
573-751-3234  
573-751-1847 (Fax Number)  
<http://www.ecodev.state.mo.us/psc/>

December 7, 1999

**GORDON L. PERSINGER**  
Acting Executive Director  
Director, Research and Public Affairs

**WESS A. HENDERSON**  
Director, Utility Operations

**ROBERT SCHALLENGER**  
Director, Utility Services

**DONNA M. KOLILIS**  
Director, Administration

**DALE HARDY ROBERTS**  
Secretary/Chief Regulatory Law Judge

**DANA K. JOYCE**  
General Counsel

Mr. Dale Hardy Roberts  
Secretary/Chief Regulatory Law Judge  
Missouri Public Service Commission  
P. O. Box 360  
Jefferson City, MO 65102

**RE: WR-2000-281**

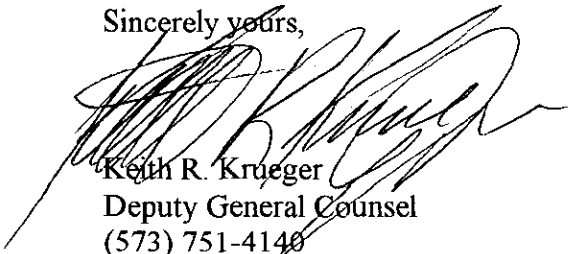
Dear Mr. Roberts:

Enclosed for filing in the above-captioned case are an original and fourteen (14) conformed copies of **STAFF'S RECOMMENDATIONS REGARDING TEST YEAR AND TRUE-UP**.

This filing has been mailed or hand-delivered this date to all counsel of record.

Thank you for your attention to this matter.

Sincerely yours,

  
Keith R. Krueger  
Deputy General Counsel  
(573) 751-4146  
(573) 751-9285 (Fax)

KK/jb  
Enclosure  
cc: Counsel of Record

**FILED**

DEC 7 1999

Missouri Public  
Service Commission

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

FILED

DEC 7 1999

Missouri Public  
Service Commission

In the Matter of Missouri-American Water )  
Company's Tariff Sheets Designed To )  
Implement General Rate Increases For )  
Water And Sewer Service Provided To )  
Customers In the Missouri Area of the )  
Company. )

Case No. WR-2000-281

**STAFF'S RECOMMENDATIONS**  
**REGARDING TEST YEAR AND TRUE-UP**

COMES NOW the Staff of the Missouri Public Service Commission ("Staff"), and in response to Ordered Paragraph 10 and Ordered Paragraph 11 of the Missouri Public Service Commission's October 28, 1999 Suspension Order and Notice, respectfully makes the following recommendations.

Missouri-American Water Company ("Company") has proposed a test year consisting of the twelve months ended September 30, 1999, with adjustments to plant, revenues, property taxes, operation expenses, labor wage increases, rate case expenditures through the conclusion of the case, conversion from quarterly to monthly meter reading and billing in the St. Joseph District, and federal and state income taxes. The Company did not specify the date to which the test year data should be updated. By separate motion, the Company proposed a true-up audit and hearing for certain items of revenue, expense and investment.

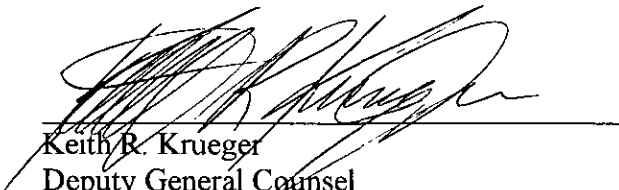
The Staff concurs in the Company's recommendation that the test year consist of the twelve months ended September 30, 1999. The Staff recommends that the test year data be updated for changes that occur through December 31, 1999.

The Staff concurs in the Company's request for a true-up audit and hearing and recommends true-up through April 30, 2000. The items to be addressed in the true-up should be those that the Staff identifies in the direct testimony that it files in this case.

**WHEREFORE**, the Staff respectfully requests that the Commission issue its order adopting the Staff's recommendations regarding the test year, as updated, and regarding the true-up audit and hearing, as set forth herein.

Respectfully submitted,

DANA K. JOYCE  
General Counsel

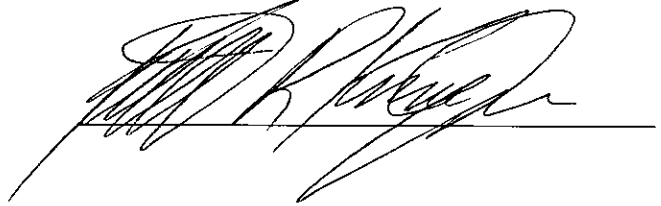


Keith R. Krueger  
Deputy General Counsel  
Missouri Bar No. 23857

Attorney for the  
Missouri Public Service Commission  
P. O. Box 360  
Jefferson City, MO 65102  
(573) 751-4140 (Telephone)  
(573) 751-9285 (Fax)

### **Certificate of Service**

I hereby certify that copies of the foregoing have been mailed or hand-delivered to all counsel of record as shown on the attached service list this 7th day of December 1999.

A handwritten signature in black ink, appearing to be "J. R. [unclear]", is written over a horizontal line.

**Service List for  
Case No. WR-2000-281  
December 7, 1999**

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

W. R. England, III  
Brydon, Swearengen & England P.C.  
P.O. Box 456  
Jefferson City, MO 65102-0456

Chuck D. Brown  
City Attorney  
303 East Third St., P.O. Box 1355  
Joplin, MO 64802-1355

Stuart Conrad  
Finnegan, Conrad & Peterson, L.C.  
3100 Broadway, Suite 1209  
Kansas City, MO 64111

James Fischer  
Attorney at Law  
101 West McCarty Street, Suite 215  
Jefferson City, MO 65101

Leland B. Curtis  
Curtis, Oetting, Heinz, Garrett & Soule, P.C.  
130 S. Bemiston, Suite 200  
St. Louis, MO 63105

Joseph W. Moreland  
Blake & Uhlig, P.A.  
2500 Holmes Rd.  
Kansas City, MO 64108

Charles Brent Stewart  
Stewart & Keevil, L.L.C.  
1001 Cherry Street, Suite 302  
Columbia, MO 65201

Louis J. Leonatti  
Leonatti & Baker  
P.O. Box 758  
Mexico, MO 65265