

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of the Joint Application of)
Missouri-American Water Company and both)
Osage Water Company and Environmental)
Utilities, L.L.C. for Authority for Missouri-)
American Water Company to acquire the)
water and sewer assets of both entities, and)
for the transfer to Missouri-American Water)
Company of Certificates of Convenience and)
Necessity to continue operation of such assets)
as Water and Sewer Corporations regulated)
by the Missouri Public Service Commission)

Case No. WO-2005-0086

**STAFF RECONCILIATION RELATING TO THE POST-SALE RATEMAKING RATE
BASE VALUE ATTRIBUTABLE TO FACILITIES CURRENTLY
OWNED/LEASED/USED BY OSAGE WATER COMPANY AND ENVIRONMENTAL
UTILITIES**

COMES NOW the Staff of the Missouri Public Service Commission ("Staff"), by and through Counsel, and for its *Reconciliation Relating to the Post-Sale Ratemaking Rate Base Value Attributable to Facilities Currently Owned, Leased, or Used by Osage Water Company (OWC) and Environmental Utilities (EU)* states the following to the Missouri Public Service Commission ("Commission"):

1. On February 25, 2005, the Staff filed its *Supplemental Response to Order Adding Party and Directing Filing* wherein the Staff advised the Commission that “in connection with the calculation of the updated post-sale ratemaking rate base value attributable to the facilities currently owned/leased/used by OWC and EU, the Staff notes that it has completed the calculation, but that it has not yet completed the detailed reconciliation document that will show how the Staff arrived at that value. The Staff currently anticipates that it will complete and file that document on or before March 4.”

2. The Staff has completed the reconciliation document that explains how the Staff arrived at the post-sale ratemaking rate base value attributable to the facilities currently owned, leased or used by OWC and EU. That document is attached hereto, labeled as Appendix A, and incorporated herein by reference.

WHEREFORE the Staff respectfully submits this *Reconciliation Relating to the Post-Sale Ratemaking Rate Base Value Attributable to Facilities Currently Owned, Leased or Used by OWC and EU* for the Commission's consideration in this case.

Respectfully Submitted,

DANA K. JOYCE
General Counsel

/s/ Cliff E. Snodgrass

Cliff E. Snodgrass
Senior Counsel
Missouri Bar No. 52302

Attorney for the Staff of the
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102
573-751-3966 (telephone)
573-751-9285 (facsimile)
cliff.snodgrass@psc.mo.gov (e-mail)

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed with first class postage, hand-delivered, transmitted by facsimile or transmitted via electronic mail to all counsel of record this 4th day of March 2005.

/s/ Cliff E. Snodgrass

Cliff E. Snodgrass