

**STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION**

At a session of the Public Service  
Commission held at its office in  
Jefferson City on the 15th day  
of September, 2005.

|  |   |                                     |
|--|---|-------------------------------------|
| In the Matter of the Coordinated Effort Concerning | ) |                                     |
| Missouri-American Water Company's Facilities       | ) | <b><u>Case No. WO-2004-0609</u></b> |
| Located In Its Jefferson City District.            | ) |                                     |

**ORDER ACCEPTING JOINT REPORT AND  
CLOSING CASE**

Issue Date: September 15, 2005

Effective Date: September 25, 2005

On June 22, 2004, Missouri-American Water Company and the City of Jefferson jointly applied to the Commission to open a case within which to conduct a study of the sufficiency of Missouri-American's fire suppression facilities in its Jefferson City District. The parties agreed to cooperatively conduct this study as part of the settlement of Missouri-American's most recent rate case, Case No. WR-2003-0500. The Commission approved a Stipulation and Agreement in Case No. WR-2003-0500 that called for the performance of the study and set a date for its conclusion.

The parties filed their Joint Report on July 1, 2005. Therein, the parties state that the study participants, including representatives of the Company, AmerenUE, the Jefferson City Fire Department, and the Energy and Water and Sewer Departments of the Commission's Staff, considered (1) the reliability of the power supply to the Company's high and low service pumps at its West Main Street plant; (2) the overall capacity available to the Company's system in Jefferson City, including a projection of future needs;

(3) provisions for adequate water intake in the event of low water levels in the Missouri River; and (4) the possible replacement of mains less than six inches in diameter. The parties report the results of their study, as follows:

(1) The Report states that the power supply to the Company's pumps is generally adequate except that, over a 200-foot stretch in front of the Company's West Main plant where the supplies from two different substations are carried on the same poles, the power supply is vulnerable to disruption in the event that a car or truck should strike one of the poles, putting both supplies out of service at the same time. The parties state that guard rails are being installed to protect the poles and that the work is expected to be completed in the summer of 2005.

(2) The Report states that the overall system capacity is sufficient and that additional capacity will be added in the future as the growth of the city requires. The Company's clearwell alone, without even considering other available storage resources, is adequate to meet present and projected needs.

(3) The Report states that the Company completed permanent improvements to its intake structures in 2004 that will allow adequate water intake even during periods of extremely low water on the Missouri River.

(4) The Report states that there are approximately 25,000 feet of mains with a 4-inch or smaller diameter in the older, downtown section of Jefferson City. Since the Company acquired the Jefferson City system in 2001, it has replaced about 6,000 feet of mains annually at a cost of approximately \$100,000. Much of this replacement work involved the small, downtown mains. The Company plans to continue this level of infrastructure replacement – adjusted 3.00 percent annually for inflation – over the next

ten years. As mains are replaced, the City will add additional fire hydrants as appropriate. The Company prioritizes small mains for replacement; however, main replacement is also undertaken both in conjunction with the City's street repair projects and as main breaks require. Consequently, not all of the main replacement efforts have been directed at the smaller mains. The Company will include a representative of the Jefferson City Fire Department in its annual planning process so that the Fire Chief's specific concerns can be made part of the Company's main-replacement plans.

The Report does not include any specific recommendations or requests for further action by the Commission. Instead, the parties request that the Commission receive their Joint Report and close this case.

The Commission has considered the parties' Joint Report and concludes that the Company has taken appropriate steps to ensure the adequacy of its system for fire-fighting purposes. The Joint Report includes certain promises by the Company for future action and the Commission expects the Company to comply with the Joint Report in that regard.

**IT IS THEREFORE ORDERED:**

1. That the Joint Report filed on July 1, 2005, by Missouri-American Water Company and the City of Jefferson is accepted. Missouri-American Water Company is directed to comply.

2. That this order shall become effective on September 25, 2005.
3. That this case may be closed on September 26, 2005.

**BY THE COMMISSION**

A handwritten signature in black ink, appearing to read 'Colleen M. Dale', written over a horizontal line.

Colleen M. Dale  
Secretary

( S E A L )

Davis, Chm., Murray, Gaw, Clayton,  
and Appling, CC., concur.

Thompson, Deputy Chief Regulatory Law Judge