

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

In the Matter of the Application of Missouri-)
American Water Company for the Approval of)
An Agreement with the Chariton County Public) **File No. WO-2013-0443**
Water Supply District #2 to Sell and Deliver)
Water for Resale and Related Tariff Sheets)

STAFF RECOMMENDATION TO APPROVE APPLICATION

COMES NOW the Staff of the Missouri Public Service Commission (Staff) and, for its recommendation on the application of Missouri American Water Company (Missouri American or Company) that initiated the above case, states:

1. On April 1, 2013, Missouri American filed an application seeking an order from the Missouri Public Service Commission (Commission) approving an agreement with Chariton County Public Water Supply District #2 (Chariton County) to sell and deliver water for resale and approving related tariff sheets.
2. On April 2, 2013, the Commission issued an *Order and Notice* setting April 12, 2013, as the date by which any parties wishing to intervene should file an application to do so.
3. On April 10, 2013, Ag Processing Inc. filed an application to intervene, which the Commission granted.
4. On April 30, 2013, the Commission issued an *Order Suspending Tariff*, which suspended Missouri American’s proposed tariff for thirty days, and an *Order Directing Filing*, which directed Staff to file a recommendation on Missouri American’s application no later than May 13, 2013.
5. Staff has completed its investigation and concludes that the agreement between Missouri American and Chariton County, which provides for delivery of water from four points

of delivery for a term of twenty years, is in the public interest. Specifically, Staff has determined that Missouri American can safely and adequately supply water to Chariton County in addition to supplying its existing customers. Also, the rate Chariton County will pay Missouri American per their agreement covers the Company's net marginal cost of water production in the district that will provide water to Chariton County.

6. In its Memorandum, attached hereto as Appendix A, Staff, for the reasons stated therein, recommends the Commission approve Missouri American's application to sell and deliver water for resale.

WHEREFORE, Staff recommends the Commission approve the agreement between Missouri American and Chariton County for the sale and delivery of water and also approve Missouri American's related tariff sheet.

Respectfully submitted,

/s/ Amy E. Moore

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed with first-class postage, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 13th day of May, 2013.

/s/ Amy E. Moore