

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

In the Matter of the Joint Application of)	
Missouri-American Water Company and)	
Roark Water & Sewer, Inc. for Authority)	File No. WO-2011-0213
for Missouri-American Water Company)	Tracking Nos. YS-2012-0051
to Acquire Certain Assets of Roark Water &)	and YW-2012-0052
Sewer, Inc. and, in Connection Therewith,)	
Certain Other Related Transactions.)	

STAFF RECOMMENDATION FOR APPROVAL OF TARIFFS

COMES NOW the Staff of the Missouri Public Service Commission (Staff), by and through counsel, and recommends that the Missouri Public Service Commission (Commission) approve tariff sheets submitted in Case No. WO-2011-0213 and Tariff Tracking Numbers YS-2012-0051 and YW-2012-0052. In support of this recommendation, Staff states as follows:

1. On April 27, 2011, the Commission issued an *Order Granting Applications to Transfer Assets, Approving Stipulation and Agreement, and Granting Waiver (Order)*, which included that Missouri-American Water Company (Company) is authorized to file revised tariff sheets in compliance with the terms of the Unanimous Stipulation and Agreement.

2. On August 1, 2011, the Company submitted revised cover pages, original adoption notices, and a revised sewer rate sheet for the water and sewer tariffs currently approved for Roark Water & Sewer, Inc., for adoption of those tariffs by the Company, pursuant to the *Order*. This filing created Tariff Tracking Nos. YS-2012-0051 and YW-2012-0052.

3. The tariff sheets filed by the Company bear an effective date of September 1, 2011, however the Company requested expedited treatment and approval for the tariffs to become effective on August 12, 2011.

4. On August 3, 2011, the Commission issued an *Order Directing Staff to File Recommendation* no later than August 10, 2011. This filing is meant to comply with that Order.

5. On August 8, 2011, the Company, at the request of Staff, filed a substitute tariff sheet, modifying a new "Contribution-in-aid-of-Construction" charge, or CIAC, to be consistent with what was outlined in the *Order*. Also on the same date, the Company submitted a revised water rate sheet that includes a similar new CIAC charge, because the Company's August 1, 2011 filing did not include such a revised rate sheet for the water tariff.

6. The Commission has the authority to approve the proposed tariff sheets pursuant to Section 393.140(11), RSMo (2000).

7. Jim Merciel, Utility Regulatory Engineering Supervisor, reviewed the tariff sheets filed in Tracking No. YS-2012-0051 and YW-2012-0052, and states that to the best of his knowledge, information, and belief, the proposed sheets comply with the Commission's Order. *See Affidavit of James A. Merciel, Jr., P.E.*, attached hereto and incorporated by reference herein as Attachment A.

WHEREFORE, Staff supports the revised cover pages, original adoption notices, revised sewer rate sheet and the revised water rate sheet filed by the Company in Tariff Tracking Nos. YS-2012-0051 and YW-2012-0052, and states that the tariff sheets as described above, comply with the Commission's *Order*. Staff respectfully recommends the Commission approve these filings.

Respectfully submitted,

/s/ Rachel M. Lewis

Rachel M. Lewis
Deputy Counsel
Missouri Bar No. 56073

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Staff of the Missouri
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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed or hand-delivered, transmitted by facsimile or e-mailed to all counsel of record on this 10th day of August, 2011.

/s/ Rachel M. Lewis

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Case No. WO-2011-0213
Tracking Nos: YS-2012-0051
YW-2012-0052

AFFIDAVIT OF JAMES A. MERCIEL, JR., P.E.

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

James A. Merciel, Jr., P.E., of lawful age, on his oath states: (1) that he is the Assistant Manager – Engineering in the Water and Sewer Department of the Missouri Public Service Commission; (2) that he participated in the preparation of the foregoing *Staff Recommendation For Approval of Tariffs*; (3) that he has knowledge of the matters set forth in the foregoing *Staff Recommendation For Approval of Tariffs*; and, (4) that the matters set forth in the foregoing *Staff Recommendation For Approval of Tariffs* are true and correct to the best of his knowledge, information and belief.


James A. Merciel, Jr., P.E.

Subscribed and sworn to before me this 10th day of August 2012.


Notary Public

LAURA HOLSMAN
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: June 21, 2015
Commission Number: 11203914