

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

In the Matter of the Petition and Application of)
Missouri-American Water Company for Approval of) **File No. WO-2012-0401**
an Infrastructure System Replacement Surcharge) Tariff No. YW-2012-0841

ORDER SUSPENDING TARIFF, DIRECTING NOTICE, SETTING INTERVENTION DATE AND DIRECTING FILING

Issue Date: June 28, 2012

Effective Date: June 28, 2012

On June 27, 2012, Missouri-American Water Company (“Missouri-American”) filed a petition with the Missouri Public Service Commission (“Commission”) to change its Infrastructure System Replacement Surcharge (“ISRS”) rate schedule to recover ISRS-eligible costs. Missouri-American’s current ISRS rates were reset to zero as a result of the Commission’s final order in the company’s most recent rate case, File Number WR-2011-0337. The ISRS rates Missouri-American is proposing will produce ISRS revenues of \$4,073,205, an increase of 2.1% over the base revenue level approved by the Commission in the company’s most recent rate case.

Along with its petition, Missouri-American filed a tariff to implement its ISRS rate adjustment. That tariff carries an effective date of July 27, 2012. Section 393.1006.2(3), RSMo Supp. 2010, requires the Commission to act on Missouri-American's application no later than 120 days after it was filed. Consequently, the Commission must issue a decision regarding Missouri-American's petition effective no later than October 25, 2012. The Commission will suspend Missouri-American's tariff to match that decision date.

The Commission will give notice of this application to the public and to others who may be interested. Although Missouri-American provides water service in several areas

of the state, the company's ISRS applies only to St. Louis County. Therefore, the Commission will direct notice to the public in that county. The Commission will also set a date for the filing of intervention requests.

In addition, Section 393.1006, RSMo (Supp. 2010), states that the Commission's Staff may examine Missouri-American's ISRS request and may submit a report regarding its examination no later than sixty days after Missouri-American filed its ISRS petition. The Commission will order Staff to file such a report.

THE COMMISSION ORDERS THAT:

1. The tariff sheet filed by Missouri American Water Company on June 27, 2012, assigned tariff number YW-2012-0814, is suspended until October 25, 2012. The tariff sheet suspended is:

P.S.C. MO NO. 13

(1st Revised) Sheet No. RT 10, Canceling (Original) Sheet No. RT 10

2. The Data Center of the Missouri Public Service Commission shall mail a copy of this notice to the County Commission for St. Louis County. In addition, the Data Center shall mail a copy of this notice to each party in WR-2011-0337, Missouri-American's most recent general rate case.

3. The Information Office of the Missouri Public Service Commission shall make notice of this order available to the media serving St. Louis County and to the members of the General Assembly representing St. Louis County.

4. Any person wishing to intervene in this matter shall file an application to do so no later than July 18, 2012. Such application shall be filed with:

Secretary
Missouri Public Service Commission
Post Office Box 360
Jefferson City, Missouri 65102

or by using the Commissions' electronic filing and information service.

5. The Commission Staff shall file a report regarding its examination of Missouri-American Water Company's petition to change its Infrastructure System Replacement Surcharge (ISRS) no later than August 24, 2012.

6. This order shall become effective immediately upon issuance.

BY THE COMMISSION



Steven C. Reed
Secretary

(S E A L)

Michael Bushmann, Regulatory Law
Judge, by delegation of authority
pursuant to Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,
on this 28th day of June, 2012.