

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

In the Matter of Missouri-American Water )  
Company's Request for Authority to )  
Implement a General Rate Increase for )  
Water and Sewer Services Provided in )  
Missouri Service Areas. )

**Case Nos. WR-2011-0337**  
**SR-2011-0338**

**STAFF'S RESPONSE TO MAWC's REPLY CONCERNING TRUE-UP DATE**

COMES NOW the Staff of the Missouri Public Service Commission (Staff), by and through the undersigned counsel, and submits to the Missouri Public Service Commission (Commission) the following *Response to MAWC's Reply Concerning True-Up Date (Response)*:

1. On August 12, 2011, Missouri-American Water Company (MAWC or Company) filed a *Reply Concerning True-Up Date (Reply)*.

2. In its *Reply*, MAWC accurately portrays Staff's understanding of the term "Customer Growth".

3. In its *Reply*, MAWC also accurately asserts that after discussion with the Company, Staff has agreed that six items should be added to its previously filed items for True-Up. For the Commission's convenience, Staff provides a full list items it accepts for True-Up to be limited to for all of MAWC's districts, including newly acquired districts as follows:

- Plant in Service
- Accumulated Depreciation Reserve
- Accumulated Deferred Income Taxes
- Customer Advances
- Contributions in Aid of Construction
- Materials and Supplies
- Prepayments
- Tank Painting Tracker Balance
- Pension Tracker Balance

- OPEB Tracker Balance
- Other Deferred Regulatory Assets and Liabilities
- Related Cash Working Capital Impact
- Capital Structure
- Cost of Debt
- Cost of Preferred Stock
- Customer Growth
- Payroll – Employee levels, wage rate and related benefits
- Rate Case Expense
- Bad Debt Expense
- Depreciation and Amortization Expense
- Pension and OPEB Expense
- Injuries and Damages
- Property Taxes
- PSC Assessment
- Related Income Tax Impact
- **Tank Painting Expense**
- **Support Services Expense (labor only)**
- **Platte County Waste Treatment Contract**
- **Fuel and Power Expenses**
- **Chemical Expense (will reflect true-up volumes of water sold, pricing will remain the same)**
- **Purchased Water Expense (will reflect true-up volumes of water sole, pricing will remain the same)**

**WHEREFORE**, Staff respectfully submits its *Response* to the Commission for its information and consideration.

Respectfully submitted,

/s/ Rachel M. Lewis

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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 by electronic mail to all counsel of record on this 12th day of August, 2011.

**/s/ Rachel M. Lewis**