BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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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 No. WR-2010-0131

STAFF'S RECOMMENDATION ON TRIUMPH ADDENDUM NO. 2

COMES NOW the Staff of the Missouri Public Service Commission (Staff), by and through the undersigned counsel, and for its recommendation as to Missouri-American Water Company's (Missouri-American or Company) filing of the service contract *Addendum No. 2*, respectfully states as follows to the Missouri Public Service Commission (Commission):

1. On May 24, 2010, the parties to this case entered into, or agreed not to oppose, a *Stipulation and Agreement (Stipulation)* resolving all outstanding issues of the case. The *Stipulation* contained a provision that Missouri-American and Triumph Foods, LLC (Triumph), would execute an agreement with an effective date of July 1, 2010, to amend the contract for services by and between them as described in the *Stipulation*. The Commission approved the *Stipulation* in its *Report and Order* dated June 16, 2010.

2. On June 30, 2010, Missouri-American filed a *Motion for Approval of Triumph Addendum No. 2 (Motion)*, requesting that the Commission approve the amendments made by and between the Company and Triumph to the original service contract and addendum approved by the Commission in November 2003.

3. On July 1, 2010, the Commission issued an *Order Directing Filing and Setting Deadline*, allowing until July 30, 2010, for the Staff to file a recommendation on Missouri-American's *Motion*.

4. James A. Busch, Water and Sewer Utility Regulator Manager for the Staff, has reviewed the *Motion* and to the best of his knowledge, information, and belief, the service contract *Addendum No. 2* is in compliance with the *Stipulation* and the Commission's *Report* and Order.

WHEREFORE, the Staff submits this recommendation for the Commission's information and consideration, and recommends that the Commission issue an order approving the service contract *Addendum No. 2*.

Respectfully submitted,

/s/ Jennifer Hernandez

Jennifer Hernandez Legal Counsel Missouri Bar No. 59814

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered or transmitted by facsimile or electronic mail to all parties/counsel of record this 30th day of July, 2010.

<u>/s/ Jennifer Hernandez</u>