

BRYAN CAVE

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December 11, 2003

BY HAND DELIVERY

Mr. Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
Governor Office Building
200 Madison Street
Jefferson City, Missouri 65102

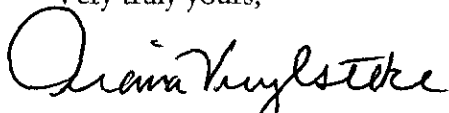
Re: Case Nos. WR-2003-0500 and WC-2004-0168

Dear Mr. Roberts:

Enclosed for filing are an original and seven (7) copies of the Position Statement of the Missouri Industrial Energy Consumers'

Thank you for your assistance in bringing this filing to the attention of the Commission, and please call me if you have any questions.

Very truly yours,


Diana M. Vuylsteke

DMV:rms
Enclosures

FILED

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**Missouri Public
Service Commission**

Bryan Cave LLP

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*and Bryan Cave,
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Partnership
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BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

FILED

DEC 11 2003

Missouri Public
Service Commission

In the Matter of the General Rate Increase
for Water and Sewer Service Provided by
Missouri-American Water Company.

Staff of the Missouri Public Service
Commission,

Complainant, v.

Missouri-American Water Company,

Respondent.

Case No. WR-2003-0500
Lead Case

Case No. WC-2004-0168

**POSITION STATEMENT OF
THE MISSOURI INDUSTRIAL ENERGY CONSUMERS**

COMES NOW the Missouri Industrial Energy Consumers and states its position on each of the issues to be heard at the evidentiary hearing in this case that is scheduled to begin on December 15, 2003.

1. What is the appropriate amount of expense to be included in MAWC's cost of service for pension expenses? The amount of pension expense that should be built into the Company's rates should be \$1,277,952 on a total company basis, and \$909,122 on a St. Louis District basis.

2. What is the appropriate treatment of the transaction costs and premium that MAWC incurred to acquire the United Water, Florissant,

Webster Groves and Valley Park water systems? No acquisition adjustment should be included in MAWC's rates in this case.

3. What is the appropriate way in which to allocate costs among customer classes within each operating district? Each operating district's cost-of-service should be allocated to the district's customer classes as set forth on Schedule 1, Page 1 of the Rebuttal Testimony of MIEC witness Mike Gorman filed in this proceeding on October 10.

4. What is the appropriate way to design rates for each customer class? The rates for each customer class in each operating district should be designed to recover each class' allocated portion of the district's cost-of-service, as proposed in the Rebuttal Testimony of MIEC Witness Mike Gorman filed on October 10 in this proceeding.

5. Should there be any revenue contribution among districts to mitigate the impact of full, cost of service rates for any district? No district should subsidize any other district. MAWC's proposal to allocate \$880,000 of revenue requirements to the St. Louis County district should be rejected

The MIEC takes no position on any of the other issues set forth in the Staff's List of Issues.

Respectfully submitted,

BRYAN CAVE, LLP

By: 

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronic mail to all counsel of record this 11th day of December, 2003.

