

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of Missouri-American Water Company)
for Authority (1) to Issue up to \$200,000,000 of)
Unsecured Long-Term Debt and (2) to Issue and)
Sell Additional Common Stock to, or Receive)
Additional Paid-in Capital from Its Parent Company)
in an Aggregate Amount up to \$105,000,000)

Case No. WF-2007-0279

ORDER DIRECTING STAFF TO FILE A PLEADING STATING WHEN IT WILL FILE A RECOMMENDATION IN THIS CASE

Issue Date: January 30, 2007

Effective Date: January 30, 2007

On January 24, 2007, Missouri-American Water Company ("MAWC") filed an application seeking authority to issue notes in one or more series evidencing up to \$200,000,000 of long-term indebtedness payable to American Water Capital Corporation.¹ MAWC also proposes to issue and sell, from time to time, shares of common stock, no par value, to American Water Works Company, Inc., or receive additional paid-in-capital, in an aggregate amount not to exceed \$105,000,000.

MAWC is engaged in the business of furnishing water and wastewater services in over one hundred municipalities within twelve counties throughout Missouri. MAWC intends to use the net proceeds from the new long-term debt and new common stock to acquire property, or construct and improve its facilities.

¹ MAWC's application is filed pursuant to Sections 393.190 and 393.200, and 4CSR 240-2.060, 4 CSR -2.080, and 4 CSR 240-3.615.

The Commission will need a recommendation from its Staff before acting on MAWC's application. Therefore, the Commission will direct its Staff to promptly respond to MAWC's application, and will permit any other interested party to respond. Staff shall indicate in its response when it will be able to file a recommendation in this matter.

IT IS ORDERED THAT:

1. No later than February 8, 2007, the Staff of the Missouri Public Service Commission shall file a pleading responding to Missouri-American Water Company's financing application and state in that response when it anticipates filing its recommendation in this case.
2. Any other party that wishes to respond to Missouri-American Water Company's financing application shall do so no later than February 8, 2007.
3. This order shall become effective on January 30, 2007.

BY THE COMMISSION



Colleen M. Dale
Secretary

(S E A L)

Harold Stearley, Regulatory Law Judge,
by delegation of authority pursuant to
Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,
on this 30th day of January, 2007.