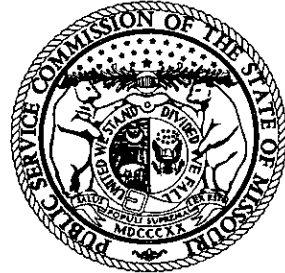


Notice of *Ex Parte* Contact

TO: Data Center
All Commissioners
All Parties in Case No. **WR-2003-0500**

FROM: Commissioner Connie Murray *cm*

DATE: February 9, 2004

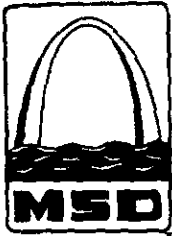


On February 6, 2004, I received a letter from Randy E. Hayman of St. Louis, Missouri. He wished to make the Commission aware that the Metropolitan St. Louis Sewer District (MSD) is currently involved in ongoing contract negotiations with Missouri American Water concerning their provision to MSD of water data. MSD bases its sewer rates upon water data supplied by Missouri American Water. The Commission is currently considering the issues discussed in this document in Case No. **WR-2003-0500**. Case **WR-2003-0500** is a contested case. The Commission is bound by the same *ex parte* rule as a court of law.

Although communications from members of the public and members of the legislature are always welcome, those communications must be made known to all parties to a contested case so that those parties have the opportunity to respond. According to the Commission's rules (4 CSR 240-4), when a communication (either oral or written) occurs outside the hearing process, any member of the Commission or Regulatory Law Judge who received the communication shall prepare a written report concerning the communication and submit it to each member of the Commission and the parties to the case. The report shall identify the person(s) who participated in the *ex parte* communication, the circumstances which resulted in the communication, the substance of the communication, and the relationship of the communication to a particular matter at issue before the Commission.

Therefore, I submit this report pursuant to the rules cited above. This will ensure that any party to this case will have notice of the attached information and a full and fair opportunity to respond to the comments contained therein.

cc: Executive Director
Secretary/Chief Regulatory Law Judge
General Counsel



**Metropolitan
St. Louis Sewer
District**

2350 Market Street
St. Louis, MO 63103-2555
(314) 768-6200

VIA FIRST CLASS MAIL AND FACSIMILE

February 6, 2004

Missouri Public Service Commission
200 Madison Street
P.O. Box 360
Jefferson City, MO 65102

RE: Missouri American Water Rate Case

Dear Commission Members:

The Metropolitan St. Louis Sewer District ("MSD") is a public sewer company created pursuant to Article VI Section 30 of the Missouri Constitution and we provide sewer service to St. Louis City and County. Missouri American Water provides water service to St. Louis County. We understand that the Public Service Commission is considering testimony at this time regarding the rate increase requested by Missouri American Water. We further understand that one item of Missouri American's budget is the estimated revenue from certain service contracts.

We want to make the Commission aware that MSD is currently involved in ongoing contract negotiations with Missouri American Water concerning their provision to MSD of water data. MSD bases its sewer rates upon water data supplied by Missouri American Water. While a fair and appropriate price for the water data contract is an unresolved issue at this point, MSD is hopeful that mutually acceptable terms will be reached with Missouri American Water.

Very truly yours,

Randy E. Hayman
General Counsel

Cc: David Abernathy
Jeffrey Theerman
Jan Zimmerman