

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

In the Matter of Missouri-American Water Company's)
Infrastructure System Replacement Surcharge) **File No. WR-2011-0336**

**ORDER GRANTING JOINT MOTION
FOR CLARIFICATION**

Issue Date: October 5, 2011

Effective Date: October 8, 2011

On September 28, 2011, the Commission issued its *Order Approving Petition for Change of Infrastructure System Replacement*. In the order, the Commission states that the Infrastructure System Replacement Surcharge (ISRS) should be designed to allow Missouri-American Water Company to recover \$2,180,819. On September 29, the Staff of the Commission and Missouri-American (Movants) filed a *Joint Motion for Clarification* requesting that the recovery amount of \$2,180,819 be amended to \$2,180,730.

Also, in the Joint Motion, the parties state that the new ISRS rates set out in the Commission's order are not correct. Rather, those rates are meant to reflect the incremental increase, not the new ISRS rates. Movants provide the following corrected table reflecting current and new ISRS rates:

Rate Class	ISRS Recovery Requirement	Current Rates per CCF	New Rates per CCF	Current Rates per 1,000 gallons	New Rates per 1,000 gallons
Rates A&K	\$2,176,507	\$0.0697	\$0.1120	\$0.0929	\$0.1491
Rate B	\$1,620	\$0.0067	\$0.0075	\$0.0089	\$0.0099
Rate J	\$2,603	\$0.0034	\$0.0038	\$0.0045	\$0.0050
Total	\$2,180,730				

In its order, the Commission also states that the new ISRS rates will result in a decrease in rates. This is not true. Rather, as a result of Staff and Missouri-American's clarification, the ISRS rates will increase as shown in the above table.

The Commission has reviewed the motion and clarifies its order as set out above.

THE COMMISSION ORDERS THAT:

1. The Staff of the Commission and Missouri-American Water Company's Joint Motion for Clarification is granted.
2. Missouri-American Water Company shall file a tariff sheet establishing an Infrastructure System Replacement Surcharge sufficient to recover annual revenues of \$2,180,730, reflecting the ISRS rate of each customer class as set out above and in the Joint Motion for Clarification.
3. Not later than 10 days after Missouri-American Water Company files a tariff sheet as required by *ordered paragraph 2*, above, the Staff of the Commission shall file a pleading informing the Commission of whether the tariff sheet reflects Staff's recommendation and is in compliance with the Commission's order.
4. This order shall become effective October 8, 2011.

BY THE COMMISSION



Steven C. Reed
Secretary

(S E A L)

Kennard L. Jones, Senior Regulatory
Law Judge, by delegation of authority
pursuant to Section 386.240, RSMo.

Dated at Jefferson City, Missouri,
on this 5th day of October, 2011.