

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

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 Nos. WR-2011-0337
SR-2011-0338

**STAFF'S REQUEST FOR PERMISSION TO LATE FILE AN
UPDATED RECONCILIATION**

COMES NOW the Staff of the Missouri Public Service Commission (Staff), by and through the undersigned counsel, and submits to the Missouri Public Service Commission (Commission) the following *Request for Permission to Late File an Updated Reconciliation*:

1. On February 9, 2012, a Reconciliation was filed with the Commission.
2. The Commission asked Staff to prepare the Reconciliation in a different format with more information and was given until February 15, 2012 to file.
3. On February 14 and 15, 2012, Staff was involved with discovery depositions and unable to file the updated Reconciliation attached and incorporated by reference herein by the close of business of February 15, 2012. Therefore, Staff seeks permission to late file the updated Reconciliation in the new format.

WHEREFORE, Staff respectfully submits this *Request for Permission to Late File an Updated Reconciliation* to the Commission for its information and consideration.

Respectfully submitted,

/s/ Rachel M. Lewis

Rachel M. Lewis
Deputy Counsel
Missouri Bar No. 56073

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed or hand-delivered, transmitted by facsimile or by electronic mail to all counsel of record on this 16th day of February, 2012.

/s/ Rachel M. Lewis

Missouri-American Water Company
Total Company
Case No. WR-2011-0337
Revenue Requirement Reconciliation (MAWC vs. Staff)

	MAWC	Staff	Difference between MAWC and Staff	Revenue Requirement Impact
MAWC Revenue Requirement				\$ 42,888,713
Rate of Return & Capital Structure				
Value of Capital Structure Issue (Staff/Company)				\$ (5,373,010)
Capital Structure Impact on Interest Expense Deduction				\$ (538,676)
Rev. Req. Value of Return on Equity				\$ (9,122,686)
Rate Base Issues				
Plant In Service Difference	\$ 1,622,937,460	\$ 1,543,453,871	\$ (79,483,589)	\$ (8,113,696)
Depreciation Reserve Difference	\$ 399,690,942	\$ 378,543,653	\$ 21,147,289	\$ 2,158,718
Cash Working Capital	\$ 14,016,000	\$ 7,505,298	\$ (6,510,702)	\$ (664,613)
OPEB Tracker	\$ (1,596,885)	\$ 4,118,398	\$ 5,715,283	\$ 420,407
Tank Painting Tracker	\$ 1,690,519	\$ 968,123	\$ (722,396)	\$ (73,742)
Regulatory Deferral	\$ 488,215	\$ -	\$ (488,215)	\$ (49,837)
OPEB's Contributed to External Fund	\$ 1,347,523	\$ -	\$ (1,347,523)	\$ (137,555)
Income Tax Offsets	\$ -	\$ (547,194)	\$ 547,194	\$ 55,858
Interest Expense Offset	\$ -	\$ 2,405,462	\$ (2,405,462)	\$ (245,550)
CIAC	\$ 193,302,165	\$ 183,443,064	\$ 9,859,101	\$ 1,006,418
Customer Advances	\$ 69,994,302	\$ 65,317,793	\$ 4,676,509	\$ 477,379
Deferred Income Tax	\$ 139,745,371	\$ 138,217,294	\$ 1,528,077	\$ 155,986
Accumulated Deferred ITC (3%)	\$ 21,263	\$ 23,543	\$ 2,280	\$ (233)
Accrued Pension Liability	\$ (7,319,589)	\$ -	\$ (7,319,589)	\$ (747,185)
Loma Linda Water Acquisition				
Aqua Water & Sewer Acquisition				
Roark Water & Sewer Acquisition				
N. Jefferson City Acquisition				
Income Statement - Revenue Issues				
Infrastructure Replacement Surcharge (ISRS)	\$ 2,107,629	\$ -	\$ 2,107,629	\$ 1,756,611
Residential	\$ 33,519,502	\$ 33,811,961	\$ (292,459)	\$ (229,836)
St. Louis Metro Residential Revenues	\$ 112,764,575	\$ 116,663,161	\$ (3,898,586)	\$ (3,063,800)
Commercial	\$ 11,791,101	\$ 11,935,066	\$ (143,965)	\$ (107,345)
St. Louis Metro Commercial Revenues	\$ 34,274,100	\$ 31,870,093	\$ 2,404,007	\$ 1,792,510
Industrial	\$ 13,401,961	\$ 12,411,917	\$ 990,044	\$ 825,497
Private Fire Protection	\$ 3,448,289	\$ 3,395,382	\$ 52,907	\$ 66,451
Public Fire Protection	\$ 9,670,302	\$ 8,993,882	\$ 676,420	\$ 564,024
Contracted Industrial	\$ -	\$ 907,335	\$ (907,335)	\$ (756,531)
Capitol Complex	\$ -	\$ 5,090	\$ (5,090)	\$ (4,244)
Other Public Authorities	\$ 4,768,053	\$ 4,638,934	\$ 129,119	\$ 85,282
Sales for Resale	\$ 9,722,688	\$ 9,670,416	\$ 52,272	\$ 43,580
Other Water/Sewer Revenue - Oper. Rev.	\$ 3,082,060	\$ 3,647,723	\$ (565,663)	\$ (472,505)
MSD Revenues Agreement				\$ -

Missouri-American Water Company
Total Company
Case No. WR-2011-0337
Revenue Requirement Reconciliation (MAWC vs. Staff)

	MAWC	Staff	Difference between MAWC and Staff	Revenue Requirement Impact
Income Statement - Expense Issues				
Test Year Differences				\$ 28
To Annualize Purchased Water Expense	\$ 629,258	\$ 630,151	\$ 893	\$ 745
To Annualize Fuel & Power Expense	\$ 2,804,985	\$ 3,232,937	\$ 427,952	\$ 356,824
St. Louis Metro Fuel & Power Expense	\$ 8,744,929	\$ 8,413,866	\$ (331,063)	\$ (276,038)
To Annualize Chemical Expense	\$ 2,198,867	\$ 2,195,077	\$ (3,790)	\$ (3,160)
St. Louis Metro Chemical Expense	\$ 8,944,871	\$ 8,967,457	\$ 22,586	\$ 18,832
To Annualize Main Break Expense	\$ 2,247,672	\$ 2,461,144	\$ 213,472	\$ 177,992
To Annualize Tank Painting Expense	\$ 1,608,051	\$ 1,370,136	\$ (237,915)	\$ (198,372)
To Amortize Tank Painting Tracker	\$ -	\$ 322,708	\$ 322,708	\$ 269,072
To Annualize Bad Debt Expense	\$ 2,407,503	\$ 2,456,247	\$ 48,744	\$ 40,621
To Annualize Service Company Expense				
Service Company Annual Incentive Plan (AIP) Expense	\$ 1,654,860	\$ 492,902	\$ (1,161,958)	\$ (968,834)
Eliminate Service Company Employees AIP FICA and 401(k) Match	\$ 109,057	\$ 109,057	\$ -	\$ -
Service Company Long Term Incentive Plan Expense	\$ 6,296,321	\$ 5,667,000	\$ (629,321)	\$ (524,724)
To Annualize Belleville Lab Expense	\$ 713,495	\$ 265,157	\$ (448,338)	\$ (373,822)
To Annualize Remaining Service Company Expense	\$ 25,046,667	\$ 22,980,038	\$ (2,066,629)	\$ (1,857,586)
To Annualize Insurance Other than Group	\$ 3,988,893	\$ 3,949,971	\$ (38,922)	\$ (32,453)
To Annualize Group Insurance	\$ 7,439,342	\$ 8,448,695	\$ 1,009,353	\$ 841,593
To Annualize 401(k) Employer Expense	\$ 560,570	\$ 485,199	\$ (75,371)	\$ (62,844)
Eliminate MAWC Employees AIP 401(k) Match	\$ 2,297	\$ 2,297	\$ -	\$ -
To Adjust Pension Expense	\$ 4,330,013	\$ 5,098,175	\$ 768,162	\$ 640,490
To Annualize OPEB Expenses	\$ 3,570,508	\$ 3,262,586	\$ (307,922)	\$ (256,744)
To Include Current PSC Assessment	\$ 2,006,635	\$ 1,487,335	\$ (519,300)	\$ (432,992)
To Normalize Rate Case Expense	\$ 557,425	\$ 189,941	\$ (367,484)	\$ (306,405)
To Normalize Transportation Expense	\$ 819,244	\$ 1,175,276	\$ 356,032	\$ 296,860
To Annualize Corporate Franchise Tax	\$ 447,804	\$ 415,000	\$ (32,804)	\$ (27,352)
To Normalize Property Tax Expense	\$ 14,155,044	\$ 14,155,219	\$ 175	\$ 146
To Annualize Waste Disposal Expense	\$ 1,053,597	\$ 1,207,406	\$ 153,809	\$ 128,245
To Annualize Payroll				
MAWC Annual Incentive Plan (AIP) Expense	\$ 566,201	\$ 225,192	\$ (341,009)	\$ (275,993)
To Annualize Remaining Payroll	\$ 26,831,729	\$ 26,057,599	\$ (774,130)	\$ (573,937)
To Adjust Payroll Taxes	\$ 2,088,334	\$ 1,892,495	\$ (195,839)	\$ (163,289)
Eliminate MAWC Employees AIP FICA Match	\$ 60,679	\$ 60,679	\$ -	\$ -
To Annualize Depreciation Expense	\$ 30,023,171	\$ 28,212,838	\$ (1,810,333)	\$ (1,509,444)
Advertising, Promotion, Contributions				\$ (118,789)
To Remove Test Year Chemical Expense	\$ 393,946	\$ 96,502	\$ (297,444)	\$ (248,007)
Income Taxes				
Impact on Income Tax Expense of Depreciation Difference				\$ (22,732)
Difference in Tax Timing Differences - Current Tax				\$ (12,094,509)
Difference in Deferred Taxes				\$ 13,278,661
Amortization of ITC				\$ (315,603)
Difference in Tax Rates				\$ 866,370
Tax Factor Gross Up Difference				\$ (7,663,392)
Unreconciled Difference				\$ 14,056
Staff's Revenue Requirement (Without True-Up)				\$ 11,219,899

Missouri-American Water Company
 Total Company
 WR 2011-0337
 Revenue Requirement Reconciliation (MAWC vs. MIEC/OPC)

	MAWC	MIEC	OPC	Revenue Requirement Impact
Rate of Return & Capital Structure				
Value of Capital Structure Issue (Company/MIEC)				\$ (1,861,740)
Capital Structure Impact on Interest Expense Deduction				
Rev. Req. Value of Return on Equity				\$ (9,250,756)
Rate Base Issues				
Plant In Service Difference				
Depreciation Reserve Difference				
Cash Working Capital				
OPEB Tracker				
Tank Painting Tracker				
Regulatory Deferral				
OPEB's Contributed to External Fund				
Income Tax Offsets				
Interest Expense Offset				
CIAC				
Customer Advances				
Deferred Income Tax				
Accumulated Deferred ITC (3%)				
Accrued Pension Liability				
Loma Linda Water Acquisition			\$ (360)	\$ (37)
Aqua Water & Sewer Acquisition			\$ (77,285)	\$ (7,889)
Roark Water & Sewer Acquisition			\$ (1,588,436)	\$ (162,148)
N. Jefferson City Acquisition			\$ (186,653)	\$ (19,054)
Income Statement - Revenue Issues				
Infrastructure Replacement Surcharge (ISRS)				
Residential				
St. Louis Metro Residential Revenues	\$ 112,764,575	\$ 123,251,590	\$ (10,487,015)	\$ (8,557,195)
Commercial				
St. Louis Metro Commercial Revenues	\$ 34,274,100	\$ 34,871,581	\$ (597,481)	\$ (710,114)
Industrial				
Private Fire Protection				
Public Fire Protection				
Contracted Industrial				
Capitol Complex				
Other Public Authorities				
Sales for Resale				
Other Water/Sewer Revenue - Oper. Rev.				
MSD Revenues				

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Total Company
WR 2011-0337
Revenue Requirement Reconciliation (MAWC vs. MIEC/OPC)

	MAWC	MIEC	OPC	Revenue Requirement Impact
Income Statement - Expense Issues				
Test Year Differences				
To Annualize Purchased Water Expense				
To Annualize Fuel & Power Expense				
St. Louis Metro Fuel & Power Expense	\$ 8,744,929	\$ 7,278,768		\$ (1,222,477)
To Annualize Chemical Expense				
St. Louis Metro Chemical Expense	\$ 8,944,871	\$ 8,149,431		\$ (799,194)
To Annualize Main Break Expense				
To Annualize Tank Painting Expense				
To Amortize Tank Painting Tracker				
To Annualize Bad Debt Expense				
To Annualize Service Company Expense				
Service Company Annual Incentive Plan (AIP) Expense	\$ 1,654,860		\$ -	\$ (1,379,813)
Eliminate Service Company Employees AIP FICA and 401(k) Match	\$ 109,057		\$ -	\$ (90,930)
Service Company Long Term Incentive Plan Expense				
To Annualize Belleville Lab Expense				
To Annualize Remaining Service Company Expense				
To Annualize Insurance Other than Group				
To Annualize Group Insurance				
To Annualize 401(k) Employer Expense				
Eliminate MAWC Employees AIP 401(k) Match	\$ 2,297		\$ -	\$ (1,915)
To Adjust Pension Expense				
To Annualize OPEB Expenses				
To Include DCP Expense				
To Include Current PSC Assessment				
To Normalize Rate Case Expense				
To Normalize Transportation Expense				
To Annualize Corporate Franchise Tax				
To Normalize Property Tax Expense				
To Annualize Waste Disposal Expense				
To Annualize Payroll				
MAWC Annual Incentive Plan (AIP) Expense	\$ 566,201		\$ -	\$ (472,095)
To Annualize Remaining Payroll				
To Adjust Payroll Taxes				
Eliminate MAWC Employees AIP FICA Match	\$ 60,679		\$ -	\$ (52,509)
To Annualize Depreciation Expense				
Advertising, Promotion, Contributions				
To Remove Test Year Chemical Expense				
Income Taxes				
Impact on Income Tax Expense of Depreciation Difference				
Difference in Tax Timing Differences - Current Tax				
Difference in Deferred Taxes				
Amortization of ITC				
Difference in Tax Rates				
Tax Factor Gross Up Difference				