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June 21, 2002

Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102

Re: WO-2002-273

Dear Mr. Roberts:

Enclosed for filing on behalf of Missouri-American Water Company, please find an original and eight (8) copies of MAWC's Supplemental Statement of Position.

Copies of this filing will be provided to all parties of record.

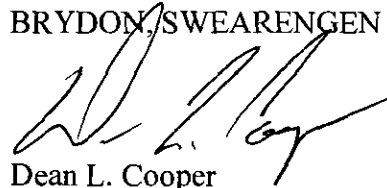
Would you please see that this filing is brought to the attention of the appropriate Commission personnel.

I thank you in advance for your cooperation in this matter.

Sincerely,

BRYDON, SWEARENGEN & ENGLAND, P.C.

By:



Dean L. Cooper

DLC/lar
Enclosure

cc: Keith Krueger
Ruth O'Neill
Stuart W. Conrad
James B. Deutsch
Jeremiah Finnegan
Jan Bond

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

In the Matter of the Joint Application)
of Missouri-American Water Company,)
St. Louis County Water Company d/b/a)
Missouri-American Water Company and)
Jefferson City Water Works Company)
d/b/a Missouri-American Water Company)
for an accounting authority order relating)
to security costs.)

Case No. WO-2002-273

MAWC'S SUPPLEMENTAL STATEMENT OF POSITION

COMES NOW Missouri-American Water Company ("MAWC" or the "Company")¹, and supplements its positions on certain issues to be heard at the evidentiary hearing in this case by stating as follows to the Missouri Public Service Commission ("Commission"):

1. MAWC originally requested an Accounting Authority Order ("AAO") which would delay amortization of the deferred amounts until the effective date of rates for a future rate case. After further consideration of this issue, review of the Staff's testimony and review of the Office of the Public Counsel's ("Public Counsel") proposals, MAWC seeks to supplement its position.

2. MAWC now takes the position that if the Commission grants an AAO in this case, amortization of the deferred amounts, on a twenty year basis, should begin with the effective date of a Report and Order in this case. Additionally, MAWC takes the position that it does not oppose a Commission order granting an AAO which contains language

¹ This case was initially filed by Missouri-American Water Company, St. Louis County Water Company d/b/a Missouri-American Water Company and Jefferson City Water Works Company d/b/a Missouri-American Water Company. Effective December 31, 2001, St. Louis County Water Company and Jefferson City Water Works Company were merged into Missouri-American Water Company. Thus, Missouri-American Water Company is the remaining applicant.

similar to the following:

“That nothing in the Order shall be considered a finding by the Commission of the value for rate making purposes of the deferred expenditures.”

3. This results in the following supplemental positions on the specified issues:

3. If the Commission grants MAWC an Accounting Authority Order:

A. What conditions, if any, should be reflected in the Commission’s order?

Company Position: An Order granting an AAO in this case should direct that MAWC begin to amortize the deferred amounts, on a twenty year basis, beginning with the effective date of a Report and Order in this case

B. Should the Commission make any indications regarding future ratemaking treatment of the deferred expenditures in the Commission’s order? If so, what indications should the Commission make?

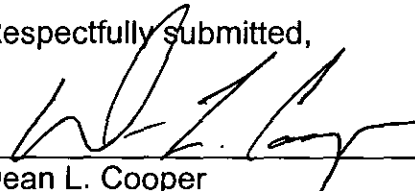
Company Position: An order granting an AAO should contain the following provision:

“That nothing in the Order shall be considered a finding by the Commission of the value for rate making purposes of the deferred expenditures.”

WHEREFORE, MAWC respectfully requests that the Commission consider the

above supplemental positions in preparation for the hearing of this case.

Respectfully submitted,



Dean L. Cooper MBE#36592
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MISSOURI-AMERICAN WATER COMPANY

CERTIFICATE OF SERVICE

I hereby certify that a copy of the above and foregoing document was sent by U.S. Mail, postage prepaid, or hand delivered, on this 21st day of June, 2002, to the following:

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