

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

In the Matter of Missouri-American Water)
Company's Application for a Certificate)
of Convenience and Necessity Authorizing)
it to Install, Own, Acquire, Construct,)
Operate, Control, Manage, and Maintain a)
Water System in Jefferson County,)
Missouri.)

Case No. WA-2008-0125

PUBLIC COUNSEL'S RESPONSE TO STAFF RECOMMENDATION

COMES NOW the Office of the Public Counsel (Public Counsel) and for its Response to Staff Recommendation states as follows:

1. On December 4, 2007, Staff of the Missouri Public Service Commission (Staff) filed its Staff Recommendation regarding the Missouri-American Water Company (Missouri-American) application seeking an expansion of its service territory to authorize it to provide water and sewer service in a subdivision in Jefferson County known as Paradise Valley.
2. In its filing, Staff recommended that the Missouri Public Service Commission (Commission) issue an order granting Missouri-American's request for a certificate of convenience and necessity to provide water and sewer service to the proposed service area.
3. The Staff also recommended that the Commission approve a connection charge of \$1,550 per new connection in Paradise Valley plus a surcharge of \$15 per month upon all customers in Paradise Valley, with said connection charge and surcharge to remain in effect until such time as Missouri-American recovers all of its new investment in Paradise Valley that is in excess of \$400,000.

4. The Staff made other recommendations as set forth on pages 6 and 7 of its attached Staff Memorandum.

5. Office of Public Counsel has reviewed the Staff Recommendation and does not object to its recommendations to the Commission.

WHEREFORE, Public Counsel respectfully submits that it has no objections to the Staff Recommendation.

Respectfully submitted,

OFFICE OF THE Public Counsel

/s/ Christina L. Baker

By:_____

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, emailed or hand-delivered to the following this 6th day of December 2007:

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