

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 17th day of
April, 2008.

In the Matter of the Petition of Missouri-American)	
Water Company for Approval to Change Its)	<u>Case No. WO-2008-0249</u>
Infrastructure System Replacement Surcharge (ISRS))	Tariff No. JW-2008-0450

ORDER APPROVING ADJUSTED ISRS RATES

Issue Date: April 17, 2008

Effective Date: April 27, 2008

On January 29, 2008, Missouri-American Water Company filed an application and petition to adjust its infrastructure system replacement surcharge (ISRS) rates. MAWC's request to change its ISRS rates was accompanied by an implementing tariff. The Commission has suspended that tariff until May 28, 2008.

In its ISRS application, MAWC seeks to adjust its ISRS rate schedule to reflect costs incurred in connection with ISRS-eligible infrastructure system replacements. The specific infrastructure system replacements for which MAWC seeks ISRS recognition are set forth in Appendix B to its application.

Section 393.1006.1(2), RSMo, requires that the Commission publish notice of MAWC's ISRS filing. Therefore, on February 1, the Commission directed that notice of the filing be mailed to the St. Louis County Commission. It also directed that notice be given to the media serving St. Louis County, and to the members of the General Assembly representing St. Louis County. In that same order, the Commission directed that any person wishing to intervene in this matter file an application to intervene no later than February 21. The Commission did not receive any applications to intervene.

Section 393.1006.2(2), RSMo, requires the Staff of the Commission to file a report regarding MAWC's ISRS application no later than 60 days after it was filed. Staff filed its recommendation on March 31, advising the Commission to approve MAWC's application as submitted.

Commission Rule 4 CSR 240-2.080(15) allows parties ten days to respond to pleadings. No party objected to Staff's March 31 report; MAWC responded on April 1, stating that it concurred in Staff's report.

Based on MAWC's application and Staff's report regarding that application, the Commission concludes that MAWC should be permitted to adjust its ISRS rates. MAWC's tariff implementing those rates will be approved.

IT IS ORDERED THAT:

1. Missouri-American Water Company is authorized to adjust its Infrastructure System Replacement Surcharge rates in the manner described in its Application and Petition.

2. The tariff sheet filed by Missouri-American Water Company, on January 29, 2008, and assigned tariff number JW-2008-0450, is approved, effective on April 27, 2008.

The tariff sheet approved is:

P.S.C. MO. NO. 6

6th Revised Sheet No. RT 18.0, Canceling 5th Revised Sheet No. RT 18.0

3. This order shall become effective on April 27, 2008.
4. This case shall be closed on April 28, 2008.

BY THE COMMISSION

A handwritten signature in black ink, appearing to read 'Colleen M. Dale', written over a faint circular stamp.

Colleen M. Dale
Secretary

(S E A L)

Davis, Chm., Murray, Clayton,
and Jarrett, CC., concur.

Pridgin, Senior Regulatory Law Judge