BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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In the Matter of Missouri-American Water Company's Request for Authority to Implement A General Rate Increase for Water and Sewer Service Provided in Missouri Service Areas.

Case No. WR-2010-0131

<u>REPORT OF MAIN EXTENSION AND CONSOLIDATED TARIFF</u> <u>COLLABORATIVE GROUPS</u>

Comes now the Staff of the Missouri Public Service Commission (Staff) and, on behalf of Consolidated Tariff Collaborative Group and Main Extension Collaborative Group (Collaborative Groups), states to the Missouri Public Service Commission (Commission) as follows:

1. On June 16, 2010, the Commission issued its Report and Order in the abovereferenced matter which, among other things, approved a Stipulation and Agreement entered into by a number of the Parties. Two of the provisions of that Stipulation and Agreement involved the agreement to establish Collaborative Groups to study the need, procedure and options regarding a consolidated tariff and main extensions. Specifically, paragraphs 16 and 17 of the Stipulation and Agreement stated:

16. **Consolidation of Tariff**. Rules, Regulations and Conditions of Service shall not be consolidated for MAWC's operating districts in this case. A collaborative group consisting of MAWC, Public Counsel, Staff and any interested party to this case will be established to study the need, procedure and options for future implementation of consolidated Rules, Regulations and Conditions of Service tariff for MAWC's operating districts. MAWC will expressly and in good faith identify to the collaborative group and discuss what, if any, changes are being proposed from existing tariff rules on a district by district basis. If the parties to the collaborative group cannot agree on such tariff consolidation by November 1, 2010, then they will bring their unresolved issues to the Commission for adjudication.

17. **Main Extensions.** No tariff changes shall be made at this time in the existing provisions for main extension for upgrades, including customer refunds, fair share

payments and Company participation amounts. A collaborative group consisting of MAWC, Public Counsel, Staff, interested Signatories, governmental agencies, municipalities and industry groups or associations will be established to study existing main extension rules and attempt to develop new, reasonable terms and conditions. If the parties cannot agree on such tariff provision by February 1, 2011, then they will bring their unresolved issues to the Commission for adjudication.

2. Beginning on December 9, 2010, representatives of Staff, MAWC, City of Riverside, City of Joplin, Ag Processing, City of St. Joseph, Warrensburg and Office of the Public Counsel began a series of meetings to discuss the need, procedure and options for new or reasonable terms and conditions for the existing main extension rules and the possibility of a consolidated tariff. As a result of those meetings and discussions, the Collaborative Groups have made progress toward the possibility of both changing the main extension rules and submitting a consolidated tariff, but request additional time to establish whether any such changes are possible.

3. Some progress has been made and it appears the negotiations are in the final stages for these Collaborative Groups but the Parties further request until May 20, 2011, to file a status report with the Commission regarding any progress made in this effort by that date.

WHEREFORE, the Collaborative Groups request additional time, until May 20, 2011, to notify the Commission of the status of whether any changes need to be made to the main extension rules and whether a consolidated tariff is possible.

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Respectfully submitted,

<u>/s/ Rachel M. Lewis</u> Rachel M. Lewis Deputy Counsel Missouri Bar No. 56073

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<u>Certificate of Service</u>

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 2nd day of May, 2011.

/s/ Rachel M. Lewis