Missouri-American Water Company Name of Issuing Corporation St Louis County Operations Community, Town or City

Rate I – Infrastructure System Replacement Surcharge (ISRS)

For

DESCRIPTION; Rate I is designed to recover the costs associated with the Company's eligible main, valve, and hydrant replacements, main relocations, and main cleaning and relining projects. This ISRS rate is calculated and implemented in accordance with the provisions of sections 393.1000 to 393.1006 RSMO. Any future changes to this rate will also be made in accordance with those provisions.

<u>APPLICABILITY:</u> This rate is applicable to any customer class who benefits from the subject utility plant projects eligible for ISRS recovery. The surcharge is calculated consistent with the customer class cost-of-service study recognized by the Missouri Commission in a Company's recent applicable general rate proceeding.

<u>RATE COMPONENTS</u>: In addition to the other charges provided for in the Company's tariffs, a separate charge for the ISRS will apply for service rendered on and after the effective date.

Surcharge Rate (1)

| | Rate per CCF | Rate per 100 Gallons | |
|----------------------|--------------|----------------------|---|
| Rate A & K Customers | \$.5784 | \$.07728 | + |
| Rate B Customers | \$.0249 | \$.00336 | + |
| Rate J Customers | \$.0138 | \$.00181 | + |

RULES AND REGULATIONS: The General Rules and Regulations set forth in this tariff shall govern the supply of service under this rate.

(1) Exclusive of every tax or payment imposed upon the Company by any political subdivision of the State of Missouri, for the right to do business in such political subdivision.

* Indicates new rate or text
+ Indicates change
DATE OF ISSUE: <u>September 2, 2014</u>

DATE OF EFFECTIVE: December 31, 2014

ISSUED BY: <u>Frank Kartmann, President</u> 727 Craig Road, St. Louis, MO 63141