

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

In the matter of the Application of Missouri-)	
American Water Company for Authority to)	
Issue up to \$190,000,000 of Long-Term)	CASE NO. WF-2015-0207
Unsecured Debt)	

NOTICE OF COMPLIANCE

COMES NOW Missouri-American Water Company ("MAWC" or the "Company") and states to the Commission as follows:

1. On July 22, 2015, the Commission issued an Order Granting Financing Application ("Order") in the referenced case. The authority granted by the Order was subject to a number of conditions recommended by the Commission's staff. Among those were the following filing requirements:

- a) That MAWC file with the Commission any information concerning communication with credit rating agencies concerning the proposed financing.
- b) That MAWC file with the Commission all final terms and conditions of the proposed financing, including, but not limited to, the aggregate proceeds received, price information, and estimated expenses.
- c) That MAWC file with the Commission, upon refunding of any outstanding debt, the net present value calculations indicating the amount of interest cost savings.

2. On August 13, 2015, American Water Capital Corp. ("AWCC") issued \$550 million in senior unsecured notes in a two-part offering: \$325 million in 30-year unsecured taxable notes at a coupon rate of 4.30% and \$225 million in 10-

year unsecured taxable notes at a coupon rate of 3.40%, the Term Sheet for which is shown as Exhibit 1. Pursuant to the authority granted by the Order, MAWC on that date issued a promissory note to AWCC with a 30-year term at a coupon rate of 4.30%, the same term and interest rate as the 30-year AWCC issuance. Proceeds from the MAWC note will be used for construction, completion, extension or improvement of facilities, other capital investments and/or repayment of short-term debt. The MAWC note, in the amount of \$50,000,000, is shown as Exhibit 2. After bond discount of \$657,500 and estimated issuance costs of \$478,037, estimated proceeds from the note are \$48,864,463. MAWC's bond discount and estimated issuance costs are equal to its pro-rata portion of the total amounts for the AWCC issuance.

3. Pursuant to the Commission's Order, MAWC states that there was no communication with credit rating agencies concerning credit ratings for this financing.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Tim Luft", is written over a horizontal line.

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CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the foregoing document has been sent by electronic mail this 27th day of August, 2015, to:

Missouri Public Service Commission

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/s/ Timothy W. Luft