

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

In the Matter of Missouri-American Water)
Company for Authority to Issue up to)
\$525,000,000 of Long Term, Unsecured Debt)

File No. WF-2025-0150

MAWC’S RESPONSE TO STAFF RECOMMENDATION

COMES NOW Missouri-American Water Company (“MAWC”), by and through the undersigned counsel, and files this *Response to Staff Recommendation* with the Missouri Public Service Commission (“Commission”). In support, MAWC states as follows:

1. On January 3, 2025, Staff filed its *Staff Recommendation* and supporting *Memorandum* recommending that the Commission approve the application of MAWC to enter into a variety of unsecured debt financings with American Water Capital Corp. (“AWCC”), during an approximately three-year period and not to exceed an aggregate principal amount of \$525,000,000, and grant MAWC’s requested waiver from the 60 day requirement of 20 CSR 4240-4.017(1).

2. It was further recommended that such approval be subject to Conditions a. – i. listed on pages 2-3 of the *Staff Recommendation*.

3. MAWC hereby states that it does not object to Conditions a. – d. or f. – i. However, MAWC believes Condition d. could be worded more clearly. Condition d. currently reads as follows:

That the Company could enter into agreements in order to use, at its discretion, derivative instruments, such as interest rate swaps, treasury locks, forward-starting swaps, caps, collars or other derivatives, to manage the risk associated with interest rate fluctuations and other financial exposures that may occur before the issuance of the New Long-Term Debt if agreements are not detrimental to the public interest and the benefits of MAWC’s ratepayers.

(emphasis added).

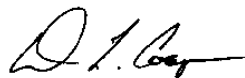
4. MAWC suggests that the underlined portion above be replaced with the portion in italics in the following paragraph:

That the Company could enter into agreements in order to use, at its discretion, derivative instruments, such as interest rate swaps, treasury locks, forward-starting swaps, caps, collars or other derivatives, to manage the risk associated with interest rate fluctuations and other financial exposures that may occur before the issuance of the New Long-Term Debt. *However, the Commission reserves the right to consider the rate-making treatment to be afforded such agreements in any future proceeding.*

5. With that change, MAWC would have no objection to Staff's proposed Condition d.

WHEREFORE, MAWC provides this *Response to Staff Recommendation* and requests the Commission approve the application of MAWC enter into a variety of unsecured debt financings with American Water Capital Corp. ("AWCC"), during an approximately three-year period and not to exceed an aggregate principal amount of \$525,000,000, and grant MAWC's requested waiver from the 60 day requirement of 20 CSR 4240-4.017(1), subject to Staff's conditions as amended herein.

Respectfully submitted,



Dean L. Cooper Mo. Bar #36592
BRYDON, SWEARENGEN & ENGLAND P.C.
312 East Capitol Avenue
P.O. Box 456
Jefferson City, MO 65102-0456
Telephone: (573) 635-7166
dcooper@brydonlaw.com

Timothy W. Luft, Mo. Bar #40506
Rachel Niemeier, MBE #56073
Corporate Counsel
MISSOURI-AMERICAN WATER COMPANY
727 Craig Road
St. Louis, MO 63141

(314) 996-2279 (Tim)
(314) 996-2390 (Rachel)
timothy.luft@amwater.com
rachel.neimeier@amwater.com

**ATTORNEYS FOR MISSOURI-AMERICAN
WATER COMPANY**

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing was electronically transmitted on this 13th day of January 2025, to all counsel of record.

