BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Missouri-American Water)	
Company for a Certificate of Convenience)	
and Necessity Authorizing it to Install, Own,)	Case No. WA-2008-0125
Acquire, Construct, Operate, Control,)	
Manage and Maintain a Water System in)	
Jefferson County, Missouri.)	

STATEMENT OF CLARIFICATION OR, IN THE ALTERNATIVE, MOTION FOR RECONSIDERATION

COMES NOW Missouri-American Water Company ("MAWC" or "Company"), and provides the following clarification concerning the Missouri Public Service Commission's ("Commission") Order Approving Tariff in Compliance With Commission Order:

- 1. On May 16, 2008, the Staff of the Commission filed its recommendation concerning MAWC's tariff sheets designed to include a map and written description of the revised service area granted in this case. Staff recommended approval of the tariff sheets and suggested that approval be expedited in light of the upcoming closing associated with the subject system. The Office of the Public Counsel (Public Counsel) filed a pleading indicating that it did not object to the Staff recommendations.
 - 2. Staff's recommendation indicated, among other things, as follows:

Missouri-American has informed the Staff that the surcharge and distribution system extension charge are not necessary, because the Paradise Valley residents have secured other funds to pay for all of the costs required to connect Paradise Valley customers to Missouri-American's existing system. Therefore, Missouri-American did not file such tariff sheets, and will not assess either of these charges to current or future Paradise Valley customers.

3. On May 19, 2008, the Commission issued its Order Approving Tariff in Compliance With Commission Order. The Order recounted the above information concerning the surcharge and distribution system expansion charge provided in the Staff's recommendation.

- 4. Staff's understanding as to the referenced charges resulted from a conversation between Company personnel and Staff. Unfortunately, the statement made by Staff, while certainly reflecting MAWC's expectation and a reasonable assumption by Staff based on its conversation with Company personnel, is perhaps too conclusive at this point in time.
- 5. MAWC will not be certain what amount of money will be paid by the Paradise Valley residents until closing and will not complete the accounting for this project until sometime after the closing. Thus, while MAWC does not currently expect any need for the surcharge and distribution system extension charge, it will not be able to confirm this fact until after the closing.
- 6. Counsel for MAWC has spoken to counsel for the Staff and the Public Counsel this morning to explain the situation and has indicated that MAWC would understand if there is a need for those parties to change their recommendation in some fashion. Similarly, if the Commission believes that this information changes the reasoning or outcome of its Order Approving Tariffs, this pleading should be considered to be a Motion for Reconsideration.

WHEREFORE, MAWC respectfully requests the Commission consider this Statement

of Clarification.

Respectfully submitted,

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ATTORNEYS FOR MISSOURI-AMERICAN WATER COMPANY

CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the foregoing document has been sent by electronic mail this 19^{th} day of May 2008, to:

Keith Krueger Christina Baker

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