



Proposed Lake Carmel Water and Jefferson City-area Wastewater Rate Changes

Missouri American Water has filed a rate increase request with the Missouri Public Service Commission (PSC) because our costs to provide reliable, quality wastewater service have increased. Our ongoing investments in infrastructure improvements, plus increases in operating costs, are the drivers behind the rate request.

Approximately 1800 customers of the wastewater systems formerly owned by Aqua Missouri are covered by this rate request, as are approximately 55 customers of the Lake Carmel water system.

As part of the rate filing, the company is requesting a consolidated rate structure. Under uniform statewide rates, all customers in the same rate class pay the same rate for the same service – a common practice among electric and natural gas utilities.

If the Public Service Commission approves Missouri American Water's full rate request, the average residential wastewater bill for these customers will increase by approximately \$6.78 per month.

Lake Carmel water customers will see their water bills increase by approximately \$14.34 per month.

Wastewater Facts

- **Investing in Infrastructure.** From May 1, 2010 through December 31, 2011, Missouri American Water invested approximately \$575,000 in upgrading local wastewater treatment facilities to bring them into compliance with Missouri Department of Natural Resources (DNR) regulations to avoid costly fines and penalties. These projects will also help protect the quality of the water that flows to the local streams.

- A newly completed wastewater laboratory facility will allow us to monitor the performance of our facilities so we are meeting DNR requirements and protecting the quality of local waterways.

In December 2011, we installed a new booster pump for Lake Carmel customers to allow better use of the existing water storage tank which will provide more consistent water pressures and more efficient operations.

- **Rate Case Process.** Rates will not change until the MOPSC completes a comprehensive audit of the request. The process normally takes about 11 months and includes opportunities for public comment, by phone, email, mail and at local public hearings.