

## Joplin Water Rate Update



On Nov. 14, 2008, the Missouri Public Service Commission (PSC) approved a change in Joplin's water rates. Based on available information, the typical residential customer in Joplin using 5,500 gallons per month will pay approximately \$6.38 more per month. These new rates became effective on November 28, 2008.

A primary driver behind the 24.35 percent rate increase is the investment that the company has made in water system improvements. The new rates reflect approximately \$34.6 million of infrastructure investments in Joplin's water system.

In Joplin, the typical residential customer will pay approximately \$32.58 per month for water service. Customers will still be receiving a gallon of water delivered to their homes for about a penny per gallon.

## Water Rate Facts

- **Investing in Water Plant Improvements.** From June 2007 to September 2008, Missouri American Water invested approximately \$34.6 million in improvements to Joplin's water system. Most of this investment is dedicated to the expansion and improvement of Joplin's water treatment plant. The plant dates back to the early 20<sup>th</sup> century and has not had a major upgrade since the 1950s.
- The plant improvements were designed to improve and expand Joplin's 100-year-old water treatment plant by:
  - Adding five million gallons a day of water plant capacity, to meet the community's water needs – today and in the future
  - Preparing for upcoming environmental regulations
  - Incorporating safety and environmental benefits into the plant improvements
- **Replacing Aging Water Mains.** Old and small-diameter water mains are regularly replaced in Joplin to help improve water flows and maintain service reliability. More than half a mile of water mains were installed or upgraded from June 2007 to September 2008.
- **Your Water Bill.** The new rates became effective on Nov. 28, 2008. The first water bills issued after that date include fixed and usage charges at the old rate and a second set of fixed and usage charges at the new rate.

Your water bill has several components. The two major elements on your water bill are the fixed and water usage charges.

New Fixed Residential Customer Charge (fixed monthly charge for water service)	New Residential Water Usage Charge (The unit cost per thousand gallons used)
<b>\$14.53</b>	<b>\$3.28</b>

This increase does not affect the sewer charges that appear on your Missouri American Water bill. Your local service provider sets sewer rates. Residential water bills also include other charges, such as the Department of Natural Resources (DNR) primacy charge and local taxes which are not included in the base water rates summarized above.