

## Mexico Water Rate Update



On Nov. 14, 2008, the Missouri Public Service Commission (PSC) approved a change in Mexico's water rates. Based on available information, the typical residential customer in Mexico using 4,500 gallons per month will pay approximately \$1.90 more per month.

A primary driver for the 6.06 percent rate increase is the investment that the company has made in water system improvements. The new rates reflect approximately \$2.4 million of improvements to Mexico's water system.

In Mexico, the typical residential customer will pay approximately \$33.23 per month for water service, typically one of the lowest utility bills in the area.

Customers will still be receiving a gallon of water delivered to their homes for about a penny per gallon.

## Water Facts

- **Community Investment.** From June 2007 to September 2008, Missouri American Water invested approximately \$2.4 million in improvements to Mexico's water system, including:
  - Replacing almost one mile of old, small-diameter water mains with new mains on Randy, Cardinal, Mockingbird, Chickadee, Eagle and Falcon Streets. This active water main replacement program helps to maintain service reliability and improve water pressures.
  - Improving water plant equipment to enhance operational efficiency, service reliability and provide for continued quality water.
- **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.

<b>New Fixed Residential Customer Charge</b> (fixed monthly charge for water service)	<b>New Residential Water Usage Charge</b> (The unit cost per thousand gallons used)
<b>\$10.00</b>	<b>\$5.16</b>

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.