



Warrensburg Water Rate Update

On November 14, 2008, the Missouri Public Service Commission (PSC) approved a change in water rates for Warrensburg. Based on available information, the typical residential customer in Warrensburg using 5,000 gallons per month will pay approximately \$5.41 more per month. The new rates became effective on November 28, 2008.

A primary driver for the 24.49 percent rate increase is the investment that the company has made in water system improvements. The new rates reflect approximately \$2 million of improvements to Warrensburg's system.

In Warrensburg, the typical residential customer will pay approximately \$27.50 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 Rate Facts

Water System Improvements. From June 2007 to September 2008, Missouri American Water invested approximately \$2 million in improvements to Warrensburg's water system, including:

- Installing new water mains on Holden and Russell Streets, West Hale Lake Road and Enterprise Avenue to improve service reliability.
- Replacing aging six-inch diameter water mains on Burkarth Road with 2,400 feet of eight-inch diameter water mains.
- Upgrading the equipment used to monitor well sites – improving communication and operational flexibility.
- Acquiring an additional generator to provide back-up power to enhance electrical service reliability.

Your Water Bill. The new rates took effect 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.

Fixed Residential Customer Charge (fixed monthly charge for water service)	Residential Water Usage Charge (The unit cost per thousand gallons used)
\$10.88	\$3.32

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. This increase does not impact the sewer charges that appear on your Missouri American Water bill. Your sewer service provider sets local sewer rates.