American Water Works Company, Inc.
Form DEFA14A
March 26, 2010

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of

the Securities Exchange Act of 1934

Filed by the Registrant x

Filed by a Party other than the Registrant ¨

Check the appropriate box:

¨ Preliminary Proxy Statement

¨ **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e) (2))**

¨ Definitive Proxy Statement

x Definitive Additional Materials

¨ Soliciting Material Pursuant to §240.14a-12

AMERICAN WATER WORKS COMPANY, INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

x No fee required.

¨ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

¨ Fee paid previously with preliminary materials.

¨ Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

EXPLANATORY NOTE

The following communications were released today by American Water Works Company, Inc.:

1. Letter to Investors from Donald L. Correll, President and Chief Executive Officer;

2. Document advising Stockholders of the new rules regarding directors, and encouraging them to vote or to provide instructions to their brokers to vote;

3. American Water s Corporate Responsibility brochure;

4. On-line Forum for Stockholders of Record as of March 15, 2010; and

5. Place-holder for Virtual Stockholder Meeting.

March 23, 2010

Dear Fellow Investors,

2009 was a stellar year for American Water Works, Inc. In addition to achieving numerous operating and financial successes, we ended the year with our former parent company divesting its position completely. Now that we are independent of our former parent company, AWK shares are 100 percent publicly-owned. The year ended positively for the stock which we believe reflects investors support of that independence as well as our business strategy and potential for growth.

Every day we serve our customers by pumping water from the source, treating it so it meets the federal and state standards and transporting that water through distribution mains and service lines, and in some systems we complete the water cycle by treating the discharged water in our wastewater facilities.

Committed to being the solutions provider for the communities and customers we serve, we make investments to help ensure high-quality and reliable water service. We have obligations to make these investments on a non-discriminatory basis, and our regulators have the responsibility to provide us with a reasonable opportunity to earn a fair return on this invested capital and to recover reasonable operating costs necessary to provide that service. This return on invested capital also provides the basis for strong operating cash flows.

Since our 2008 initial public offering, we have renewed our culture of high performance and have paid out six dividends through year-end. We increased the cash dividend 5 percent during 2009 and recently declared and paid a $0.21 dividend for the 2010 first quarter.

We remain committed to maximizing shareholder value, and since our initial public offering have delivered a total return assuming reinvestment of dividends of 15.7 percent. Committed to responsible corporate governance, seven of our eight directors are independent, and we have recently adopted a majority vote requirement for election of directors, effective in 2011.

American Water Investor Forum and 2010 Annual Stockholder Meeting

As we look ahead, management and the board remains focused on financial transparency. For the first time, management is offering a dedicated American Water Investor Forum a web platform to provide shareholders with direct access to investor relations to pose questions, get answers and share your thoughts regarding the company and its strategic initiatives. There is a wealth of information available to our investors and we invite you to participate in the Forum.

Virtual Stockholder Meeting.
All holders of outstanding common stock as of the record date are entitled to attend and vote at the 2010 annual stockholders meeting. In order for American Water to give access to a greater number of stockholders, we are offering, in addition to the traditional meeting, a virtual stockholder meeting where American Water investors will be able to vote and submit questions online during the live meeting. In the near future, stockholders of record will receive our proxy voting card with a 12-digit access control number that will allow an investor to enter the live meeting and cast a vote by phone, by mail, by Internet and live, at the virtual meeting. This dedicated control number is required to enter the virtual meeting website. The virtual meeting is open to all stockholders of record who wish to take part in the meeting without the physical need to be present, if they so desire.

Both the American Water Investor Forum and Virtual Stockholder Meeting are accessible at the Investor Relations page of the company website at (www.amwater.com).

It s also important to note that recent rule changes make your proxy vote now more important than ever. As a result of rules recently enacted by the New York Stock Exchange your broker can no longer vote on your behalf for our board of directors, unless you provide voting instructions, and we encourage you to cast your affirmative vote for all of our board members. We believe the web enhancements will make it easier to vote in the upcoming meeting.

American Water has a long track-record of consistently delivering value to our customers, stockholders and employees. We believe our business model is sustainable and we will continue to strive to enhance the value of your investment. We thank you for your continued support. If you have questions, please call our Investor Relations group at 877-310-7174.

Sincerely,

Donald L. Correll,

President and Chief Executive Officer

American Water Works, Company, Inc.

Proxy proposals address important issues
Vote on all proxies you receive:
Your vote gives you a stronger say
We Want Your Voice to Be Heard
Important! This Proxy Season, Your Vote Matters More Than Ever!
Facts To Know:
Proxy statements contain important
information about proposals that affect

companies in which you own shares
Under new NYSE regulations,
your brokers / advisors can no longer
vote your shares to elect the Board of
Directors without your voting instructions
The new regulations affect all public
companies
Why it s Important?
Unless you vote, your shares will remain
un-voted in the election of directors
Voting is easier than ever:
By touch-tone telephone
Over the Internet
By mail
At the meeting, live and online
American Water s annual meeting will also be *virtual*
this Spring. Stockholders of record will be
able to attend, vote and submit questions online as well as in person.
Watch for details to come in our proxy.
www.amwater.com

Welcome to the American Water Stockholder Forum

March 26, 2010

We welcome you to our dedicated web platform providing our stockholders direct access to our investor relations team. You are invited to ask questions, get answers and share your thoughts regarding the company and our strategic initiatives.

We remain committed to maximizing shareholder value. From the date of our initial public offering through the end of 2009, we have delivered to stockholders a total return, assuming reinvestment of dividends, of 15.7 percent. Committed to responsible corporate governance, seven of our eight directors are independent, and we have recently adopted a majority vote requirement for election of directors, effective in 2011.

Please take this opportunity to engage with us in this stockholder forum and let us know how you think we are performing.

Thank you for your continued interest and support of American Water.

Donald L. Correll

President and CEO

Founded in 1886, American Water is the largest investor-owned U.S. water and wastewater utility company. With headquarters in Voorhees, N.J., the company employs more than 7,000 dedicated professionals who provide drinking water, wastewater and other related services to approximately 16 million people in 35 states, as well as Ontario and Manitoba, Canada. More information can be found by visiting www.amwater.com.

We are American Water. We are committed to being the solutions provider for our communities and customers, municipalities and partners.

American Water Pre-Meeting Questions

If you would like to ask a specific question in advance of the annual stockholder meeting, please submit it here. Submissions will be posted, but identities will remain anonymous. American Water has the right to remove any submissions that are deemed inappropriate.

We appreciate your input and look forward to hearing from you.

Questions received up to an hour in advance of the Meeting on either the Forum or through the Virtual Stockholder Meeting will be responded to, either live at the meeting if time allows, or by Investor Relations within approximately 24-36 hours of receipt.

2010 Virtual Shareholder Meeting

All holders of outstanding common stock as of the record date are entitled to attend and vote at the 2010 annual stockholders meeting.

In order for American Water to give access to a greater number of our stockholders, in addition to our traditional meeting, we are hosting our first virtual stockholder meeting where investors who are unable to attend in person are invited to attend, vote and submit questions online during the live meeting. The dedicated control number from your proxy card or voting instruction form will enable your entry into virtual meeting.

Important! This proxy season, your vote matters more than ever

Whether or not you attend the meeting, we encourage you to cast your vote. As a result of rules recently enacted by the New York Stock Exchange your broker can no longer vote on your behalf for our board of directors, unless you provide voting instructions, and we encourage you to cast your affirmative vote for all of our board members. We believe the web enhancements will make it easier to vote in the upcoming meeting.web enhancements will make it easier to vote in the upcoming meeting.

Unless you vote, your stock will remain un-voted in the 2010 election of directors.

1. Voting is easier than ever:
2. By touch-tone telephone
3. Over the internet
4. By mail
5. At the meeting live, and here at the American Water Virtual Stockholder Forum

Your vote gives you a stronger say, and we want your voice to be heard.

Location: http://virtualshareholdermeeting.com/awk

Date: Friday, May 7, 2010

Time: 10:00 Eastern

Survey

We would like to learn more about our stockholders. Please complete the survey below and upon completion, view the results real-time.

1. As a stockholder of American Water, what excites you most about the company?

Leadership in the industry

Regulated Utility business

Non-regulated business

Marketing and branding initiatives

Leadership in corporate social responsibly

Other

2. Please check your response to the following

2a. American Water s senior management team is highly experienced

Agree

Disagree

No Opinion

2b. American Water communicates with transparency

Agree

Disagree

No Opinion

2c. American Water provides frequent and adequate business updates

Agree

Disagree

No Opinion

2d. American Water Investor Relations is responsive to your requests

Agree

Disagree

No Opinion

3. Which financial metrics and business measures influenced your decision to invest in American Water?

Seasoned management team

Clearly stated business strategy

Dividend Policy and Potential for Dividend Growth

Potential to earn a return on investment

Corporate governance policies

Other, please specify

4. Our business is impacted by a number of key drivers. Which of the following would you like to hear management discuss at the annual meeting.

If you have other suggestions, please submit in the Pre-Meeting Question block above:

Aging U.S. water infrastructure

Stimulus Package

Understanding the Rate case process

Impact of weather on our business

Return on Equity

Capital Expenditure projections

Capitalized IT expenses for business transformation

Corporate Responsibility

Acquisition Strategy

Public-Private Partnerships

Non-regulated Business

Other, please specify

5. How would you rate the company s website as an effective source of information? (check all that apply)

Provides timely information I need to make investment decisions

Easy to navigate

In-depth source of relevant information relating to the water industry

Would like to see other information (Other, please specify)

6. What websites, magazines or financial blogs do you frequent for investment ideas?

Other, please specify

7. Which financial metrics and business qualities do you seek in making investment decisions?

Other, please specify

8. How would you compare American Water to some of your other investments?

Other, please specify

9. What do you see as the number one topic you would like investor relations to address at an upcoming meeting or quarterly conference call?

Growth opportunities including acquisition strategy and/or public private partnerships

The impact of the recession on American Water s business

Cost containment efforts through operational efficiencies

American Water s commitment to the environment and its local communities

Other, please specify

10. Do you have any other concerns/issues regarding American Water that have not already been addressed?

Other, please specify

Thank you for participating in our Survey. We value your input and appreciate the time you took in providing us your feedback. If you have questions on these or other topics, please Contact Investor Relations at 856-566-4005.

Virtual Stockholder Meeting Pre-Meeting Text

AMERICAN WATER WORKS COMPANY, INC. will be hosting a Virtual Stockholder Meeting this year. The meeting will be held on Friday, May 7, 2010 at 10:00 am ET and stockholders of record will be able to vote and ask questions online during the meeting. If you would like to attend the virtual meeting and you have your 12-digit control number, please go to www.virtualshareholdermeeting.com/AWK 15 minutes prior to the start of the meeting to log in. If you came through your brokerage firm s website and do not have your control number, you can gain access to the meeting by logging into your brokerage firm s website site 15 minutes prior to the meeting start, selecting the stockholder communications mailbox to link through to the meeting and the Control Number will automatically populate. If you would like to submit a question to AMERICAN WATER WORKS COMPANY, INC. prior to the meeting, please visit the AMERICAN WATER WORKS COMPANY, INC. Stockholder Forum.