

**HICKORY HILLS WATER & SEWER COMPANY, INC.**  
**PO BOX 297**  
**TIPTON, MISSOURI 65081**

July 21, 2005

Mr. Dale Hardy Roberts  
Secretary of the Commission  
Attn: Data Center  
Missouri Public Service Commission  
P O Box 360  
Jefferson City, MO 65102

*RECEIVED*<sup>4</sup>

JUL 28 2005

*Records  
Public Service Commission*

Re: Requests for Increases in Annual Water and Sewer System Operating Revenues Under the Provisions of the Commission's Small Company Rate Increase Procedure

Dear Mr. Roberts:

The Hickory Hills Water and Sewer Company (the Company) holds certificates of public convenience and necessity granted by the Missouri Public Service Commission (the Commission), under which the Company provides water supply and distribution services and sewer collection and treatment services in Moniteau County, Missouri. The commission first authorized the Company to provide regulated water utility service in March 1975 and regulated sewer utility service in March 1975. The Company currently provides service to approximately 49 water customers and approximately 47 sewer customers within its certificated areas under the provisions of its Commission-approved tariffs. The Company's customer rates for water and sewer service were last changed in January 2005.

Pursuant to 4 CSR 240-3.330 and 4 CSR 240-3.635, the Commission's rules pertaining to rate increase requests made by small sewer and water utilities, respectively, the Company is hereby requesting an increase of \$2,000 in its annual water system operating revenues and in increase of \$2,500 in its annual sewer system operating revenues. Based upon current customer rates and customer numbers, these increases represents changes of approximately 13% in the Company's annual water system operating revenues and approximately 36% in the Company's annual sewer system operating revenues. The Company understands that the design of its customer rates, its service charges, its customer service practices, its general business practices and its general tariff provisions will also be reviewed during the Commission Staff's review of the rate increase requests and may thus be the subject of Staff recommendations at the conclusion of the rate increase process. In addition the company asks for a debt reduction surcharge in the amount of \$15.00 per customer per month for 24 months.

The specific reasons for the requested increases in the Company's annual operating revenues, applicable to both its water and sewer systems, include: liability insurance costs, toll free telephone service as required by the Commission in the Company's last rate increase agreement, and engineering services as required in the Company's sewer discharge permit schedule of compliance.

Lastly, I wish to advise you that the Company is current on the payment of its Commission annual assessments (the assessments are being paid under a quarterly installment plan) and the filing of its Commission annual reports. Additionally, the Company will remain current on these items during this small company rate increase procedure.

Mr. Dale Hardy Roberts  
Re: Rate Increase Request  
March 30, 2004 - Page 2 of 2

Thank you for your attention to this import matter. Please contact me at your convenience if you need additional information regarding this request.

Sincerely,

A handwritten signature in cursive script that reads "Kay Clifford".

Kay Clifford  
Corporate Secretary  
Hickory Water and Sewer Company  
Ph: 660-433-5366

Copies: Wendell R. Hubbs - Commission Staff  
M. Ruth O'Neill - Office of the Public Counsel