

Emerald Pointe Utility Company

Corporate Offices
111 East Main
Branson, Missouri 65616

March 20, 2000

Mr. Dale Hardy Roberts
Secretary to the Commission
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102

RE: **Emerald Pointe Utility Company**
Small Company Rate Increase Request
Mo. PSC Tariff File No. 9900915 (Water)

FILED
RECEIVED
MAR 23 2000
Records
Public Service Commission

WR-2000-594

Dear Mr. Roberts:

I am enclosing for filing with the Commission an original and three copies of a revised tariff sheet that includes rate and language changes reflecting an agreement between the Emerald Pointe Utility Company (Company) and the Commission Staff (Staff) on the above subject. The Company initiated the subject rate increase request in May 1999, under the Commission's small company rate increase procedure, and the request was assigned the above-referenced file number.

Additionally, consistent with the Commission's small company rate increase procedure, I am enclosing an Agreement Regarding Disposition of Small Company Rate Increase Request (Agreement). This Agreement reflects a "settlement" between the Company and the Staff regarding all matters related to the Company's water service rate increase request.

The Agreement calls for, and the revised tariff sheet contains, customer rates intended to produce an increase of \$2,500 (an approximate 8.7% increase) in the Company's annual operating revenues for its water operations. The Agreement also calls for the implementation of a "late payment charge" and of a "bad check charge" of \$15 per insufficient funds check. The Agreement is between the Company and the Staff; therefore, the enclosed tariff sheets bear an effective date that is greater than 45 days from the issue date.

Also, please note that the Company has consented to the extension of the time period beyond 150 days from the date the letter initiation the procedure was filed with the Commission.

199900915

7 It is my understanding that the Staff will be providing additional information about the Company's rate increase request and the related Staff audit and investigation, for filing in the case papers following the creation of a formal docket.

Please contact me at your convenience if you need anything further.

Sincerely,
EMERALD POINT UTILITY COMPANY



Gary W. Snadon
President

enclosures

copies (w/enclosures):

Wendell R. Hubbs - PSC Staff

Office of the Public Counsel - Shannon Cook

Agreement Regarding Disposition of
Small Company Rate Increase Request

Emerald Pointe Utility Company

Tariff File No. 9900915 (Water)

Emerald Pointe Utility Company (Company) initiated the small company rate increase request (Request) for water service that is the subject of the above-referenced Commission "file" through its submittal of letters to the Commission's Executive Secretary. The Company submitted its Request under the provisions of Commission rule 4 CSR 240-2.200, Small Company Rate Increase Procedure (the informal rate case procedure). The dates the Company's letters were received at the Commission's offices were May 24, 1999 and May 25, 1999. In its Request, the Company represented that it was asking for Commission approval of customer rates intended to generate an increase of \$2,500 in its total annual water service operating revenues.

The Company provides water service to approximately 124 customers.

Upon review and acceptance of the Company's Request, the Commission's Records Department assigned Tariff File No. 9900915 to the Request for purposes of identification and tracking. The Records Department then forwarded the Request to the Commission's Water & Sewer Department for processing under the informal rate case procedure.

Pursuant to the provisions of the informal rate case procedure, the Staff of the Commission (Staff) initiated an audit of the Company's books and records and an inspection of the Company's system and the operation thereof.

Based upon the results of the Staff's audit, the Company and the Staff hereby state their agreement that: (1) an increase of \$2,500 (approximately 8.7%) in the Company's annual water revenues is reasonable; (2) the implementation of a "late payment charge" is reasonable; and (3) the implementation of a "bad check charge" of \$15 per insufficient fund check is reasonable.

The Company and Staff also agree that the Company will keep their books and records in accordance with the Uniform System of Accounts for

Emerald Pointe Utility Company - File No. 9900915 Water
Small Company Rate Procedure "Agreement"

Class C and D Water Utilities as prescribed by the National Association of Regulatory Utility Commissioners (NARUC), this includes using the Staff's calculation of plant, depreciation reserve and contributions in aid of construction ending balances. The Company also agrees that it will maintain its books and records for their water operations and sewer operations separately.

Additionally, the Company acknowledges that the Staff will file additional information about the details of its audit with the Commission following the creation of a formal docket.

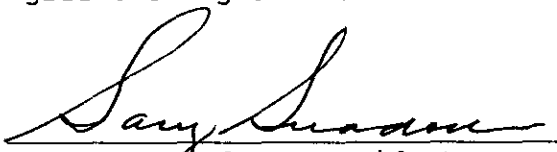
This Agreement is only between the Company and the Staff. However, the Office of the Public Counsel (OPC) has verbally notified the Staff that it does not oppose the increase.

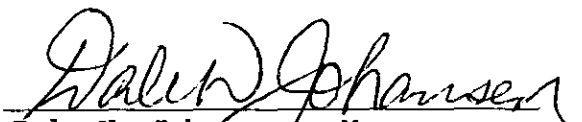
Lastly, the Company and the Staff ask the Commission to note that no action need be taken on the Company's tariff sheet until after the Staff files its formal recommendation for approval of the tariff sheet. That filing will take place soon after filing of this Agreement and the revised tariff sheet.

Other than the specific conditions agreed to by the Company, this agreement is a compromise that has resulted from extensive negotiations between Staff and the Company and no party has agreed to any particular ratemaking principal (except those items specifically stated in this agreement) in arriving at the dollar amount.

This Agreement is effective as of the 10th day of March, 2000.

Agreement Signed and Dated:


Mr. Gary Snadon, President
Emerald Pointe Utility Company


Dale W. Johansen - Manager
Water and Sewer Department
Public Service Commission Staff

Emerald Point Utility Company For Missouri Service Area

Name of Issuing Company

Community, Town or City

RULES GOVERNING
RENDERING OF **WATER SERVICE** +**SCHEDULE OF WATER RATES****Availability: ***

Available to any metered customer located in the Company's certificated service territory.

Water Service Rates:

| | | |
|---------------------------------------|-------------------|---|
| Monthly Customer Charge (5/8" meter) | \$ 6.52 per Month | + |
| Monthly Customer Charge (1" meter) | \$10.62 per Month | + |
| Monthly Customer Charge (2" meter) | \$25.52 per Month | + |

Usage Charge (for all usage > 2,000 gal/month) \$ 3.50 per 1,000 gallons +

Monthly Minimum Bill: * Equals the applicable Monthly Customer Charge

The minimum monthly billing shall be billed customers based on this Charge.

Taxes: *

Any applicable Federal, State or local taxes computed on a billing basis shall be added as separate items in rendering each bill.

Late Payment Charge: *

Billings will be made and distributed at monthly intervals. Bills will be rendered net, bearing the last date on which payment will then be considered delinquent. The period after which the payment is considered delinquent is 21 days after rendition of the bill. A charge of \$3.00 or two percent (2%) per month times the unpaid balance, whichever is more, will be added to delinquent amounts.

Bad Check Charge: *

A bad check charge of \$15 per check will be paid on all checks returned from the bank for insufficient funds.

* Indicates new rate or text

+ Indicates change

Date of Issue 3/23/00

Date Effective 5/10/00

Issued By: Gary W. Snadon, President

111 East Main, Branson, MO 65616

Name of Officer

Title

Address