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April 26, 2018

Secretary of the Commission Missouri Public Service Commission Attn: Data Center P.O. Box 360 Jefferson City, MO 65102 FILED²
MAY 4 2018

Missouri Public Service Commission

RE: Request for Increase in Annual Water System Operating Revenues

MO PSC Water Utility Small Company Rate Increase Procedure

Dear Secretary:

Middlefork Water Company (the Company) holds a certificate of public convenience and necessity granted by the Missouri Public Service Commission (the Commission), under which the Company provides wholesale water supply services in Gentry County, Missouri. The Commission first authorized the Company to provide regulated water utility service in October of 1992. The Company currently provides wholesale water service to two customers (both municipally-owned distribution systems) under the provisions of its Commission-approved tariffs. The Company's rates for water service were last changed September 1, 2011. Since that time the Company has experienced substantial increases in operational costs such as utilities, insurance, chemicals, and labor.

Pursuant to 4 CSR 240-3.635, the Commission's rule pertaining to rate increase requests made by small water utilities, the Company is hereby requesting an increase of \$55,400 in its annual water system operating revenues. Based upon the Company's current rates and wholesale water sales, this increase represents a change of approximately 19.2% in the Company's annual water system 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 request, and may thus be the subject of Staff recommendations at the conclusion of the rate increase process.

The specific reasons for the requested increase in the Company's annual operating revenues include increases in operating expenses and to provide an adequate return on investment.

Lastly, I wish to advise you that the Company is current on the payment of its Commission annual assessments (all past assessments have been paid in full and the current assessment is being paid quarterly), and on the submission of its Commission annual reports. Additionally, the Company will remain current on these items during this small company rate increase procedure.

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

Sincerely,

Mr. Brock Pfost

President

Middlefork Water Company