

5421 Bradford Ct.
Jefferson City, MO 65101

February 22, 2010

Public Service Commission
Attn: Water/Sewer Dept.
P.O. Box 360
Jefferson City, MO 65102

Witness Exhibit No. 3
Case No(s) SR-2010-0023 + 0026
Date 2/22/10 Rptr MTA

RE: Notice of Increase to Annual Sewer Operating Revenues
Case Number SR-2010-0026

Dear Commissioners:

I am writing this as a follow up to my September 4, 2009 letter and in response to a Second Customer Notice and Notice of Local Public Hearing that I received from Aqua Missouri by mail dated January 27, 2010. As stated in my previous letter, I am very displeased that Aqua Missouri has negotiated an increase in its Jefferson City Area annual sewer rates. I understand that the new residential customer monthly flat charge is proposed as \$53.22 per month instead of the initial \$57.87 per month. This is still an outrageous amount in my opinion. I would like a detailed cost analysis for operating costs and upgrades to my treatment system that requires such an increase.

I will state that if there are no planned upgrades to the wastewater treatment system that services my residence (Helias Drive Wastewater Treatment Facility), but instead my increased rates will be used on improvements to other treatment systems owned by Aqua Missouri, I would consider this unfair business practices. I will pass along such actions to the Better Business Bureau and my Attorney General's Office for further investigation.

I have also researched prior approved agreements of Aqua Missouri and found that they were granted an increase in monthly flat rates on September 7, 2008 from \$27.75 per month to the current rate of \$44.79 per month (Public Release: PR-09-28, Missouri Public Service Commission). This means that Aqua Missouri is asking for an increase in monthly rates of \$25.47 in less than a two year period! This would almost double the monthly rate from 2008. I am very skeptical that increased annual operating revenues have created such a demand for almost 100% increase in monthly rates in less than 2 years. Again, I request a detailed cost analysis for my treatment system that justifies this increase.

I would like to reiterate from my last letter that I understand that the treatment facility servicing my subdivision (Helias Drive Wastewater Treatment Plant) consists of gravity fed concrete settling/aeration tanks that may or may not include chemical treatment and the effluent discharges directly to a nearby stream. These types of small, domestic treatment systems are primitive compared to some of the larger neighboring districts and lack the more sophisticated treatment processes. According to my resources, the operating costs for the type of wastewater

treatment system servicing my subdivision are usually much lower compared to larger, more complicated, treatment systems.

I recommend that Aqua Missouri look at applying for stimulus money to help pay for system upgrades and increased operating expenses. I have noticed that numerous other utility companies in the Mid-Missouri area are cashing in on President Obama's stimulus package (American Recovery and Reinvestment Act of 2009). This is exactly the type of use the Act was set up for and Aqua Missouri should have no problem qualifying. Why isn't Aqua Missouri trying to obtain this type of funding instead of going directly to the consumers who are already struggling in a tough economy?

If Aqua Missouri must pass along increased operating costs to consumers, I recommend that they look at charging customers based upon water usage and the type of wastewater treatment system that they are hooked up to (i.e. rates proportional to cost of operation). I feel that this is a more fair option compared to charging flat rates and passing along costs of more complicated treatment systems to customers on those systems that require less operating costs and maintenance. A monthly charge based on water usage also allows the customer to benefit from trying to conserve water in their household and thus contributing to a greener lifestyle and ultimately improve our global environment.

In the age of dwindling groundwater supplies, increased recycling, conserving resources, and reducing carbon footprints; wouldn't applying charges that would encourage water consumption be a more fitting option? Public Service Commissioners, I plead that you will choose not to allow Aqua Missouri to increase flat monthly rates from an already inflated amount that would promote increased waste generation, but instead recommend that they switch to water usage based rates that would lead to increased water conservation and ultimately a cleaner world.

Thank you for your time and attention to this matter.

Sincerely,

A handwritten signature in cursive script that reads "Shawn Muenks".

Shawn Muenks, P.E.

cc: Office of the Public Counsel
Attn: Water/Sewer Dept.