



CONFLUENCE RIVERS

Utility Operating Company

A CSWR Managed Utility

August 26, 2019

Morris L. Woodruff, Secretary
Missouri Public Service Commission
200 Madison Street, P.O. Box 360
Jefferson City, MO 65102-0360

RE: Notice of Staff-Assisted Rate Case Filing (Water and Sewer)

Dear Mr. Woodruff:

Under authority of, and in accordance with, 4 CSR 240-10.075, Confluence Rivers Utility Operating Company, Inc. (“Confluence Rivers” or “the Company”) gives notice of its intent to increase rates for water and sewer services provided to customers in the Company’s Missouri service area. Rates Confluence Rivers proposes would increase overall annual operating revenues for water service by approximately \$368,360 and for sewer service by approximately \$527,721. This rate increase request – the first since the Commission approved the Company’s acquisition of the affected systems – reflects cost increases Confluence Rivers will incur to fulfill its commitment to improve and operate those systems in a manner that ensures customers receive safe and reliable service that fully complies with all Commission and Missouri Department of Natural Resources regulations.

The requested increases are necessary to recognize, among other things, increases in the Company’s operations and maintenance, customer service, administrative and general, and insurance expenses. The increases also seek a fair return on the Company’s rate base, which must be reset to reflect the remaining net book value of the acquired systems, reasonable costs incurred for acquisition of those systems, initial investments made for system improvements, and the appraised value of real estate devoted to the public service.

To mitigate the effects of possible rate shock, Confluence Rivers also seeks approval of a single tariff reflecting consolidated rates and service rules for its water and sewer customers.

Confluence Rivers qualifies for the Staff-assisted rate increase procedure because the Company is a corporation in good standing with the Missouri Secretary of State, is not delinquent in payment of its Commission assessments or in its annual report filings, and is a “small utility” as that term is defined by 4 CSR 240-10.75(1)(A).

The Company looks forward to working with the Commission Staff to quickly complete all steps required by the Staff-assisted rate case procedure rule.

Sincerely,

L. Russell Mitten
General Counsel