

RATE INCREASE REQUEST LETTER – WATER SERVICE

January 31, 2012

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

FILED

JAN 31 2012

Missouri Public
Service Commission

RE: Request for Increase in Annual Water System Operating Revenues
MO PSC Small Utility Rate Case Procedure

Dear Secretary:

Oakbrier Water Company, Inc. (the Company) holds a certificate of public convenience and necessity granted by the Missouri Public Service Commission (the Commission), under which the Company provides water supply and distribution services in Butler County, Missouri. The Commission first authorized the Company to provide regulated water utility service in July 1989. The Company currently provides service to approximately 60 water customers within its certificated service area under the provisions of its Commission-approved tariffs. The Company's customer rates for water service were last changed in November 2009.

Pursuant to 4 CSR 240-3.050, the Commission's rule pertaining to rate increase requests made by qualifying small utilities, the Company is hereby requesting an increase of \$2,160 in its annual water system operating revenues. Based upon current customer rates and customer numbers, this increase represents a change of approximately 19% in the Company's annual water 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 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 utility plant investment due to the Company this year has put a new roof on the building and in the process of doing other improvements to the well house and shelter for the well itself; increases in operation and maintenance expenses including but not limited to increased utility rates for pumping and cost of material for repairs and replacement of water line and in the upkeep of the system itself. Further there have also been increases in other areas including; increases in the Commission's annual utility assessments, billing expenses, meter reading cost, DNR Laboratory fees, accounting and attorney fees and of course fuel expense, etc.

Furthermore, the Company requests a waiver of Commission Rule 4 CSR 240-4.020(2), requiring notice to be filed with the secretary of the Commission a minimum of sixty days prior to filing a small company rate case :due to the very small size of the company, the lack of time and discriminatory funding available in the very small private sector for these companies to keep

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in compliance; failure to have the opportunities available to them as with the public entities and larger companies, and also the lack of affordability the Company has to hire the professionals to assist in the rate process: and because the Company needs to have new rates take effect as soon as possible and the Company cannot wait an additional sixty days to file.

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

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

Sincerely,

/s/

Rodger Owens
President

Copies: Jim Russo – Commission Staff
Christina Baker– Office of the Public Counsel