

# **L. W. Sewer Corporation**

**P.O. Box 265**

**Hillsboro, MO 63050**

**636-797-3929**

**3023**

**June 25, 2004**

Dear Customer:

On May 3, 2004, L.W. Sewer Corporation (Company) submitted a request for a permanent increase in its current sewer rates and charges, under the Missouri Public Service Commission's (Commission) small company rate increase procedure.

By its request, the Company is seeking increases in its customer rates intended to generate an increase in its annual sewer operating revenues of \$28,525 (approximately 88%). In its request, the Company stated that this increase in its operating revenues is necessary due to increased operations and maintenance expenses, increases in utility plant investments, increases in the Commission's annual assessments, increases in the Department of Natural Resource's annual sewer discharge permit fees and various other increased expenses. In its request, the Company also recognized that changes to its service charges, connection fees, general business practices, customer service practices and general tariff provisions, and the design of its customer rates, might occur. An increase of 88% in the Company's current monthly rate of \$13.81 would result in a new monthly rate of \$25.96.

In the near future, the Staff of the Public Service Commission (Commission Staff) will conduct an independent audit of the Company's books and records, and an investigation of the Company's business and system operations. Based upon that audit and investigation, the Commission Staff will develop its positions regarding the Company's requested increase in its annual operating revenues. Additionally, the Commission Staff will develop positions regarding the need for changes in the Company's service charges, connection fees, general tariff provisions, business operations and system operations, and in the design of the Company's customer rates.

The Office of the Public Counsel (OPC), a state agency responsible for representing the interests of utility consumers before the Commission, may also conduct its own audit and investigation, but at a minimum will review the results of the Commission Staff's audit and investigation.

Any customer who has questions or comments regarding the Company's rate increase request, or who has comments regarding recent service-related problems, should contact the Commission Staff and/or the OPC, within 30 days of the date of this notice. To do so, please use the mailing addresses, telephone numbers, fax numbers or e-mail addresses shown below, and please also include a reference to request number QS-2004-0010. As a part of their investigations into the Company's rate increase request, the Commission Staff and the OPC will review all customer comments they receive in response to this notice.

Public Service Commission  
Attn: Water/Sewer Dept.  
P.O. Box 360  
Jefferson City, MO 65102  
Phone: 800-392-4211  
Fax: 573-751-1847  
E-Mail: [pscisd@psc.mo.gov](mailto:pscisd@psc.mo.gov)

Office of the Public Counsel  
Attn: M. Ruth O'Neill  
P.O. Box 2230  
Jefferson City, MO 65102  
Phone: 573-751-4857  
Fax: 573-751-5562  
E-Mail: [mopco@ded.mo.gov](mailto:mopco@ded.mo.gov)

Upon completion of the Commission Staff's and the OPC's investigations, the Company may be required to send out a second customer notice regarding the results of the investigations. Additionally, the OPC may request that the Commission hold a local public hearing. However, neither a second customer notice nor a local public hearing will happen automatically. Therefore, please take the time now to express your views about the Company's rate increase request, and its business and system operations, to the Commission Staff and the OPC.

Regardless of whether the Company sends out a second customer notice, or whether a local public hearing is eventually held, no increase in rates will take effect without the specific approval of the Public Service Commission.

If you have questions about this notice, or about anything else that I may be of assistance with, please feel free to contact the Company's office at the telephone number listed at the top of the first page of this notice.

Sincerely,

Clyde Pratt – President  
L.W. Sewer Corporation