NOEL WATER COMPANY, INC.

P.O. Box 465 NOEL, MISSOURI 64854 417-475-3191

March 9, 2005

Mr. Dale Hardy Roberts, Secretary MO Public Service Commission PO Box 360 Jefferson City, MO 65102 RECLIVED²

Records
Public Service Commission

MAR 1 4 2005

Dear Mr. Roberts:

The Noel Water Company is applying for a general increase in water revenues through the informal rate proceedings for small companies as provided for in Rule 4 CSR 240-3.365. The Noel Water Company, a Missouri Corporation, operates under a certificate of convenience and necessity issued by the Missouri Public Service Commission, to sell and distribute potable water in the city of Noel, Missouri. The Noel Water Company has a total of 706 service connections and a total of 645 average customers, thereby qualifying as a small company. The Company is regulated by the Missouri Public Service Commission and the Department of Natural Resources and is in compliance with the rules and regulations of these state agencies.

The tariffs presently in effect were approved by the Commission and made effective July 1,1996.

The amount of general water revenue increase over the most recent year, 2004, is \$42,000. The reason for this increase is based on increased salaries, electrical energy rate increases, increased chemical costs and general costs of operating supplies and in addition, provide a 9% rate of return on capital investment.

Our 2004 annual report has been previously filed with the Commission, and all annual assessments are paid in full. A copy of a proposed customer notice letter is also enclosed for your review and approval or modification, for mailing on March 29, 2005.

Sincerely

Dan M. Harmon

enclosure cc:Office of Public Counsel DMH/rah

MAR 1 4 2005

Adjudication Division

To Polyice Committee

NOEL WATER COMPANY, INC.

P.O. Box 465 NOEL, MISSOURI 64854 417-475-3191

March 29, 2005

Dear Customer:

On March 9, 2005 the company filed for a permanent increase in its current rates under the Missouri Public Service Commission's small rate procedure.

In the request the company has requested to increase annual water revenue by approximately \$42,000 or 17%. The company has requested rates be increased in the permanent as follows:

Monthly Minimum

Current	Requested '	%Increase
\$ 3.39	\$ 3.97	17%
4.50	5.25	17%
6.71	7.85'	17%
18.90	22.10	17%
56.59	66.20	17%
96.80	113.25	17%
\$ 1.30	\$ 1.50	17%
		•
.26	.30	17%
	\$ 3.39 4.50 6.71 18.90 56.59 96.80	\$ 3.39 \$ 3.97 4.50 5.25 6.71 7.85' 18.90 22.10 56.59 66.20 96.80 113.25 \$ 1.30 \$ 1.50

The staff of the Missouri Public Service commission will conduct an independent investigation of the books, records, and operations of the company and will make its recommendation based on that investigation. The Office of the Public Counsel, a state agency responsible for representing the interest of the consumer before the Missouri Public Service Commission, may also make an investigation.

The staff is requesting that any customer who has any questions, comments or service problems, to please contact the Missouri Public Service Commission at the address below, or the Office of the Public Counsel, within thirty (30) days. During the investigations by the staff and Public Council, all questions, comments or service problems will be addressed.

Once the Commission staff completes its investigation, you will be notified by mail of the staff's recommendation, and be given an opportunity to comment on it before it is presented to the five (5) member Commission for its consideration.

DAN M. HARMON

Missouri Public Service Commission Water and Sewer Department PO Box 360 Jefferson City, MO 65102 Phone (573) 751-3437 or (800) 392-4211

Office of the Public Counsel PO Box 7800 Jefferson City, MO 65102 Phone: (573) 751-1304

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