

TCS Timber Creek Sewer Co., Inc.
P.O. Box 511 Platte City, MO 64079
(816) 858-3989

April 6, 2007

FILED²

APR 09 2007

**Missouri Public
Service Commission**

Secretary of the Commission
Missouri Public Service Commission

Attn: Data Center

P.O. Box 360
Jefferson City, MO 65102

RE: Initial Customer Notice
Small Company Rate Increase Request
MO PSC Work I.D. No. QS-2007-0008

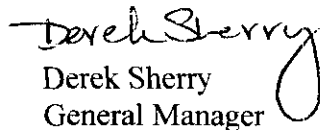
Dear Secretary:

Enclosed for placement in the above-referenced Commission tracking file is a copy of the Company's April initial customer notice regarding the Company's small company rate increase request.

This notice was mailed to the Company's customers April 6, 2007, and was approved by the Commission's Water & Sewer Department Staff before it was mailed.

Please let me know if you need anything further regarding this matter.

Sincerely,


Derek Sherry
General Manager

Enclosure

Copies (w/enclosure):

Jim Russo – Commission Staff
Lewis Mills – Public Counsel

Timber Creek Sewer Co., Inc.

P. O. Box 511 Platte City, MO 64079
(816) 858-3989

INITIAL CUSTOMER NOTICE

April 6th, 2007

Dear Customer:

On March 22nd¹, 2007, Timber Creek Sewer Company (Company) submitted a request for permanent increases in its current sewer rates to the Missouri Public Service Commission (Commission), under the provisions of the Commission's 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 \$120,000 (approximately 32.24%). The Company believes this increase in its operating revenues is necessary due to increases in utility plant and infrastructure investment; increases in operation and maintenance expenses; increases in the Commission's annual utility assessments; increases in the Department of Natural Resources' annual sewer discharge permit fees; and additional staff needed to support the business. In its request, the Company also requested certain changes to its service charges and connection fees, and recognized that changes to its general business practices, customer service practices and general tariff provisions, and the design of its customer rates, might occur. Set out at the end of this notice is a table that includes a comparison of the Company's current customer rates and the current rate increased by 32.24% and the requested changes in its service charges and connection fees. A monthly bill comparison is also shown.

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-2007-0008**. 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: water.sewer@psc.mo.gov

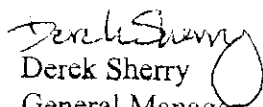
Office of the Public Counsel
Attn: Water/Sewer Dept
P.O. Box 2230
Jefferson City, MO 65102
Phone: 573-751-857
Fax: 573-751-5562
E-Mail: mopco@ded.mo.gov

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 with which I may be of assistance, please feel free to contact the TCSC staff or myself at the telephone number listed below.

Sincerely,


Derek Sherry
General Manager
(816) 858-3989

Type of Charge	Current Rates (Establish July 2004)	Propose Rates	Percentage Increase
Total Monthly Bill	\$26.97	\$35.67	32.24%
Grinder Pump (additional monthly charge)	\$0	\$5	
Return Check Charge	\$25	\$30	20%
Delinquent Account Collection Fee (more than 2 months past due)	0\$	\$25	
Service Connection Fee (for new residential sewer connection)	\$1600	\$3200	100%
Permit/Inspection Fee	\$50	\$100	100%
Re-Inspection Fee	\$25	\$50	100%