



P.O. Box 7017  
5402 Bus. Hwy. 50 W. Suite 3  
Jefferson City, MO 65102

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JUN 10 2005

UTILITY OPERATIONS  
DIVISION

## **Aqua Development, Inc. – Ozark Meadows II Service Area (Wastewater Only)**

Dear Customer:

On May 14, 2005, Aqua Development, Inc., doing business as Aqua Missouri, Inc. (Company) submitted a request for increases in its annual water and wastewater operating revenues to the Missouri Public Service Commission (Commission), under the provisions of the Commission's small company rate increase procedure. The Company's current rates have been in effect since 1994.

In addition to the requested increases in its annual water and wastewater operating revenues, the Company is also seeking certain changes to its service charges and connection fees. The request also recognizes that changes to the Company's general business practices, customer service practices and general tariff provisions might occur. Lastly, the Company's request includes a proposed change in the design of the Company's customer rates whereby all customers, regardless of their service area location, would pay the same rates for the services received. A table showing a monthly bill comparison for residential customers is included at the end of this notice.

The Company's requested increases in its operating revenues are necessary to recover increases in the Company's general operating expenses and to allow it to recover a return on its investments in the significant capital improvements that have been completed since the Company's last rate case in 1994.

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 on 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 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-2005-0008**. 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: [pscisd@psc.mo.gov](mailto:pscisd@psc.mo.gov)

Office of the Public Counsel  
Attn: Lewis Mills  
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 with which we may be of assistance, please feel free to contact us at the telephone number listed below.

Aqua Missouri, Inc.  
Customer Service  
1-800-851-1305

The table below shows the total monthly bill that a residential customer using 5,000 gallons of water per month would pay at both the Company's current and proposed rates.

AQUA MISSOURI - OZARK MEADOWS II				
Type of Customer	Current Monthly Rate	Proposed Monthly Rate	Dollar Increase	Percentage Increase
Residential wastewater	\$ 35.00	\$ 75.54	\$ 40.54	115.84%