

EVERGREEN LAKES WATER SUPPLY CO. INC.

P. O. BOX 138  
CEDAR HILL, MO 63016

June 2, 2005

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

RECEIVED<sup>2</sup>  
JUN 07 2005  
Records  
Public Service Commission

RE: Initial Customer Notice  
Small Company Rate Increase Request  
MO PSC Case/Tracking No. QW-2005-007

Dear Secretary:

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

This notice was mailed to the Company's customers today, 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,



Eunice Jones  
Secretary-Evergreen Lake Water Company

Enclosure

Copies (w/enclosure):

Jim Russo - Commission Staff  
John Coffman - Public Counsel

**EVERGREEN LAKES WATER SUPPLY CO. INC.**  
**P. O. BOX 138**  
**CEDAR HILL, MO 63016**

**INITIAL CUSTOMER NOTICE**

May 31, 2005

Dear Customer:

On May 2, 2005, Evergreen Lakes Water Company, Inc. (Company) submitted a request for permanent increases in its current water 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 water operating revenues of \$9,549.85 (approximately 84%). The Company believes this increase in its operating revenues is necessary due to an increase in operation and maintenance expenses and an opportunity to provide an adequate return on investment. In its request, the Company 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 rates increased by 84%. A monthly bill comparison, which is based upon an assumed water usage of 6,000 gallons, 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 operation 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 interest 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, by July 1, 2005. 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 QW-2005-0007. 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:

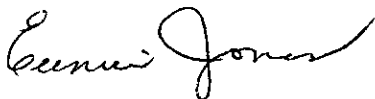
Office of the Public Counsel  
Attn: John Coffman  
P. O. Box 2230  
Jefferson City, MO 65102  
Phone: 573-751-4857  
Fax: 573-751-5562  
E-Mail:

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 me at 636-274-2636 after 5:00 P.M.

Sincerely,



Eunice Jones  
Secretary-Evergreen Lakes Water Company, Inc.

Type of Charge	Current Rates	Rates Increased by 23.6%
Monthly Minimum Charge	\$5.14	\$9.46
Usage (Per 1,000 gallons)	\$1.54	\$2.83
Total Monthly Bill (at 6,000 gallons usage)	\$14.38	\$26.44
Tap on Fee	\$75.00	\$800.00