

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a Session of the Public Service
Commission held at its office
in Jefferson City on the 30th
day of December, 1992.

In the matter of Evergreen Lake Water)
Co Inc.'s tariff sheet increasing) CASE NO. WR-93-187
water rates pursuant to the informal)
rate procedure.)

ORDER APPROVING TARIFF

On December 10, 1992, Evergreen Lake Water Co. Inc. (Evergreen) filed with the Commission a request for a rate increase for its water service as the result of an informal rate procedure initiated on June 29, 1992, pursuant to Commission Rule 4 CSR 240-12.060(8). Initial notice of the proposed rate increase was sent to all customers by Evergreen on July 22, 1992. Subsequently, notice was given to all customers by Evergreen on November 10, 1992 of the proposed agreed-upon rate increase for water service, reviewed and recommended by the Staff of the Commission. Evergreen serves approximately 33 residential and one commercial water customer. Upon initial notification, two customer responses were received, both of which were rectified by the Staff. No customer complains were received after the second notification.

After review, the Commission Staff, Office of the Public Counsel (OPC) and Evergreen have reached agreement on the proposed rate increase for water service as set out in Evergreen's tariff, filed December 10, 1992, which reflects an eight percent increase in the water monthly service charge. The Staff states that they have completed an investigation of the books, records and operations of Evergreen as they relate to the provision of water service and have submitted a summary of accounting and rate design workpapers. As a result, the Staff, OPC and Evergreen have agreed to a proposed water rate increase and in

furtherance, Staff recommends approval of the tariff filing of December 10, 1992, which reflects the following:

Monthly Service Charge:	5/8"	meter	\$ 5.14
	1"	meter	\$12.85
	1-1/2"	meter	\$25.69

Commodity Charge per	
1,000 gallons	\$ 1.54

Staff states that this filing will have no effect on any other matters Evergreen may have pending before the Commission at this time.

On this basis the Commission concludes that a public hearing is not necessary in this matter and finds as follows:

Evergreen provides water service for approximately 33 residential customers and one commercial customer in the vicinity of Cedar Hill in Jefferson County, Missouri, and is regulated by the Commission. Evergreen is requesting this rate increase in order to build up a contingency fund to provide sufficient capital for any major repairs which may occur. Staff, in calculating a revenue requirement for Evergreen, allowed a \$1,000.00 per month contingency expense, thus generating an additional revenue requirement of \$1,096.00 over current revenue. This translates to a rate increase of 7.59 percent on an average usage of 5,000 gallons per month. The Staff recommended and OPC and Evergreen agreed upon a rate increase of eight percent per month, which is reasonable and justified and will allow Evergreen to provide safe, adequate and reliable service at reasonable rates. The Commission determines the new rates to be just and reasonable and therefore approve them. Since the proposed rate increase exceeds seven percent, the Commission will direct Evergreen to submit the information required by Section 393.275, RSMo 1986.

IT IS THEREFORE ORDERED:

1. That the following tariff filed by Evergreen Lake Water Co Inc., on December 10, 1992, be hereby approved for service on and after January 10, 1993:

P.S.C. MO. No. 2

1st Revised Sheet No. 4, Cancelling Original Sheet No. 4.

2. That Evergreen Lake Water Co Inc., shall file with the Commission the names of any and all cities and counties which impose a business tax license on its operations, with an estimate of the annual increase in gross receipts resulting from the tariff increase from customers residing in that city or county within ten (10) days of the date of approval of this order.

3. That this order shall become effective on January 10, 1993.

BY THE COMMISSION

Brent Stewart
Executive Secretary

(S E A L)

McClure, Chm., Mueller and
Rauch, CC., Concur.
Perkins and Kincheloe, CC.,
Absent.