

Moore Bend Water Co.
417- 294 -0920

June 15, 2006

RECEIVED

JUN 19 2006

UTILITY OPERATIONS
DIVISION

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. QW-2006-0006

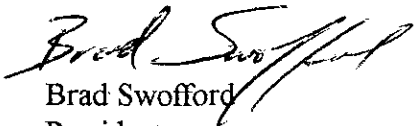
Dear Secretary:

Enclosed for placement in the above-referenced Commission 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,



Brad Swofford
President

Enclosure

Copies (w/enclosure):

Jim Russo – Commission Staff
Lewis Mills – Public Counsel

Moore Bend Water Co.
417-294-0920

June 15, 2006

Dear Customer:

On May 25, 2006, Moore Bend Water Co. (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 \$9,000 (approximately 90.00%). The Company believes this increase in its operating revenues is necessary due to increases in operation and maintenance expenses and an inadequate return on investment. In its request, the Company recognized that changes to its service charges, connection fees, 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 90.00%. 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 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 QW-2006-0006. 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

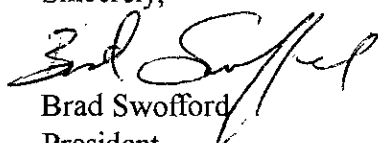
Office of the Public Counsel
Attn: Lewis Mills
P.O. Box 2230
Jefferson City, MO 65102
Phone: 573-751-4857
Fax: 573-751-5562
E-Mail: mopco@ded.mo.gov

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 me at the telephone number listed at the top of the first page of this notice.

Sincerely,



Brad Swofford
President

<u>Type of Charge</u>	<u>Current Rates</u>	<u>Rates Increased by xx.xx%</u>
Monthly Minimum Charge (includes 2,000 gallons)	\$ 8.24	\$15.65
Usage Over 2,000 gallons (per 1,000 gallons)	\$ 1.47	\$2.79
Total Monthly Bill (at 6,000 gallons usage)	\$14.12	\$26.82