

**RATE INCREASE REQUEST LETTER – SEWER SERVICE**

November 24, 2008

**FILED<sup>3</sup>**

NOV 26 2008

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

Missouri Public  
Service Commission

RE Request for Increase in Annual Sewer System Operating Revenues  
MO PSC Small Utility Rate Case Procedure

Dear Secretary

R D Sewer Company LLC (Company) holds a certificate of public convenience and necessity granted by the Missouri Public Service Commission (Commission), under which the Company provides sewer collection and treatment services in Stoddard County, Missouri. The Commission first authorized the Company to provide regulated sewer utility service in February 1980. The Company currently provides service to approximately 172 sewer customers within its certificated service area under the provisions of its Commission-approved tariffs. The Company's customer rates for sewer service are the same as they were when the Commission first authorized the Company to provide its regulated utility service.

Pursuant to 4 CSR 240-3 050, the Commission's rule pertaining to rate increase requests made by qualifying small utilities, this filing is in response to the Commission's order to file for permanent rate within 30 days of the Commission's order number SO-2008-0289. The Company is hereby requesting that the interim rate approved by the Commission in case number SO-2008-0289 become permanent. This change will result in zero additional revenue for the Company from the interim rates to the permanent rates. The Company understands that the design of its customer rates, its service charges, its customer service practices, its general business practices and its general tariff provisions will also be reviewed during the Commission Staff's review of the rate increase request, and may thus be the subject of Staff recommendations at the conclusion of the rate increase process.

The specific reasons for the requested change from interim rates to permanent rates in the Company's annual operating revenues include increases in utility plant investment due to the replacement of a new grinder pump and electrical box and wiring to lift station #1 at Grants apartments, the constant repairs of the old grinder pumps at lift station #2 to keep it running due to no standby pumps available, also the replacement of blower motor at the treatment plant and rebuilt two 15 hp electric motors at the treatment plant. The increased utility rates for operation of the treatment facility and the cost of material and labor expense for the upkeep at the plant. The increase in the Commission's annual utility assessments, increases in the Department of Natural Resources' annual sewer discharge

Missouri Public Service Commission  
Re: Increase in Operating Revenues  
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permit fees, sludge hauling expenses, laboratory testing expenses, billing expenses, accounting and attorney fees, insurance and fuel expenses

Lastly, I wish to advise you that the Company is current on the payment of its Commission annual assessments (all past assessments have been paid in full and the current assessment is being paid quarterly) and the filing of its Commission annual reports. Additionally, the Company will remain current on these items during this small company rate increase procedure.

Thank you for your attention to this important matter. Please contact me at your convenience if you need additional information regarding this request.

Sincerely,

/s/ Rodger Owens

Rodger Owens  
Manager

Copies: Jim Russo – Commission Staff  
Christina Baker – Office of the Public Counsel