



Commissioners

SHEILA LUMPE
Chair

HAROLD CRUMPTON

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ROBERT G. SCHEMENAUER

M. DIANNE DRAINER
Vice Chair

Missouri Public Service Commission

POST OFFICE BOX 360
JEFFERSON CITY, MISSOURI 65102
573-751-3234
573-751-1847 (Fax Number)
<http://www.ecodev.state.mo.us/psc/>

May 1, 2000

BRIAN D. KINKADE
Executive Director

GORDON L. PERSINGER
Director, Research and Public Affairs

WESS A. HENDERSON
Director, Utility Operations

ROBERT SCHALLENBERG
Director, Utility Services

DONNA M. KOLILIS
Director, Administration

DALE HARDY ROBERTS
Secretary/Chief Regulatory Law Judge

DANA K. JOYCE
General Counsel

Mr. Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102

RE: Case No. SR-2000-595

FILED²

MAY 01 2000

Missouri Public
Service Commission

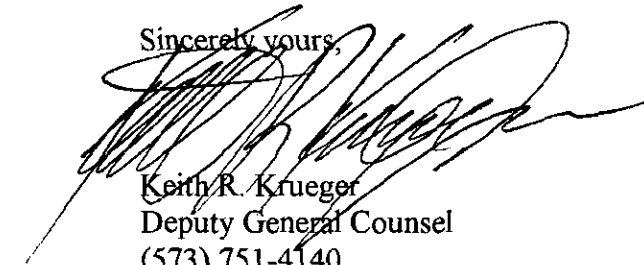
Dear Mr. Roberts:

Enclosed for filing in the above-captioned case are an original and eight (8) conformed copies of a **STAFF RECOMMENDATION**.

This filing has been mailed or hand-delivered this date to all counsel of record.

Thank you for your attention to this matter.

Sincerely yours,



Keith R. Krueger
Deputy General Counsel
(573) 751-4140
(573) 751-9285 (Fax)

KK/dkf
Enclosure
cc: Counsel of Record

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

FILED²
MAY 01 2000
Missouri Public
Service Commission

In the Matter of Emerald Pointe Utility)
Company's Tariff Sheet Designed to)
Increase Rates for Sewer Service Pursuant)
to the Commission's Informal Rate)
Procedure)

Case No. SR-2000-595

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission ("Staff"), and for its recommendation, states to the Missouri Public Service Commission ("Commission") as follows:

1. Emerald Pointe Utility Company ("Company") requested an increase in its sewer rates, pursuant to the Commission's Small Company Rate Increase Procedure, by letters that the Commission received on May 24, 1999 and May 25, 1999.

2. In the attached Memorandum, which is labeled Appendix A, the Staff recommends that the commission issue an order approving the revised tariff sheet, to be effective for service on and after May 10, 2000.

3. The Commission has the authority to approve the tariffs in accordance with Sections 393.140(11) and 393.150, RSMo (1994).

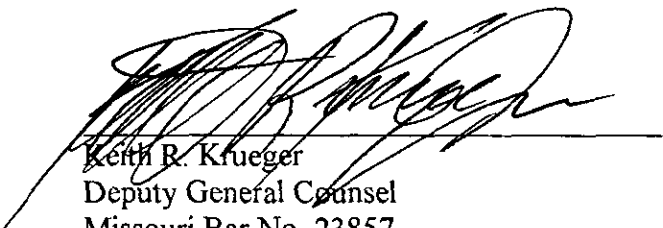
4. The Staff and the Company have negotiated and executed an Agreement Regarding Disposition of Small Company Rate Increase Request ("Agreement"). The Office of the Public Counsel did not sign the Agreement, but informed the Staff that it did not oppose the terms thereof. The Agreement and proposed tariff sheet P.S.C. No. 1, 1st Revised Sheet No. 4, canceling Original Sheet No. 4, have previously been filed in the case papers.

5. The Commission's Small Company Rate Increase Procedure is described in Rule 4 CSR 240-2.200. The procedure followed in this case complies with the requirements of that rule in general and with 4 CSR 240-2.200(1)(D), in particular.

WHEREFORE, the Staff respectfully requests that the Commission issue an order approving the revised tariff sheet, to be effective for service on and after May 10, 2000.

Respectfully submitted,

DANA K. JOYCE
General Counsel

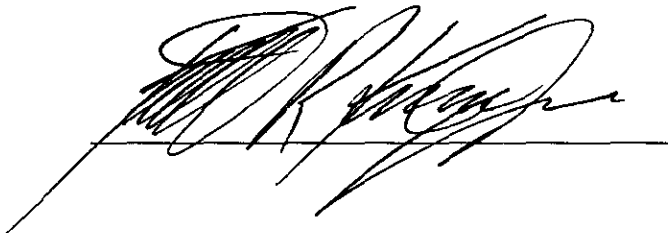


Keith R. Krueger
Deputy General Counsel
Missouri Bar No. 23857

Attorney for the Staff of the
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102
(573) 751-4140 (Telephone)
(573) 751-9285 (Fax)

Certificate of Service

I hereby certify that copies of the foregoing have been mailed or hand-delivered to all counsel of record as shown on the attached service list this 1st day of May 2000.



M E M O R A N D U M

TO: Missouri Public Service Commission Official Case File
Case No. SR-2000-595, Tariff File No. 99009
Emerald Pointe Utility Company

FROM: Wendell R. Hubbs - Project Coordinator
Steve Traxler - Accounting Department
Larry Cox - Accounting Department
Lisa Canady - Accounting Department
Jolie Mathis - Engineering & Management Service Department
Randy Wright - Financial Analysis Department
Bill Nickle - Water & Sewer Department

RECEIVED
APR 20 2000
DH 11:50 AM
COMMISSION COUNSEL
PUBLIC SERVICE COMMISSION

Wendell R. Hubbs 4/20/00 *WJH* 4/20/00
Project Coordinator/Date
[Signature] 5/1/00
General Counsel's Office/Date

SUBJECT: Staff's Recommendation for Approval of a Tariff Sheet to Effect
a Change in Customer Sewer Rates Pursuant to the Commission's
Small Company Rate Increase Procedure

DATE: April 20, 2000

Background

Emerald Pointe Utility Company (Company) initiated the subject small company rate increase request (Request) by letters that were received at the Commission's offices on May 24 & May 25, 1999 (see Schedule A). The Company submitted its Request under the provisions of Commission Rule 4 CSR 240-2.200, Small Company Rate Increase Procedure (the Informal Rate Case Procedure).

By its Request, the Company was asking for Commission approval of customer rates intended to generate an increase of \$2,500 in its total annual sewer service operating revenues. The Company provides sewer service to approximately 124 customers.

Appendix A

Upon review and acceptance of the Company's Request, the Commission's Records Department assigned Tariff File No. 9900916 to the Request for purposes of identification and tracking. The Records Department then forwarded the Request to the Commission's Water & Sewer Department for processing under the informal rate case procedure.

By a letter dated August 13, 1999, which the Water & Sewer Department Staff had previously approved, the Company notified its customers of the Request (see Schedule B). As a part of this notice, the Company requested that its customers' questions or comments be directed to the Commission Staff and/or the Office of the Public Counsel (OPC).

Staff's Investigation

The Staff's investigation of the Company's Request involved Staff members from the Accounting, Engineering & Management Services, Financial Analysis and Water & Sewer Departments. All Staff participants, as well as their up-line supervisors, were provided the opportunity to review this Memorandum prior to it being filed. Wendell R. Hubbs of the Water & Sewer Department created the initial draft of this Memorandum and comments from the reviewers were incorporated therein for creation of this final version.

In response to the customer notice dated August 13, 1999, the Staff received two (2) phone calls, one (1) letter and one (1) fax regarding the proposed increase. The complaints addressed the design of rates and level of the proposed increase. The customers' letter and fax have been placed in a "letter file" in the case papers. The Office of the Public Counsel

Mo. PSC Case No. SR-2000-595
Official Case File Memorandum
April 20, 2000
Page 3 of 5 Pages

(OPC) received the same documents addressing the initial customer notice.

Based upon its audit of the Company's books and records, an evaluation of the Company's depreciation rates and an analysis of the Company's capital structure and cost of capital, the Staff concluded that the Company could justify an increase of \$2,500 (approximately 7.5 %) in its annual sewer service operating revenues. Pursuant to correspondence, an Agreement Regarding Disposition of Small Company Rate Increase Request (Agreement) was reached between the Company and the Staff. That Agreement and a proposed tariff sheet have previously been filed in the case papers.

The Staff and Company have also agreed to the implementation of a "late payment charge" and the implementation of a "bad check charge" of \$15 per insufficient fund check.

Additionally, the Company has agreed that it will keep its books and records in accordance with the Uniform System of Accounts for Class C and D Sewer Utilities as prescribed by the National Association of Regulatory Utility Commissioners (NARUC). This includes using the Staff's calculation of plant, depreciation reserve and contributions in aid of construction ending balances. The Company also agrees that it will maintain its books and records for its water operations and sewer operations separately.

Copies of the Staff's revenue requirement accounting run (as used in the revenue requirement analysis) and the Staff's rate design worksheets are contained in Schedule C. The filed tariff sheet that created this case contains rates designed to generate the additional revenue requirement.

Mo. PSC Case No. SR-2000-595
Official Case File Memorandum
April 20, 2000
Page 4 of 5 Pages

That tariff sheet (see Schedule E-5) also contains language designed to implement the above-mentioned service charges.

Responses to Staff's Recommended Increase and Subsequent Actions

On February 15, 2000, Staff received verbal notification from Shannon Cook of the OPC whereby she stated that the OPC was not going to oppose Staff's recommendations.

By a letter dated January 26, 2000, the Company stated its agreement with the Staff's recommended increase of \$2,500 in the Company's annual operating revenues (see Schedule D). Company, at that time, stated that it was still reviewing the details of the rate design.

By a letter, which was received and stamped "filed" by the Records Department on March 23, 2000 (see Schedule E), the Company submitted to the Commission a revised tariff sheet including proposed rates and charges reflecting the "Agreement" between the Company and the Staff.

Consistent with the informal rate case procedure, the subject tariff sheet bore an effective date that was more than 30 days past the issue date. The filing of that tariff sheet resulted in the creation of the instant docket.

Staff's Recommendations

Based upon the above, the Staff recommends that the Commission issue an order in the instant docket approving the tariff sheet listed below, for service rendered on and after May 10, 2000.

Mo. PSC Case No. SR-2000-595
Official Case File Memorandum
April 20, 2000
Page 5 of 5 Pages

P.S.C. MO. No. 1

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

List Of Attachments

Attachment A	Company Letter Requesting Rate Increase
Attachment B	Initial Customer Notice
Attachment C	Staff Accounting and Rate Design Workpapers
Attachment D	Company Letter of Agreement with Staff
Attachment E	Tariff Filing Transmittal Letter, Company/Staff Agreement and Revised Tariff Sheet

EMERALD POINTE UTILITY CO.

III East Main

Branson, Missouri 65616

Phone 417 - 335 - 8398

Fax 417 - 546 - 5772

Missouri Public
Service Commission

REC'D MAY 24 1999

W/S Dept.

AWJ 5/24/99

May 20, 1999

RECEIVED

MAY 26 1999

Records
Public Service Commission

Mr. Dale Hardy Roberts
Executive Secretary
Missouri Public Service Commission
P.O. Box 360
Jefferson City, Mo. 65102

Dear Mr. Roberts

Emerald Pointe Utility Company (Company) holds a certificate of public convenience and necessity whereby it provides water and sewer service to the Emerald Pointe Subdivision located near Branson, Missouri.

The Company is applying for a 10% monthly increase (\$.89 for base rate and \$.29 increase for each additional 1,000 gallons and for a 10% monthly increase (\$1.66 for base rate and \$.58 increase for each additional 1,000 gallons of water used with the same cap of 8,000 gallons based on the water meter readings). Additionally, Company is asking to implement a late charge for utility bills, which are not paid after the 21st deadline.

A 10% late fee per month would be the rate asked for by the Company.

The additional revenues are necessary to meet current operating expenses and provide an adequate return on investment.

The Company is advising you that it is current on its PSC assessments. Also, the Company has filed its 1998 Annual Report for water and sewer companies as required by the Commission.

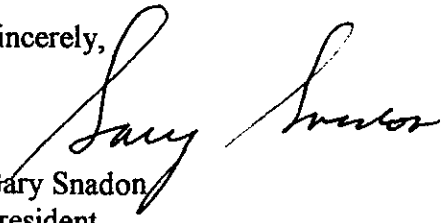
If you need additional information please feel free to contact me by telephone at (417) 335-8398.

Schedule A - 1

9900915 (W)

9900916

Sincerely,



Gary Snadon
President
Emerald Pointe Utility Company

CC: Office of the Public Counsel

MAY-25-99 09:08 AM

EMERALD POINTE UTILITY CO.

p1

III East Main

Branson, Missouri 65616

Phone 417 - 335 - 8398

Fax 417 - 546 - 5772

May 24, 1999

Dear Customer,

On May 20, 1999 Emerald Pointe Utility Company submitted a request for permanent increases in its current water and sewer rates and an implementation of a late payment charge, under the Missouri Public Service Commission (Commission) small rat increase procedure.

By its request, the Company is seeking an increase in its customer water rates intended to increase its annual operating water service revenues of \$ 2,500.00. It is also requesting an increase in its customer sewer rates intended to generate an increase in its annual operating sewer service revenues of \$ 2,500.00. The Company believes these increases in its operating revenues are necessary to allow it to meet current operating expenses and provide an adequate return on investments.

Set out below is a comparison of the Company's current customer rates and the customer rates it has requested, and the requested addition of a late payment charge. A monthly bill comparison, which is based upon an assumed water usage of 6,000 gallons, is also shown.


	Current Rates	Requested Rates
Water Rates		
Monthly Charge (includes up to 2,000 gallons)	\$ 8.93	\$ 9.82
Water Usage over 2,000 gallons (per 1,000 gallons)	\$ 2.92	\$ 3.21
Total Montly Water Bill (at 6,000 gallons usage)	\$ 20.61	\$22.66
Sewer Rates		
Monthly Charge (based on up to 2,000 gallons of water)	\$16.59	\$18.25
Usage over 2,000 gallons (per 1,000 gallons) (The maximum sewer bill for a residential customer will be for monthly water use representing 8,000 gallons)	\$ 5.83	\$ 6.41

Schedule A - 3

Total Monthly Sewer Bill (at 6,000 gallons usage)	\$ 39.91	\$43.89
Late Payment Fees	current rates n/a	requested rates 10%

Beginning sometime soon, The Staff of the Public Service Commission (Commission Staff) will conduct an independent investigation of the books, records, and operations of the Company. Based upon that investigation, the Commission Staff will then make its recommendations regarding the Company's rate increase requests, and necessary changes to system operations, to the Commission for its consideration.

The Office of the Public Counsel (Public Counsel), a state agency responsible for representing the interests of the consumer before the Commission, may conduct its own investigation, but at a minimum will review the results of the Commission Staff's investigation. The Public Counsel will then make its own recommendations regarding the Company's rate increase requests, and necessary changes to system operations, to the Commission for its consideration.

Any customer who has questions or comments regarding the Company's rate increase requests, or who has experienced recent service problems, should contact the Commission Staff and the Public Counsel within 30 days of the date of this notice. To do so, please use the addresses, telephone numbers, or fax numbers shown at the bottom of this notice. The Commission Staff and/or the Public Counsel will respond to all such customer contacts, during the course of their investigations. 

Upon completion of the Commission Staff's and the Public Counsel's investigations, the Company may be requested to send out a second customer notice regarding the results of the investigations. Additionally, the Public Counsel 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 requests, and the operation of its system, to the Commission Staff and the Public Counsel.

Regardless of whether the Company sends out a second notice, or whether a local public hearing is eventually held, no increase in rates will take effect without the approval of the Public Service Commission.

PH 1-23-77 09:09 HP

Sincerely,


Gary W. Snadon
President
Emerald Pointe Utility Company

Missouri Public Service Commission
Water and Sewer Department
P.O. Box 360
Jefferson City, Mo. 65102
Phone: 573/751-3437 or 800-392-4211
Fax: 573/751-1847

Office of the Public Counsel
Attn: John B. Coffman *Shamery cook*
P.O. Box 7800
Jefferson City, Mo. 65102
Phone: 573/751-4857 *1304*
Fax: 573/751-5562

Emerald Pointe Utility Company

111 East Main

Branson, Missouri 65616

Phone 417-335-8398 Fax 417-546-5772

AUG 16 1999

MO. PUBLIC SERVICE COMMISSION

August 13, 1999

Dear Customer,

On May 20, 1999 Emerald Pointe Utility Company submitted a request for permanent increases in its current water and sewer rates and an implementation of a late payment charge, under the Missouri Public Service Commission (Commission) small rat increase procedure.

By its request, the Company is seeking an increase in its customer water rates intended to increase its annual operating water service revenues of \$ 2,500.00. It is also requesting an increase in its customer sewer rates intended to generate an increase in its annual operating sewer service revenues of \$ 2,500.00. The Company believes these increases in its operating revenues are necessary to allow it to meet current operating expenses and provide an adequate return on investments.

Set out below is a comparison of the Company's current customer rates and the customer rates it has requested, and the requested addition of a late payment charge. A monthly bill comparison, which is based upon an assumed water usage of 6,000 gallons, is also shown.

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Monthly Charge (based on up to 2,000 gallons of water)	\$16.59	\$18.25

Usage over 2,000 gallons (per 1,000 gallons) (The maximum sewer bill for a residential customer will be for monthly water use representing 8,000 gallons)	\$ 5.83	\$ 6.41
Total Monthly Sewer Bill (at 6,000 gallons usage)	\$ 39.91	\$43.89
Current rates requested rates		
Late Payment Fees	n/a	10% per month

Beginning sometime soon, The Staff of the Public Service Commission (Commission Staff) will conduct an independent investigation of the books, records, and operations of the Company. Based upon that investigation, the Commission Staff will then make its recommendations regarding the Company's rate increase requests, and necessary changes to system operations, to the Commission for its consideration.

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Any customer who has questions or comments regarding the Company's rate increase requests, or who has experienced recent service problems, should contact the Commission Staff and the Public Counsel within 30 days of the date of this notice. To do so, please use the addresses, telephone numbers, or fax numbers shown below. The Commission Staff and/or the Public Counsel will respond to all such customer contacts, during the course of their investigations.

Missouri Public Service Commission Office of the Public Counsel

Water and Sewer Department

P.O. Box 360

Jefferson City, Mo. 65102

Phone: 573/751-3437 or 1-800/392-4211

Fax: 573/751-1847

Attn: Shannon Cook

P.O. Box 7800

Jefferson City, Mo. 65102

Phone: 573/751-1304

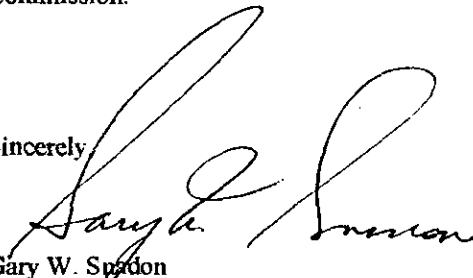
Fax: 573/751-5562

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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 requests, and the operation of its system, to the Commission Staff and the Public Counsel.

Regardless of whether the Company sends out a second notice, or whether a local public hearing is eventually held, no increase in rates will take effect without the approval of the Public Service Commission.

Sincerely,



Gary W. Spadon
President
Emerald Pointe Utility Company

Emerald Pointe Utility Corporation

Small Company Rate Filing - Sewer Service

File # 9900916

S-1 (A)

Rate Making Income Statement

	As Adjusted		Cost of Service
Revenue	\$33,409		
Expenses			
Salaries & Wages	\$239		\$239
Rents	\$400		\$400
Purchased Power	\$6,519		\$6,519
Chemicals	\$1,364		\$1,364
Misc. Supplies & Expenses	\$16		\$16
Wastewater Testing (Sup. & Eng.)	\$360		\$360
Maint of Pumping Equip.	\$75		\$75
Maint of Treatment & Disposal	\$67		\$67
Maint of Other Plant	\$226		\$226
Outside Services	\$248		\$248
Insurance Expense	\$603		\$603
Regulatory Commission Expense	\$1,087		\$1,087
Transportation Expenses	\$867		\$867
Postage Expenses	\$234		\$234
Telephone Expenses	\$598		\$598
Salaries & Wages	\$8,574		\$8,574
Payroll Taxes	\$656		\$656
Office supplies & Exp.	\$468		\$468
Operation & Maintenance Expenses	\$22,601		\$22,601
	\$0		
Operation & Maintenance Expenses	\$22,601		\$22,601
Earnings over O&M Exp	\$10,808		
Total COS Allowed	\$35,909		\$35,909
Increase Allowed	\$2,500	7.5%	

January 12, 2000

Missouri Public Service Commission Staff

Page 1 of 5

W. R. Hubbs

Schedule C - 1

Emerald Pointe Utility Corporation

Small Company Rate Filing - Sewer Service

File # 9900916

S-1 (A)

Sewer Rate Development

Sewer Rate

Total Sewer Cost of Service	\$35,909
Divided by Meter Equivalents	220
Equals: Cost per Meter Equivalent	\$163.59
Divided by 12 months/year	\$12.00
Equals: Monthly Cost per Equivalent	\$13.63

Meter Size	Customer	Flow Factor	Meter Equivalents
5/8"	108	1	108
1"	3	2.5	8
2"	13	8.0	104
Totals	124		220

Meter Size	Cost per Meter Equivalent	Flow Factor	Rate per Meter Size
5/8"	\$13.63	1	\$ 13.63
1"	\$13.63	2.5	\$ 34.08
2"	\$13.63	8.0	\$ 109.06
Totals			157

January 12, 2000

Missouri Public Service Commission Staff

Page 2 of 5

W. R. Hubbs

Emerald Pointe Utility Corporation

Small Company Rate Filing - Sewer Service

File # 9900916

S-1 (A)

Residential Sewer Customer Impact

	Monthly Charge
Proposed Rates	\$13.63
Current Rates	\$39.91
Difference	-\$26.28
Percentage Difference from Current Rates	-65.84%

January 12, 2000

Missouri Public Service Commission Staff

Page 3 of 5

W. R. Hubbs

Emerald Pointe Utility Corporation

Small Company Rate Filing - Sewer Service

S-1 (A)

File # 9900916

Proposed Charges

Annualized & Normalized Revenues

Sewer Revenues

Customer Numbers - 5/8" meter	108
-------------------------------	-----

Customer Bills	1296
----------------	------

Times:

Proposed Monthly Sewer Charge	\$	13.63
-------------------------------	----	-------

Equals:

Revenues 5/8 " Meter Service	\$17,668.18
------------------------------	-------------

Customer Numbers - 1" meter	3
-----------------------------	---

Customer Bills	36
----------------	----

Times:

Proposed Monthly Sewer Charge	\$	34.08
-------------------------------	----	-------

Equals:

Revenues 1 " Meter Service	\$1,226.96
----------------------------	------------

Customer Numbers - 2" meter	13
-----------------------------	----

Customer Bills	156
----------------	-----

Times:

Proposed Monthly Sewer Charge	\$	109.06
-------------------------------	----	--------

Equals:

Revenues 2 " Meter Service	\$17,013.81
----------------------------	-------------

Total Sewer Rate Revenues

\$35,909

January 12, 2000

Missouri Public Service Commission Staff

Page 4 of 5

W. R. Hubbs

Emerald Pointe Utility Corporation

Small Company Rate Filing - Sewer Service

S-1 (A)

File # 9900916

Accounting Department

Test Year Annualized & Normalized Revenues

Sewer Revenues

Minimum Bill Revenues

Customer Number	124
Customer Bills	1488
Times:	
Existing Minimum Monthly Charge	\$16.59
Equals:	
Annualized Minimum Bill Revenue	\$24,686

Commodity Charge Revenues

Total Gallons Used	6,737,784
Base Gallons Included in Minimum	1,629,723
Gallons over 8,000 per customer per month	3,611,830
Gallons Billed*	1,496,231 *
Times:	
Existing Commodity Charge	\$5.83
Equals:	
Annualized Commodity Charge Revenue	\$8,723

Total Sewer Rate Revenues

\$33,409

January 12, 2000

Missouri Public Service Commission Staff

Page 5 of 5

W. R. Hubbs

Emerald Pointe Utility Company - Sewer
Case: SR-99-916
For the Test Year Ended June 30, 1999

Revenue Requirement

Line 10.25%
Return

(A)		(B)
1	Net Orig Cost Rate Base (Sch 2)	\$ 540,335
2	Rate of Return	10.25%

3	Net Operating Income Requirement	\$ 55,384
4	Net Income Available (Sch 8)	\$ (20,972)

5	Additional NOIBT Needed	\$ 76,356
6	Income Tax Requirement (Sch 10)	
7	Required Current Income Tax	\$ 0
8	Test Year Current Income Tax	\$ 0

9	Additional Current Tax Required	\$ 0
10	Required Deferred ITC	\$ 0
11	Test Year Deferred ITC	\$ 0

12	Additional Deferred ITC Required	\$ 0

13	Total Additional Tax Required	\$ 0

14	Gross Revenue Requirement	\$ 76,356

Emerald Pointe Utility Company - Sewer

Case: SR-99-916

For the Test Year Ended June 30, 1999

Rate Base

Line Description		Amount	
(A)		(B)	
1	Total Plant in Service (Sch 3)	\$	735,954
	Subtract from Total Plant		
2	Depreciation Reserve (Sch 6)	\$	104,841
3	Net Plant in Service	\$	631,113
	Add to Net Plant in Service		
4	Cash Working Capital (Sch 11)	\$	0
5	Materials and Supplies-Exempt		0
6	Prepaid Insurance		0
	Subtract from Net Plant		
7	Federal Tax Offset 0.0000 %	\$	0
8	State Tax Offset 0.0000 %		0
9	City Tax Offset 0.0000 %		0
10	Interest Expense Offset 0.0000 %		0
11	Customer Advances for Construction		0
12	Contribution in aid of Construction		90,778
13	Deferred Income Taxes-Depreciation		0
14	Total Rate Base	\$	540,335

14:48 01/10/2000

Emerald Pointe Utility Company - Sewer

Case: SR-99-916

For the Test Year Ended June 30, 1999

Total Plant in Service

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
		(A)	(B)	(C)	(D)	(E)	(F)
Intangible Plant							
1	301.000	Organization	\$ 0	\$ 0	100.0000	\$ 0	\$ 0
2	302.000	Franchises	0	0	100.0000	0	0
3	303.000	Other Plant & Miscellaneous Equip	0	0	100.0000	0	0
4		Total	\$ 0	\$ 0		\$ 0	\$ 0
Collection Plant							
5	353.200	Land & Land Rights	\$ 0	\$ 0	100.0000	\$ 0	\$ 0
6	352.100	Collection Sewers - Force	78,797	0	100.0000	0 P-1	78,797
7	352.200	Collection Sewers - Gravity	96,874	0	100.0000	0 P-2	96,874
8	362.200	Special Collecting Sewers	0	0	100.0000	0	0
9	363.200	Services to Customers	0	0	100.0000	0	0
10	364.200	Flow Measuring Devices	0	0	100.0000	0	0
11	389.200	Other Plant & Miscellaneous Equip	0	0	100.0000	0	0
12	365.200	Flow Measuring Installations	0	0	100.0000	0	0
13		Total	\$ 175,671	\$ 0		\$ 0	\$ 175,671
System Pumping Plant							
14	353.300	Land & Land Rights	\$ 0	\$ 0	100.0000	\$ 0	\$ 0
15	354.400	Structures & Improvements	0	0	100.0000	0	0
16	362.000	Receiving Wells	0	0	100.0000	0	0
17	363.000	Pumping Equipment	164,625	427	100.0000	0 P-3	165,052
18	389.300	Other Plant & Miscellaneous Equip	0	0	100.0000	0	0
19		Total	\$ 164,625	\$ 427		\$ 0	\$ 165,052
Treatment & Disposal Plant							
20	310.000	Land & Land Rights	\$ 41,757	\$ 0	100.0000	\$ 0 P-4	\$ 41,757
21	311.000	Structures & Improvements	0	4,131	100.0000	0 P-5	4,131
22	373.000	Treatment & Disposal Equipment	265,235	2,922	100.0000	0 P-6	268,157
23	374.000	Plant Sewers	0	0	100.0000	0	0
24	375.000	Outfall Sewer Lines	80,936	0	100.0000	0 P-7	80,936
25	376.000	Other Plant & Miscellaneous Equip	0	0	100.0000	0	0
26		Total	\$ 387,928	\$ 7,053		\$ 0	\$ 394,981

Emerald Pointe Utility Company - Sewer
Case: SR-99-916
For the Test Year Ended June 30, 1999

Adjustments to Total Plant

Adj	Total Co	No Jutls	Description
Adjustment	Adjustment	Adjustment	

	\$	427	Pumping Equipment
			P-3

1. To capitalize costs associated with pumping equipment that were expensed in Account 701 during the test year.	\$	112
2. To capitalize the costs associated with pumping equipment that was expensed in Account 713 on the Company's books during the test year.	\$	461
3. To capitalize the costs associated with pumping equipment that was expensed in Account 713 on the Company's books during the test year.	\$	131
4. To capitalize the costs associated with pumping equipment that was expensed in Account 713 on the Company's books during the test year.	\$	195
5. To capitalize the costs associated with pumping equipment that was expensed in Account 713 on the Company's books during the test year.	\$	131
6. To capitalize the costs associated with pumping equipment that was expensed in Account 713 on the Company's books during the test year.	\$	341
7. To retire an estimated cost of old pumping equipment retiring old pump at 75% of new pump costs).	\$	(944)

Structures & Improvements	P-5	\$	4,131
---------------------------	-----	----	-------

1. To reclassify the costs associated with repairing and improving a fence damaged by heavy winds.	\$	619
2. To capitalize costs associated with constructing a building for the Sewer Operations.	\$	3,371

Emerald Pointe Utility Company - Sewer

Case: SR-99-916

For the Test Year Ended June 30, 1999

Adjustments to Total Plant

Adj No	Description	Total Co Adjustment	Mo Juris Adjustment
-----------	-------------	------------------------	------------------------

3.	To capitalize costs associated with constructing a building for the Sewer Operations.	\$ 72	
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4.	To reclassify costs associated with constructing a building. This item was capitalized in Account 311 on the Company's books for their Water Operations.	\$ 61	
----	--	-------	--

5.	To reclassify costs associated with constructing a building. This item was capitalized in Account 371 on the Company's books for their Water Operations.	\$ 8	
----	--	------	--

Treatment & Disposal Equipment	P-6	\$ 2,922	

1.	To capitalize the costs of parts for treatment and disposal equipment.	\$ 430	
----	--	--------	--

2.	To include the return of parts for treatment and disposal equipment.	\$ (200)	
----	--	----------	--

3.	To capitalize costs associated with treatment and disposal equipment. This item was found in Account 311 on Company's books in 1998.	\$ 2,667	
----	--	----------	--

4.	To reclassify costs associated with treatment and disposal equipment. This item was included in Account 345 on Company's books for the water operations.	\$ 25	
----	--	-------	--

Office Furniture & Equipment	P-8	\$ 250	

1.	To reclassify half of the costs of computer software that was purchased during the test year and expensed in Account 681 on Company's books for their Water Operations.	\$ 250	
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Emerald Pointe Utility Company - Sewer

Case: SR-99-916

For the Test Year Ended June 30, 1999

Depreciation Expense

Line No	Acct	Description	Adjusted Jurisdictional	Depreciation Rate	Depreciation Expense
		(A)	(B)	(C)	(D)
Intangible Plant					
1	301.000	Organization	\$ 0	0.0000	\$ 0
2	302.000	Franchises	0	0.0000	0
3	303.000	Other Plant & Miscellaneous Equip	0	0.0000	0
4		Total	\$ 0		\$ 0
Collection Plant					
5	353.200	Land & Land Rights	\$ 0	0.0000	\$ 0
6	352.100	Collection Sewers - Force	78,797	2.0000	1,576
7	352.200	Collection Sewers - Gravity	96,874	2.0000	1,937
8	362.200	Special Collecting Sewers	0	0.0000	0
9	363.200	Services to Customers	0	0.0000	0
10	364.200	Flow Measuring Devices	0	0.0000	0
11	389.200	Other Plant & Miscellaneous Equip	0	0.0000	0
12	365.200	Flow Measuring Installations	0	0.0000	0
13		Total	\$ 175,671		\$ 3,513
System Pumping Plant					
14	353.300	Land & Land Rights	\$ 0	0.0000	\$ 0
15	354.400	Structures & Improvements	0	0.0000	0
16	362.000	Receiving Wells	0	0.0000	0
17	363.000	Pumping Equipment	165,052	10.0000	16,505
18	389.300	Other Plant & Miscellaneous Equip	0	0.0000	0
19		Total	\$ 165,052		\$ 16,505
Treatment & Disposal Plant					
20	310.000	Land & Land Rights	\$ 41,757	0.0000	\$ 0
21	311.000	Structures & Improvements	4,131	0.0000	0
22	373.000	Treatment & Disposal Equipment	268,157	4.5000	12,067
23	374.000	Plant Sewers	0	0.0000	0
24	375.000	Outfall Sewer Lines	80,936	2.0000	1,619
25	376.000	Other Plant & Miscellaneous Equip	0	0.0000	0
26		Total	\$ 394,981		\$ 13,686

Emerald Pointe Utility Company - Sewer

Case: SR-99-916

For the Test Year Ended June 30, 1999

Depreciation Expense

Line No	Acct	Description	Adjusted Jurisdictional	Depreciation Rate	Depreciation Expense
		(A)	(B)	(C)	(D)
		General Plant			
27	353.500	Land & Land Rights	\$ 0	0.0000	\$ 0
28	354.500	Structures & Improvements	0	0.0000	0
29	391.000	Office Furniture & Equipment	250	5.0000	13
30	391.500	Transportation Equipment	0	0.0000	0
31	392.500	Stores Equipment	0	0.0000	0
32	393.500	Tools, Shop & Garage Equipment	0	0.0000	0
33	394.500	Laboratory Equipment	0	0.0000	0
34	395.500	Power Operated Equipment	0	0.0000	0
35	396.500	Communication Equipment	0	0.0000	0
36	397.500	Miscellaneous Equipment	0	0.0000	0
37	398.500	Other Tangible Plant	0	0.0000	0
38		Total	\$ 250		\$ 13

39		Total Depreciation Expense	\$ 735,954		\$ 33,717

Emerald Pointe Utility Company - Sewer

Case: SR-99-916

For the Test Year Ended June 30, 1999

Depreciation Reserve

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
		(A)	(B)	(C)	(D)	(E)	(F)
Intangible Plant							
1	301.000	Organization	\$ 0	\$ 0	100.0000	\$ 0	\$ 0
2	302.000	Franchises	0	0	100.0000	0	0
3	303.000	Other Plant & Miscellaneous Equip	0	0	100.0000	0	0
4		Total	\$ 0	\$ 0		\$ 0	\$ 0
Collection Plant							
5	353.200	Land & Land Rights	\$ 0	\$ 0	100.0000	\$ 0	\$ 0
6	352.100	Collection Sewers - Force	0	4,959	100.0000	0 R-1	4,959
7	352.200	Collection Sewers - Gravity	0	6,096	100.0000	0 R-2	6,096
8	362.200	Special Collecting Sewers	0	0	100.0000	0	0
9	363.200	Services to Customers	0	0	100.0000	0	0
10	364.200	Flow Measuring Devices	0	0	100.0000	0	0
11	389.200	Other Plant & Miscellaneous Equip	0	0	100.0000	0	0
12	365.200	Flow Measuring Installations	0	0	100.0000	0	0
13		Total	\$ 0	\$ 11,055		\$ 0	\$ 11,055
System Pumping Plant							
14	353.300	Land & Land Rights	\$ 0	\$ 0	100.0000	\$ 0	\$ 0
15	354.400	Structures & Improvements	0	0	100.0000	0	0
16	362.000	Receiving Wells	0	0	100.0000	0	0
17	363.000	Pumping Equipment	0	50,876	100.0000	0 R-3	50,876
18	389.300	Other Plant & Miscellaneous Equip	0	0	100.0000	0	0
19		Total	\$ 0	\$ 50,876		\$ 0	\$ 50,876
Treatment & Disposal Plant							
20	310.000	Land & Land Rights	\$ 0	\$ 0	100.0000	\$ 0 R-4	\$ 0
21	311.000	Structures & Improvements	0	124	100.0000	0 R-5	124
22	373.000	Treatment & Disposal Equipment	0	37,680	100.0000	0 R-6	37,680
23	374.000	Plant Sewers	0	0	100.0000	0	0
24	375.000	Outfall Sewer Lines	0	5,093	100.0000	0 R-7	5,093
25	376.000	Other Plant & Miscellaneous Equip	0	0	100.0000	0	0
26		Total	\$ 0	\$ 42,897		\$ 0	\$ 42,897

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Emerald Pointe Utility Company - Sewer

Case: SR-99-916

For the Test Year Ended June 30, 1999

Depreciation Reserve

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
		(A)	(B)	(C)	(D)	(E)	(F)
General Plant							
27	353.500	Land & Land Rights	\$ 0	\$ 0	100.0000	\$ 0	\$ 0
28	354.500	Structures & Improvements	0	0	100.0000	0	0
29	391.000	Office Furniture & Equipment	0	13	100.0000	0 R-8	13
30	391.500	Transportation Equipment	0	0	100.0000	0	0
31	392.500	Stores Equipment	0	0	100.0000	0	0
32	393.500	Tools, Shop & Garage Equipment	0	0	100.0000	0	0
33	394.500	Laboratory Equipment	0	0	100.0000	0	0
34	395.500	Power Operated Equipment	0	0	100.0000	0	0
35	396.500	Communication Equipment	0	0	100.0000	0	0
36	397.500	Miscellaneous Equipment	0	0	100.0000	0	0
37	398.500	Other Tangible Plant	0	0	100.0000	0	0
38		Total	\$ 0	\$ 13		\$ 0	\$ 13
39		Total Depreciation Reserve	\$ 0	\$ 104,841		\$ 0	\$ 104,841

Line	No	Acct Description	Test Year	Revenue	Expense	Net Lag	Factor	CWC Req
			Expenses	Lag	Lag	(C) - (D)	(COL E/365)	(B) x (F)
			(A)	(B)	(C)	(D)	(E)	(F)
		Operation and Maintenance Expense						
1		Cash Vouchers	\$	22,601	0.0000	0.0000	0.000000	\$
2		Cash Vouchers		0	0.0000	0.0000	0.000000	
3		Total Operation and Maintenance Expense	\$	22,601				\$
4		Total Taxes	\$	0				\$
5		Total Cash Working Capital Req						\$

Accounting Schedule: 7-1

Emerald Pointe Utility Company - Sewer
Case: SR-99-916
For the Test Year Ended June 30, 1999

Adjustments to Depreciation Reserve

Adj	No Description	Adjustment	Total Co	Adjustment	No Juris
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14:48 01/10/2000

Emerald Pointe Utility Company - Sewer

Case: SR-99-916

For the Test Year Ended June 30, 1999

Adjustments to Depreciation Reserve

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
-----------------------	------------------------	------------------------

***** Outfall Sewer Lines	R-7	\$ 5,093

1. To adjust account to reflect Commission approved depreciation rates.	\$	5,093
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***** Office Furniture & Equipment	R-8	\$ 13

1. To adjust account to reflect Commission approved depreciation rates.	\$	13
---	----	----

Emerald Pointe Utility Company - Sewer

Case: SR-99-916

For the Test Year Ended June 30, 1999

Income Statement

Line No	Acct	Description	Total Company	Total Co Adjustment	Alloc Factor	Jurisdictional Adjustment	Adjusted Jurisdictional
		(A)	(B)	(C)	(D)	(E)	(F)
Operating Revenues							
1		Measured Revenues	\$ 28,936	\$ 4,473	100.0000	\$ 0 S-1	\$ 33,409
2		Total	\$ 28,936	\$ 4,473		\$ 0	\$ 33,409
Operation & Maintenance Expense							
3		Labor and Expenses	\$ 1,723	\$ (1,484)	100.0000	\$ 0 S-2	\$ 239
4		Rents	0	400	100.0000	0 S-3	400
5		Purchased Power	6,248	271	100.0000	0 S-4	6,519
6		Chemicals	1,300	64	100.0000	0 S-5	1,364
7		Miscellaneous Supplies and Expenses	16	0	100.0000	0 S-6	16
8		Wastewater Testing (Supr. & Engin.)	300	60	100.0000	0 S-7	360
9		Maint. of Collections Sewer System	0	0	100.0000	0 S-8	0
10		Maint. of Pumping Equipment	892	(817)	100.0000	0 S-9	75
11		Maint. of Treatment and Disposal	67	0	100.0000	0 S-10	67
12		Maint. of Other Plant Facilities	226	0	100.0000	0 S-11	226
13		Outside Services Employed	103,120	(102,872)	100.0000	0 S-12	248
14		Insurance Expense	0	603	100.0000	0 S-13	603
15		Regulatory Commission Expenses	1,087	0	100.0000	0 S-14	1,087
16		Transportation Expenses	0	867	100.0000	0 S-15	867
17		Postage Expense	0	234	100.0000	0 S-16	234
18		Telephone Expenses	0	598	100.0000	0 S-17	598
19		Salaries and Wages	0	8,574	100.0000	0 S-18	8,574
20		Payroll Taxes	0	656	100.0000	0 S-19	656
21		Office Supplies and Expenses	0	468	100.0000	0 S-20	468
22		Total	\$ 114,979	\$ (92,378)		\$ 0	\$ 22,601
Depreciation Expense							
23		Depreciation Expense	\$ 0	\$ 0	100.0000	\$ 33,717 S-21	\$ 33,717
24		CIAC Related Depreciation Expense	0	(1,937)	100.0000	0 S-22	(1,937)
25		Total	\$ 0	\$ (1,937)		\$ 33,717	\$ 31,780
26		Other Operating Expenses	\$ 0	\$ 0		\$ 0	\$ 0
27		Total Operating Expenses	\$ 114,979	\$ (94,315)		\$ 33,717	\$ 54,381

Emerald Pointe Utility Company - Sewer
Case: SR-99-916
For the Test Year Ended June 30, 1999

Income Statement

Line	No	Acct	Description	Total	Total Co	Alloc	Adjustment	Factor	Adjustment	Additional
				(A)	(B)	(C)	(D)	(E)	(F)	

28			Net Income Before Taxes	\$ (86,043)	\$ 98,788				\$ (33,717)	\$ (20,972)
----	--	--	-------------------------	-------------	-----------	--	--	--	-------------	-------------

29			Current Income Taxes	\$ 0	\$ 0	100.0000			\$ 0	\$ 0
30			Total	\$ 0	\$ 0				\$ 0	\$ 0

31			Deferred Income Taxes	\$ 0	\$ 0	100.0000			\$ 0	\$ 0
32			Total	\$ 0	\$ 0				\$ 0	\$ 0

33			Total Income Taxes	\$ 0	\$ 0				\$ 0	\$ 0
----	--	--	--------------------	------	------	--	--	--	------	------

34			Net Operating Income	\$ (86,043)	\$ 98,788				\$ (33,717)	\$ (20,972)
----	--	--	----------------------	-------------	-----------	--	--	--	-------------	-------------

Emerald Pointe Utility Company - Sewer
Case: SR-99-916
For the Test Year Ended June 30, 1999

Adjustments to Income Statement

Adj No	Description	Total Co Adjustment	Mo Juris Adjustment
-----------	-------------	------------------------	------------------------

Measured Revenues	S-1	\$ 4,473	

1. To normalize revenues.		\$ 4,473	
---------------------------	--	----------	--

Labor and Expenses	S-2	\$ (1,484)	

1. To reclassify wastewater testing fees.		\$ (30)	
---	--	---------	--

2. To reclassify costs associated with chemicals.		\$ (64)	
---	--	---------	--

3. To amortize costs to purchase ultraviolet lights for treating sewage over a two year period.		\$ (187)	
---	--	----------	--

4. To reclassify the return of a sewage pump that was booked to Account 713.		\$ (242)	
--	--	----------	--

5. To capitalize costs associated with treatment and disposal equipment.		\$ (430)	
--	--	----------	--

6. To capitalize costs associated with repairing and improving a fence damaged by heavy winds.		\$ (619)	
--	--	----------	--

7. To capitalize costs associated with treatment and disposal equipment.		\$ 200	
--	--	--------	--

8. To reclassify expenses for pumping equipment to Account 363.		\$ (112)	
---	--	----------	--

Rents	S-3	\$ 400	

1. To include an annualized level of rent expense for Sewer Operations.		\$ 400	
---	--	--------	--

Emerald Pointe Utility Company - Sewer
Case: SR-99-916
For the Test Year Ended June 30, 1999

Adjustments to Income Statement

Adj	No Description	Total Co	Adjustment	No Juris
			Adjustment	

	Purchased Power	S-4	\$	271
	1. To include the cost of purchased power for a 12-month period.			

	Chemicals	S-5	\$	64
	1. To reclassify costs associated with the purchase of chemicals which was booked in Account 701 on Company's books.			

	Wastewater Testing (Supr. & Engin.)	S-7	\$	60
	1. To reclassify wastewater testing fees which were booked in Account 701 on Company's books.			

	2. To normalize the cost of wastewater testing.		\$	30
	Maint. of Pumping Equipment	S-9	\$	(817)

	1. To capitalize costs associated with pumping equipment.		\$	(131)
	2. To capitalize costs associated with pumping equipment.		\$	(461)
	3. To capitalize costs associated with pumping equipment.		\$	(131)
	4. To capitalize costs associated with pumping equipment.		\$	(195)
	5. To capitalize costs associated with pumping equipment.		\$	(341)
	6. To include costs of supplies and expenses that were removed in Account 701 (duplicate transaction).		\$	200

14:48 01/10/2000

Emerald Pointe Utility Company - Sewer

Case: SR-99-916

For the Test Year Ended June 30, 1999

Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
-----------------------	------------------------	------------------------

7. To include the return of pumping equipment that was removed from wrong account.	\$ 242	
--	--------	--

Outside Services Employed	S-12	\$ (102,872)
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1. To remove costs associated with outside services that were not substantiated by the Company.	\$ (103,120)	
---	--------------	--

2. To include half of the costs of preparing Company's tax returns.	\$ 248	
---	--------	--

Insurance Expense	S-13	\$ 603
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1. To normalize insurance expense using Company's current insurance policy.	\$ 603	
---	--------	--

Transportation Expenses	S-15	\$ 867
-------------------------	------	--------

1. To include 50% of the costs for transportation expenses (after removing 40% of total cost). Company included 100% of the expense in its water operations.	\$ 867	
--	--------	--

Postage Expense	S-16	\$ 234
-----------------	------	--------

1. To include a normalized level of postage expense for the Company's sewer operations.	\$ 234	
---	--------	--

Emerald Pointe Utility Company - Sewer
Case: SR-99-916
For the Test Year Ended June 30, 1999

Adjustments to Income Statement

Adj No Description	Total Co Adjustment	Mo Juris Adjustment
-----------------------	------------------------	------------------------

***** Telephone Expenses S-17	\$	598

1. To include 50% of the costs for telephone expenses (after removing 40% of total cost). Company included 100% of the expense in its water operations.	\$	598
---	----	-----

***** Salaries and Wages S-18	\$	8,574

1. To include a normalized level of wages for the sewer operations.	\$	7,632
2. To include a normalized level of wages for the accounts payable function.	\$	442
3. To include a normalized level of wages for account reconciliations, financial statement preparation and accounting tasks.	\$	500

***** Payroll Taxes S-19	\$	656

1. To include a normal level of payroll taxes.	\$	656
--	----	-----

***** Office Supplies and Expenses S-20	\$	468

1. To include 50% of costs for office supplies and expenses. Company included 100% of these costs in its water operations.	\$	468
--	----	-----

Emerald Pointe Utility Company - Sewer

Case: SR-99-916

For the Test Year Ended June 30, 1999

Income Tax

Line	Test Year	10.25% Return
(A)	(B)	

1 Net Income Before Taxes (Sch 8)	\$ (20,972)	\$ 55,384

Add to Net Income Before Taxes		
2 Book Depreciation Expense	\$ 31,780	\$ 31,780

3 Total	\$ 31,780	\$ 31,780
Subtr from Net Income Before Taxes		
4 Interest Expense 10.2500 %	\$ 55,384	\$ 55,384
5 Book Depreciation Expense	31,780	31,780

6 Total	\$ 87,164	\$ 87,164

7 Net Taxable Income	\$ (76,356)	\$ 0

Provision for Federal Income Tax		
8 Net Taxable Income	\$ (76,356)	\$ 0
9 Deduct Missouri Income Tax 100.0 %	\$ 0	\$ 0
10 Deduct City Income Tax	0	0
11 Federal Taxable Income	(76,356)	0

12 Total Federal Tax	\$ 0	\$ 0
Provision for Missouri Income Tax		
13 Net Taxable Income	\$ (76,356)	\$ 0
14 Deduct Federal Income Tax 50.0 %	\$ 0	\$ 0
15 Deduct City Income Tax	0	0
16 Missouri Taxable Income	(76,356)	0

17 Total Missouri Tax	\$ 0	\$ 0

Emerald Pointe Utility Company - Sewer

Case: SR-99-916

For the Test Year Ended June 30, 1999

Income Tax

Line		Test Year	10.25% Return
(A)	(B)		
	Provision for City Income Tax		
18	Net Taxable Income	\$ (76,356)	\$ 0
19	Deduct Federal Income Tax	\$ 0	\$ 0
20	Deduct Missouri Income Tax	0	0
21	City Taxable Income	(76,356)	0
22	Total City Tax	\$ 0	\$ 0
	Summary of Provision for Income Tax		
23	Federal Income Tax	\$ 0	\$ 0
24	Missouri Income Tax	0	0
25	City Income Tax	0	0
26	Total	\$ 0	\$ 0
	Deferred Income Taxes		
27	Deferred Investment Tax Credit	\$ 0	\$ 0
28	Deferred Repair Allowance	0	0
29	Deferred Tax Depreciation	0	0
30	Amort of Deferred Tax Depreciation	0	0
31	Amort of Repair Allowance ..	0	0
32	Amort of Deferred ITC	0	0
33	Deferred Unbilled	0	0
34	Total	\$ 0	\$ 0
35	Total Income Tax	\$ 0	\$ 0

Emerald Pointe Utility Company
Corporate Offices
111 East Main
Branson, Missouri 65616

Emerald Pointe Utility Company

January 26, 2000

Wendell R. Hubbs
Assistant Manager – Rates
Missouri Public Service Commission
Post Office Box 360
Jefferson City, Missouri 65102

RECEIVED
JAN 28 2000
Missouri Public
Service Commission

RE: Increases in Water and Sewer Rates
Mo. PSC Tariff File Nos. 990091 & 9900916

Dear Mr. Hubbs,

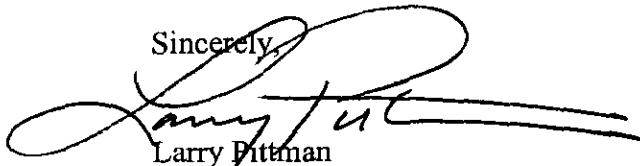
I am in receipt of your letter dated January 21, 2000 regarding our water and sewer rates and your recommendations regarding recordkeeping and operations. We appreciate your time and effort in reviewing and analyzing our utility operation.

Although we are still in the process of reviewing the details of your rate sheets and schedules, we are in agreement with the Staff's proposals.

With that in mind, we look forward to further discussion after the Office of the Public Counsel has had an opportunity to review and form any additional comments.

I will, of course, make myself available at your convenience. In the event you have additional questions or requests, please feel free to contact me directly at 417-339-1062 or Dave Black can be reached at 417-339-3727.

Sincerely,



Larry Pittman

Controller, Shepherd of the Hills Entertainment Group

Cc: Gary Snadon
Dave Black

Schedule D

Randy

Emerald Pointe Utility Company

Corporate Offices
111 East Main
Branson, Missouri 65616

March 20, 2000

Mr. Dale Hardy Roberts
Secretary to the Commission
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102

RE: **Emerald Pointe Utility Company**
Small Company Rate Increase Request
Mo. PSC Tariff File No. 9900916 (Sewer)

FILED²

MAR 23 2000

Missouri Public
Service Commission

RECEIVED²

MAR 23 2000

Records
Public Service Commission

SR-2000-595

Dear Mr. Roberts:

I am enclosing for filing with the Commission an original and three copies of a revised tariff sheet that includes rate and language changes reflecting an agreement between the Emerald Pointe Utility Company (Company) and the Commission Staff (Staff) on the above subject. The Company initiated the subject rate increase request in May 1999, under the Commission's small company rate increase procedure, and the request was assigned the above-referenced file number.

Additionally, consistent with the Commission's small company rate increase procedure, I am enclosing an Agreement Regarding Disposition of Small Company Rate Increase Request (Agreement). This Agreement reflects a "settlement" between the Company and the Staff regarding all matters related to the Company's sewer service rate increase request.

The Agreement calls for, and the revised tariff sheet contains, customer rates intended to produce an increase of \$2,500 (an approximate 8.7% increase) in the Company's annual operating revenues for its sewer operations. The Agreement also calls for the implementation of a "late payment charge" and of a "bad check charge" of \$15 per insufficient funds check. The Agreement is between the Company and the Staff; therefore, the enclosed tariff sheets bear an effective date that is greater than 45 days from the issue date.

Also, please note that the Company has consented to the extension of the time period beyond 150 days from the date the letter initiation the procedure was filed with the Commission.

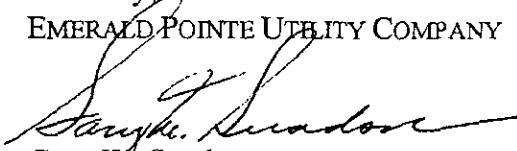
Schedule E - 1

199900916

It is my understanding that the Staff will be providing additional information about the Company's rate increase request and the related Staff audit and investigation, for filing in the case papers following the creation of a formal docket.

Please contact me at your convenience if you need anything further.

Sincerely,
EMERALD POINTE UTILITY COMPANY



Gary W. Snadon
President

enclosures

copies (w/enclosures):
Wendell R. Hubbs - PSC Staff
Office of the Public Counsel - Shannon Cook

Agreement Regarding Disposition of
Small Company Rate Increase Request

Emerald Pointe Utility Company

Tariff File No. 9900916 (Sewer)

Emerald Pointe Utility Company (Company) initiated the small company rate increase request (Request) for sewer service that is the subject of the above-referenced Commission "file" through its submittal of letters to the Commission's Executive Secretary. The Company submitted its Request under the provisions of Commission rule 4 CSR 240-2.200, Small Company Rate Increase Procedure (the informal rate case procedure). The dates the Company's letters were received at the Commission's offices were May 24, 1999 and May 25, 1999. In its Request, the Company represented that it was asking for Commission approval of customer rates intended to generate an increase of \$2,500 in its total annual sewer service operating revenues.

The Company provides sewer service to approximately 124 customers.

Upon review and acceptance of the Company's Request, the Commission's Records Department assigned Tariff File No. 9900916 to the Request for purposes of identification and tracking. The Records Department then forwarded the Request to the Commission's Water & Sewer Department for processing under the informal rate case procedure.

Pursuant to the provisions of the informal rate case procedure, the Staff of the Commission (Staff) initiated an audit of the Company's books and records and an inspection of the Company's system and the operation thereof.

Based upon the results of the Staff's audit, the Company and the Staff hereby state their agreement that: (1) an increase of \$2,500 (approximately 7.5%) in the Company's annual sewer revenues is reasonable; (2) the implementation of a "late payment charge" is reasonable; and (3) the implementation of a "bad check charge" of \$15 per insufficient fund check is reasonable.

The Company and Staff also agree that the Company will keep their books and records in accordance with the Uniform System of Accounts for

Emerald Pointe Utility Company - File No. 9900916 Sewer
Small Company Rate Procedure "Agreement"

Class C and D Sewer Utilities as prescribed by the National Association of Regulatory Utility Commissioners (NARUC), this includes using the Staff's calculation of plant, depreciation reserve and contributions in aid of construction ending balances. The Company also agrees that it will maintain its books and records for their water operations and sewer operations separately.

Additionally, the Company acknowledges that the Staff will file additional information about the details of its audit with the Commission following the creation of a formal docket.

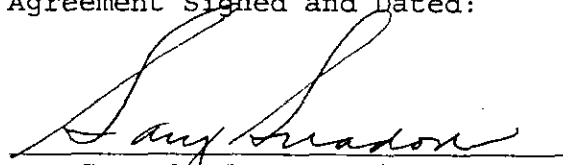
This Agreement is only between the Company and the Staff. However, the Office of the Public Counsel (OPC) has verbally notified the Staff that it does not oppose the increase.

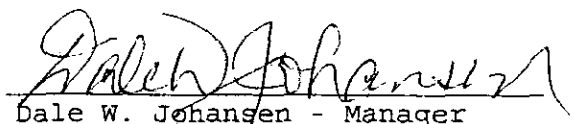
Lastly, the Company and the Staff ask the Commission to note that no action need be taken on the Company's tariff sheet until after the Staff files its formal recommendation for approval of the tariff sheet. That filing will take place soon after filing of this Agreement and the revised tariff sheet.

Other than the specific conditions agreed to by the Company, this agreement is a compromise that has resulted from extensive negotiations between Staff and the Company and no party has agreed to any particular ratemaking principal (except those items specifically stated in this agreement) in arriving at the dollar amount.

This Agreement is effective as of the 10th day of March, 2000.

Agreement Signed and Dated:


Mr. Gary Spadon, President
Emerald Pointe Utility Company


Dale W. Johansen - Manager
Water and Sewer Department
Public Service Commission Staff

Emerald Point Utility Company For Missouri Service Area

Name of Issuing Company

Community, Town or City

RULES GOVERNING
RENDERING OF **SEWER SERVICE** +

SCHEDULE OF SEWER RATES

Availability: *

Available to any customer located in the Company's certificated service territory.

Sewer Service Rates:

Monthly Customer Charge (served by a 5/8" water meter)	\$13.63	per Month	+
Monthly Customer Charge (served by a 1" water meter)	\$34.08	per Month	+
Monthly Customer Charge (served by a 2" water meter)	\$109.06	per Month	+

Monthly Minimum Bill: * Equals the applicable Monthly Customer Charge
The minimum monthly billing shall be billed customers based on this Charge.

Taxes: *

Any applicable Federal, State or local taxes computed on a billing basis shall be added as separate items in rendering each bill.

Late Payment Charge: *

Billings will be made and distributed at monthly intervals. Bills will be rendered net, bearing the last date on which payment will then be considered delinquent. The period after which the payment is considered delinquent is 21 days after rendition of the bill. A charge of \$3.00 or two percent (2%) per month times the unpaid balance, whichever is greater, will be added to delinquent amounts.

Bad Check Charge: *

A bad check charge of \$15 per check will be paid on all checks returned from the bank for insufficient funds.

* Indicates new rate or text

+ Indicates change

Date of Issue 3/23/00

Date Effective 5/10/00

Issued By: Gary W. Snadon, President

111 East Main, Branson, MO 65616

Name of Officer

Title

Address

**Service List for
Case No. SR-2000-595
May 1, 2000**

Office of the Public Counsel
P.O. Box 7800
Jefferson City, MO 65102

Gary Snadon, President
Emerald Point Utility Co.
111 East Main
Branson, MO 65616