

KMB UTILITY CORPORATION

5108 Dulin Creek Rd.
House Springs, MO 63051
(636) 671-3310

August 13, 2002

*RECEIVED*³

AUG 15 2002

*Records
Public Service Commission*

Executive Secretary
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102

RE: Rate Increase

Dear Sir or Madame:

The KMB Utility Corporation (Company) holds a certificate of public convenience and necessity whereby it provides water service in areas located in Jefferson and Franklin Counties in Missouri. The Company also holds a certificate of public convenience and necessity whereby it provides sewer service in an area located in Cape Girardeau County, Missouri.

Pursuant to 4 CSR 240-2.200, the Missouri Public Service Commission's Small Company Rate Increase Procedure, the undersigned hereby request increases in rates for its water and sewer service areas.

The Company is applying for the following annual increases:

For sewer service:

in the Cape Rock Village and Tanglewood areas in Cape Girardeau County, \$9,448.

For water service:

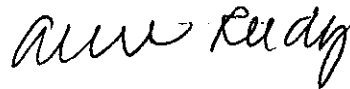
in the Crestview Acres area in Franklin County, \$4,637;
in the Hillside Acres & Sunshine areas in Franklin County, \$2,696;
in the High Ridge Manor area in Jefferson County, \$4,958;
in the Lakewood Hills area in Jefferson County, \$21,138;
in the Scotsdale area in Jefferson County, \$11,858; and,
in the Warren Woods area in Jefferson County, \$7,339.

These additional annual revenues are necessary to meet current operating expenses and provide a return on investment.

The Company is advising you that it is current and will remain current on its PSC assessments. Also, the Company has filed its 2001 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 the above number or (636) 671-0818.

Sincerely,

A handwritten signature in cursive script, appearing to read "Ann Rudy".

Ann Rudy
President
KMB Utility Corp.

cc: Office of the Public Counsel – Ruth O'Neill