

# Taney County Utilities

P.O. Box 177  
ROCKAWAY BEACH, MO 65740  
(417) 561-4977

*RECEIVED*<sup>3</sup>

DEC 30 2002

*Records  
Public Service Commission*

December 23, 2002

Taney County Utilities, Inc. Customer  
Lakeway, Inc.

Dear Water and Sewer Customer,

On November 4, 2002, Taney County Utilities Corporation (Company) submitted a request for permanent increases in its current water rates and in its sewer rates, under the Missouri Public Service Commission's (Commission) small company rate increase procedure.

By its request, the Company is seeking an increase in its annual operating **water service** revenues of \$84,440 (an approximate 68% increase). The Company is also requesting an increase in its annual operating **sewer service** revenues of \$14,094 (an approximate 89% increase). 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. Additionally, the company is requesting that the Commission Staff review and if need be update its other miscellaneous charges.

The examples bills shown below set out a comparison of the Company's current residential customer rates for both water and sewer service as if they were increased by the requested percentage increases. The example water bill is presented for a customer who uses 6,000 gallons a month. No taxes or other charges are included in examples below.

## Water Rates

Total Current Monthly Bill (using 6,000 gallons)	<u>\$ 21.80</u>
Proposed Increase Percentage	68%
Proposed Monthly Bill (using 6,000 gallons)	<u>\$ 36.62</u>
Proposed Monthly Increase Amount	<u>\$ 14.82</u>

## Sewer Rates

Total Current Monthly Billing (using 6,000 gallons)	<u>\$ 17.44</u>
Proposed Increase Percentage	89%
Proposed Monthly Bill (using 6,000 gallons)	<u>\$ 32.96</u>
Proposed Increase Amount	<u>\$ 15.52</u>

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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's 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

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: Ruth O'Neill

P.O. Box 7800

Jefferson City, MO 65102

Phone: 573/751-1304

Fax: 573/751-5562

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 customer 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,

Honey A. Scott, Vice President

Taney County Utilities Corporation