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VALLEY WOODS WATER CO. INC
999 MULBERRY RD.
HIGHLANDVILLE MO 65669

Missouri Public
Service Commission

November 1, 2009

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

Re: Requests for Increases in Annual Sewer and Water System Operating Revenues
Mo PSC Sewer Utility & Water Utility Small Company Rate Increase Procedures

Dear Secretary:

Valley Woods Water Company, Inc (the Company) holds a certificate of Public Convenience and necessity granted by the Missouri Public Service Commission (the Commission), under which the Company provides sewer collection and treatment services and water supply and distribution services in Christian County, Missouri. The Commission first authorized the Company to provide regulated sewer utility service in December 8, 1995 and regulated water utility service in December 8 1995. The Company currently provides service to approximately 31 sewer customers and approximately 40 water customers within its certified areas under provisions of its Commission- approved tariffs. The Company's customer rates for sewer service were last changed in May of 2002. The Company's customer rates for water service are currently the same as those established when the Commission first authorized The Company to provide regulated water utility service..

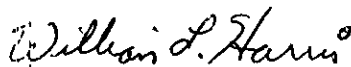
Pursuant to 4 CSR 240-3.330 and 4 CSR 240-3.635, The Commission' rules pertaining to rate increase requests made by small sewer and water utilities , respectively, The Company is hereby requesting an increase of \$1488.00 annual sewer system operating revenues and \$2880.00 in its annual water system operating revenues. Based upon current customer rates and customer numbers, these increases represent changes of approximately 14% in the Company's annual sewer system operating revenues and approximately 40% in the Company's annual water system operating revenues. 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 requests, and may thus be the subject of Staff recommendations at the conclusion of the rate increase process.

The specific reasons for the requested increases in the Company's annual operating revenues for sewer service include: increases in utility plant investment; increases in operation and maintenance expenses; increases in the Commission annual utility assessments; increases in the Department of Natural Resources' annual discharge permit fees; changes in the number and type of customers served; and most of all the amount it costs to install a holding tank for new service now far exceeds the amount set out in our tariff. We would like to increase the amount of water connection fees from \$275 to \$500 and the sewer connection fee from \$1150 to \$2500

The specific reasons for the requested increases in the Company's annual operating revenues for water service include: increases in plant utility investment; increases in operation and maintenance expenses; increases in the Commission's annual utility assessments; changes in the type and number of customers served.

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 the 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.



William L Harris
President