

Cedar Hill Estates Water Co., Inc.

Cedar Hill Estates - Cedar Hills, MO

Informal Rate Case Filing of 8/15/2002

Commission File No. QW-2003-0007

Customer Complaints in response to Initial Notification dated 9/3/2002

Prepared by PSC staff: Steve Jungmeyer

Response letter dated 10/3/02 from PSC Staff mailed to the below addresses, except for the highlighted service complaints which were contacted personally by Staff. See Staff report on service complaints.

	Name Address	Date Recd.	Mode of Contact	Contact Directed to:			Complaint Summary
				PSC	OPC	BOTH	
1	Leonard Hults #25 Cedar Hills Est. Cedar Hills, MO 63016 636-274-8892	9/5/2002	Letter	X			250% increase is excessive No meters, on fixed income Wants public meeting
2	Jean Morrison 6616 Gazebo Dr. Cedar Hill, MO 63016 636-274-7069	9/5/2002	Phone	X			Poor water pressure & quality
3	Earl Schlenk 661 Bandstand Cedar Hill, MO 63016	9/5/2002	Phone	X			250% increase is excessive Poor water quality
4	Toni Stroder 6611 Bandstand Cedar Hill, MO 63016	9/10/2002	Phone	X			250% increase is excessive
5	Warren Lindemann 7 Village Green Ct. Cedar Hill, MO 63016	9/12/2002	Phone	X			250% increase is excessive
6	Kevin Worley 8416 Village Green Ct. Cedar Hill, MO 63016 314-772-6250	9/17/2002	Letter			X	Increase is excessive Have had billing errors in past Cannot drink water due to odor
7	Christine Kee 57 Cedar Hill Estates Cedar Hill, MO 63016	9/15/2002	Letter			X	Lives in MH park with no meters Increase is excessive
8	Crystal Thornton # 3 Cedar Hill Estates Cedar Hill, MO 63016 314-308-3065	9/6/2002	Phone	X			Low water pressure, thinks water tower is leaking, worried about contamination
9	Don Frolos 84 Cedar Hill Est. Cedar Hill, MO 63016	9/9/2002	Letter		X		Too much chlorine Not a big user and increase is ridiculous
10	Arlene Anderson 85 Cedar Hill Est. Cedar Hill, MO 63016 636-274-1837	4/15/2003	Phone	X			Low pressure, odor and taste, worried about water quality

①
L. Hults
#25 Cedar Hill Est
Cedar Hill, MO.
63016

To Whom it May Concern
Re Public Water Service

I called when I received this
letter from AMB Utility Corp. 5108 Dulin
Creek Rd. House Springs, Mo. 63051
the young lady I talked to told me
to call back between 2:15 & 2:30 I
did so First call was busy I call
at 2:25 No one would answer the phone
The no I called 1-800-392-4211
sounds like a bum off to me.

What are people on fixed income to do
if all utilities want an increase of
250% I think this would cause
an Armed Rebellion.

L. Hults
636-274-8892



Commissioners
KELVIN L. SIMMONS
Chair
CONNIE MURRAY
SHEILA LUMPE
STEVE GAW
BRYAN FORBIS

Missouri Public Service Commission

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

ROBERT J. QUINN, JR.
Executive Director
WESS A. HENDERSON
Director, Utility Operations
ROBERT SCHALLENBERG
Director, Utility Services
DONNA M. PRENGER
Director, Administration
DALE HARDY ROBERTS
Secretary/Chief Regulatory Law Judge
DANA K. JOYCE
General Counsel

October 3, 2002

Mr. Leonard Hults
#25 Cedar Hills Est.
Cedar Hills, MO 63016

Dear Mr. Hults:

We received your comments pertaining to the requested rate increase for Cedar Hill Estates Water Co., Inc. in the Cedar Hill Estates-Cedar Hills, Missouri service area.

The Staff of the Missouri Public Service Commission is conducting an independent audit of the books and records of the Company and any proposed rate increase will be based on the findings of that audit. Once the Staff audit is completed, you will be notified by mail of the results of the audit, and be given the opportunity to comment.

Your comments along with a copy of this letter will be given to the five-member Commission for their review and consideration in this matter. If you have any questions regarding this matter, contact me at (573) 526-6029.

Sincerely,

A handwritten signature in cursive script that reads "Steve Jungmeyer".

Steve Jungmeyer
Utility Operations Technical Specialist
Water and Sewer Department

SJ/slr

Attachment G 3-26

Staff Report on Service Complaints

Cedar Hill Water Company (owned by KMB Utility)

Case No. QW 2003 0007 Water

Prepared by Steve Loethen

February 5, 2003

Customer Responses to Initial Customer Notice:

Cedar Hill Service Complaints:

- 1) Jean Morrison
6616 Gazebo Drive
Cedar Hill, MO 63016
636-274-7069

Mrs. Morrison states that she has poor water pressure and quality. She says the water pressure is so low it takes an hour to do a load of laundry. The water gives her polyps in her colon. The water clogs a "filter" she had installed on the faucet on her sink. It leaves lines her coffee pots and ruins them. It is brownish in color. She states she didn't have any of these problems when they received water from district 8 (Cedar Hill has an inter-connect with District 8, while painting the water tower Cedar Hill bought water from District 8 (10/7/02 – 10/21/02)).

Water and Sewer staff's findings (Steve Loethen): On 10/4/02 and on 12/19/02 I visited Mrs. Morrison's home. On both occasions it appeared that someone was home but when I knocked on the door no one answered. I called Mrs. Morrison on 12/23/02 and on 2/3/03. Mrs. Morrison was very upset about the water and sewer problems she is experiencing. I explained to her that only the Cedar Hill water system (now owned by KMB) is in for the rate increase (Cedar Hill sewer system is also regulated by the PSC and I investigated her complaints with that company as well).

On 10/4/02 I took a pressure reading at Mrs. Morrison's home, it read 40 psi (minimum is 20 psi). Due to other pressure complaints in the system I had the company install a pressure recorder on a home near the standpipe, this is one of the highest points (elevation) in the water system so it would be a point in the system with the lowest water pressure. The company installed the recorder in November. The recording showed that the water pressure was above 20 psi which is the minimum pressure required by DNR. The company agreed that the pressure was higher during the time it was using the inter-connect with District 8. Although the pressure was higher during the time the water system was connected to District 8, the current pressure is safe and adequate.

On 10/4/02 I ran the water at Mrs. Morrison's home, it appeared to be clean of any impurities but I realize that what I saw in that brief moment is not a good representation of the over all water quality. I checked with DNR and in the past 10 years the system has had only two sample violations both of those were for failure to sample (once in 1998 and once in 2000) not because of water quality. I, along with Martin Hummel an engineer in the water and sewer department.

compared the Companies CCR with District 8's CCR and the water quality is very similar. I checked with our internal records (back to 1999) and we do not show any past complaints from Cedar Hill Water Company, water quality or pressure. Using this information I feel that the company is providing safe and adequate service to Mrs. Morrison.

- 2) Earl Schlenk
661 Bandstand
Cedar Hill, MO 63016
636-285-1734

Mr. Schlenk stated that he has poor quality water, hard water.

Water and Sewer staff's findings (Steve Loethen): I explained to Mr. Schlenk that the Company is not regulated on water hardness.

- 3) Kevin Worley
8416 Village Green Court
Cedar Hill, MO 63016
314-308-3065

Mr. Worley stated that he has had billing errors in the past and that he cannot drink the water due to odor.

Water and Sewer staff's findings (Steve Loethen): I talked with the Company on 10/4/02, they stated the meter was misread but the bill had been adjusted. When I talked to Mr. Worley he agreed that the billing problem was taken care of. He also stated that he didn't have an odor problem anymore.

- 4) Crystal Thornton
#3 Cedar Hill Estates
Cedar Hill, MO 63016
314-308-3065

Mrs. Thornton stated that she has low water pressure and that the water tower is leaking.

Water and Sewer staff's findings (Steve Loethen): Mrs. Thornton's home is one of the highest homes (elevation) in the subdivision, which would have the lowest pressure. The standpipe is in the corner of her yard. I had the water Company install a pressure recorder at Mrs. Thornton's house, the pressure was above 20 psi (20 psi is the minimum required by DNR). I discussed my findings with Mrs. Thornton. The water tower was cleaned and painted in November of 2002, the water leak was fixed then.

- 5) Dan Frolos
84 Cedar Hill Estates
Cedar Hill, MO 63016

Mr. Frolos stated that there is too much chlorine in the system.

Water and Sewer staff's findings (Steve Loethen): I informed Mr. Frolos that the system is not chlorinated. He stated when he was experiencing the chlorine problem is when the tower was cleaned and painted. I explained to him that this is common to have a chlorine residual for a short time after a tower is cleaned and painted because it is disinfected with chlorine.

Summary: On 10/4/02 I inspected the water system at Cedar Hill along with Arlie Smith who has been doing the previous inspections on the system. The company (KMB) has hired a new operator in May and he has done a lot of improvements to the system. Arlie stated that the system is in better condition now that it has ever been. The system has some un-metered customers but the Company is currently installing new meters and expects to be done in early 2003. The water tower was cleaned and painted, I observed this on 12/19/02. The system looked to be in very good condition at the time of my inspection.

Missouri Public Service Commission**Public Comments**

Utility Type	Water
Utility Company	Cedar Hill Estates Water Co., Inc.
First Name	Earl
Middle Initial	N/A
Last Name	Schlenk
Street Address	661 Bandstand
Mailing Address	N/A
City	Cedar Hill
State	MO
County	Jefferson
Phone No.	N/A
Email	N/A
Case No.	N/A
Public Comments Description	250% increase is ridiculous. Has had service for 18 yrs and no improvements. Water is hard. Had to purchase water softener for \$400.00 to be able to keep faucets clear and running. \$7.27 to \$25.47. QW-2003-0007
Date Filed	09/05/2002 11:37:35 AM

Cedar Hill

Complaint

~~(Water) & Sewer~~

Jean Morrison

9/5/02

Cedar Hill -

(636) 274-7069

- can't take a shower (poor water pressure)
- poor water quality

bad smell on
sewer is bad

Po Box 501

6616 Gagebo Drive

(BB \$30)

Cedar Hill, MO 63016

on
evenings
& weekends

called
Rm 4
told
w/ him

①

9/5/02

Cedar Hill -

(636) 274-8892

Leonard Hults

#25 Cedar Hill Est

Cedar Hill, Mo. 63016

- no meter
- fixed income (can't afford trailer)
- wants a public meeting

Returned his
called
Rm 4
w/ him

9/5/02

called

Missouri Public Service Commission**Public Comments**

Utility Type	Water
Utility Company	Cedar Hill Estates Water Co., Inc.
First Name	Toni
Middle Initial	N/A
Last Name	Stroder
Street Address	6611 Bandstand Lane
Mailing Address	N/A
City	Cedar Hill
State	MO
County	Jefferson
Phone No.	N/A
Email	N/A
Case No.	N/A
Public Comments Description	QW-2003-0007. A 250% increase is outrageous. Customer for 7 years. To go from a \$30.00 bill for 3 months to \$90.00 is outrageous.
Date Filed	09/10/2002 9:26:53 AM



Commissioners
KELVIN L. SIMMONS
Chair
CONNIE MURRAY
SHEILA LUMPE
STEVE GAW
BRYAN FORBIS

Missouri Public Service Commission

POST OFFICE BOX 360
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DONNA M. PRENGER
Director, Administration
DALE HARDY ROBERTS
Secretary/Chief Regulatory Law Judge
DANA K. JOYCE
General Counsel

October 3, 2002

Ms. Toni Stroder
6611 Bandstand
Cedar Hill, MO 63016

Dear Ms. Stroder:

We received your comments pertaining to the requested rate increase for Cedar Hill Estates Water Co., Inc. in the Cedar Hill Estates-Cedar Hills, Missouri service area.

The Staff of the Missouri Public Service Commission is conducting an independent audit of the books and records of the Company and any proposed rate increase will be based on the findings of that audit. Once the Staff audit is completed, you will be notified by mail of the results of the audit, and be given the opportunity to comment.

Your comments along with a copy of this letter will be given to the five-member Commission for their review and consideration in this matter. If you have any questions regarding this matter, contact me at (573) 526-6029.

Sincerely,

A handwritten signature in cursive script that reads "Steve Jungmeyer".

Steve Jungmeyer
Utility Operations Technical Specialist
Water and Sewer Department

SJ/slr

Attachment G 10-26

Missouri Public Service Commission**Public Comments**

Utility Type	Water
Utility Company	Cedar Hill Estates Water Co., Inc.
First Name	Warren
Middle Initial	N/A
Last Name	Lindemann
Street Address	7 Village Green Court
Mailing Address	N/A
City	Cedar Hill
State	MO
County	Jefferson
Phone No.	N/A
Email	N/A
Case No.	N/A
Public Comments Description	QW-2003-0007. Opposed to 250% increase in rates. Co. has a tan and pump and free water. This is ridiculous.
Date Filed	09/12/2002 10:38:03 AM



Commissioners
KELVIN L. SIMMONS
Chair
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SHEILA LUMPE
STEVE GAW
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Missouri Public Service Commission

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Secretary/Chief Regulatory Law Judge
DANA K. JOYCE
General Counsel

October 3, 2002

Mr. Warren Lindemann
7 Village Green Ct.
Cedar Hill, MO 63016

Dear Mr. Lindemann:

We received your comments pertaining to the requested rate increase for Cedar Hill Estates Water Co., Inc. in the Cedar Hill Estates-Cedar Hills, Missouri service area.

The Staff of the Missouri Public Service Commission is conducting an independent audit of the books and records of the Company and any proposed rate increase will be based on the findings of that audit. Once the Staff audit is completed, you will be notified by mail of the results of the audit, and be given the opportunity to comment.

Your comments along with a copy of this letter will be given to the five-member Commission for their review and consideration in this matter. If you have any questions regarding this matter, contact me at (573) 526-6029.

Sincerely,

A handwritten signature in cursive script that reads "Steve Jungmeyer".

Steve Jungmeyer
Utility Operations Technical Specialist
Water and Sewer Department

SJ/slr

Attachment G 12-26

(6)

Kevin & Gail Worley
8416 Village Green Dr.
Cedar Hill, MO 63016
(314)772-6250

Missouri Public Service Commission
Water and Sewer Department
P.O. Box 360
Jefferson City, MO 65102
Phone: (800)392-4211
Fax: (573) 751-1847

Dear Sirs,

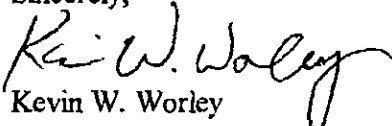
I received a notice that my utility, Cedar Hill Estates Water Company, has requested a 250% increase in water service revenues. I resent the fact that they could request such an exorbitant amount without some proof of need. The company came under new management about a year and a half ago. It seems the new owner made a bad business decision purchasing a business that falls short of what they consider fair return on investment. Now if in fact this is a valid request it seems we the consumer will be forced to pay for a poor decision on the new company's part. I see no reason for the increase because there has been no upgrades in service or equipment that is of any consequence to the company. If there have been improvements I would like to see a report of said improvements.

I would also like to mention that the company has tried to overcharge me at one point in time. They corrected the billing error. However, if they can't keep track of what an individual owes how can they have an accurate idea of what their true return on investment is. My last bill was estimated this would be another reason they can not have a valid idea of return. How can they know what is truly owed if they are estimating usage. I am also aware of payments in arrears from some of the customers in the area. The loss of funds from non payment should not be a reason for the paying customers rates to be increased. I hope this is not a part of their calculation for return on investment.

I would also like to report that I am a three family household and am currently paying approximately \$15.00 to \$18.00 per month for water consumption. I am aware that there are other charges included in this monthly amount, however I believe this is an appropriate amount for water service. This does not include sewage service which is a totally separate entity in Cedar Hill that cost an additional \$18.00 per month.

One final fact I wish you to consider. I can not use the water out of the tap for drinking without experiencing an repulsive odor. I have complained to the company and have had no response. I feel the company is criminal to ignore possible health issues with the service they are supplying. I don't think water that has an obvious odor is being supplied properly. I don't believe they are concerned about customer service. I have been a customer with Cedar Hill Estates Water Company for over eight years. They've collect the monthly fees, but have not replied to any of my concerns as a customer.

Sincerely,


Kevin W. Worley



John B. Coffman
Acting Public Counsel

State of Missouri

Bob Holden
Governor

Office of the Public Counsel
Governor Office Building
200 Madison, Suite 650
P.O. Box 7800
Jefferson City, Missouri 65102

Telephone: 573-751-4857
Facsimile: 573-751-5562
Web: <http://www.mo-opc.org>
Relay Missouri
1-800-735-2966 TDD
1-800-735-2466 Voice

October 2, 2002

Kevin & Gail Worley
8416 Village Green Drive
Cedar Hill MO 63016

Dear Kevin & Gail Worley:

Thank you for your letter regarding the proposed rate increase for Cedar Hill Estates Water Company. The letter you received was sent to let you know that Cedar Hills is asking the Missouri Public Service Commission to approve a rate increase for them. However, we are at the beginning of an auditing process which we hope will provide the Commission with information about how much of a rate increase, if any, Cedar Hills actually needs in order to continue to provide you with water service. No rate increase has been approved at this time.

The auditing process will take several months to complete. All of the company's records concerning its expenses and its income will be reviewed to determine whether a rate increase would be appropriate. At the end of this process, if the auditors decide that a rate increase would be appropriate for the company, and they are recommending anything other than a very minimal increase, I will ask the company to inform you of that recommendation, and give you another chance to voice your opinion. Depending on interest and the amount of possible increase involved, I may ask the Commission to hold a public hearing in your area to allow more customers to voice their concerns. In the meantime, your rates will not increase.

As part of this process, it is important that we hear from you, the customer, especially about your concerns with the quality of service being provided. Thank you for taking the time to let us know your opinion in this case.

Sincerely,

A handwritten signature in cursive script, appearing to read "M. Ruth O'Neill".

M. Ruth O'Neill
Assistant Public Counsel

MRO:jb

September 25, 2002

FILE COPY

(7)

Missouri Public Service Commission
Water and Sewer Department
P.O. Box 360
Jefferson City, MO 65102

Dear Ladies & Gentlemen:

Subject: Permanent Water Rate Increase Request/Submitted by:
Cedar Hill Estates Water Company
5108 Dulin Creek Road
House Springs, MO 63051

I have lived at #57 Cedar Hill Estates for over 20 years and have a few comments I'd like to bring to your attention regarding Subject.

1) There have been no updates to our Park within the years I have lived there besides, paving of the streets, cleaning/painting the water tower, and removing root clogs from the sewer. Other than that...only the normal code updating of a Pad has been done when one moved out.

The people that now own Cedar Hill Estates are also affiliated with Cedar Hill Estates Water Company and several new Apartment Complexes in our County. I believe this requested increase of 250% per month in water rates is a ploy to receive additional revenues from the Pad Renters of our Park to pay for improvements to their property(s). It is the new owners responsibility for any updates our Park needs. Not the Pad Renters.

2) The water lines are all connected....there are no meters. If this request should be approved, all Pads in our Park should be individually metered and charged accordingly. Not just a general across the board increase as shown in the notice dated September 2, 2002.

3) Don't know if anyone mentioned...we still have a Sewage Lagoon. I'm almost certain this should have been updated a long time ago. Do the new owners want us to help pay for this too?

Appreciate your notice and the time you've given me to voice my opinions regarding Subject.

Sincerely,

CMK:ko

Christine M. Kee
57 Cedar Hill Estates
Cedar Hill, MO 63016

CC: Office of the Public Counsel
Attn: Ruth O'Neill
P.O. Box 360
Jefferson City, MO 65102

SEP 25 2002

Attachment G 15-26



Commissioners
KELVIN L. SIMMONS
Chair
CONNIE MURRAY
SHEILA LUMPE
STEVE GAW
BRYAN FORBIS

Missouri Public Service Commission

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Secretary/Chief Regulatory Law Judge
DANA K. JOYCE
General Counsel

October 3, 2002

Ms. Christine Kee
57 Cedar Hill Estates
Cedar Hill, MO 63016

Dear Ms. Kee:

We received your comments pertaining to the requested rate increase for Cedar Hill Estates Water Co., Inc. in the Cedar Hill Estates-Cedar Hills, Missouri service area.

The Staff of the Missouri Public Service Commission is conducting an independent audit of the books and records of the Company and any proposed rate increase will be based on the findings of that audit. Once the Staff audit is completed, you will be notified by mail of the results of the audit, and be given the opportunity to comment.

Your comments along with a copy of this letter will be given to the five-member Commission for their review and consideration in this matter. If you have any questions regarding this matter, contact me at (573) 526-6029.

Sincerely,

A handwritten signature in cursive script that reads "Steve Jungmeyer".

Steve Jungmeyer
Utility Operations Technical Specialist
Water and Sewer Department

SJ/slr

Attachment G 16-26



John B. Coffman
Acting Public Counsel

State of Missouri

Bob Holden
Governor

Office of the Public Counsel
Governor Office Building
200 Madison, Suite 650
P.O. Box 7800
Jefferson City, Missouri 65102

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Web: <http://www.mo-opc.org>
Relay Missouri
1-800-735-2966 TDD
1-800-735-2466 Voice

October 2, 2002

Christine Kee
57 Cedar Hill Estates
Cedar Hill MO 63016

Dear Christine Kee:

Thank you for your letter regarding the proposed rate increase for Cedar Hill Estates Water Company. The letter you received was sent to let you know that Cedar Hills is asking the Missouri Public Service Commission to approve a rate increase for them. However, we are at the beginning of an auditing process which we hope will provide the Commission with information about how much of a rate increase, if any, Cedar Hills actually needs in order to continue to provide you with water service. No rate increase has been approved at this time.

The auditing process will take several months to complete. All of the company's records concerning its expenses and its income will be reviewed to determine whether a rate increase would be appropriate. At the end of this process, if the auditors decide that a rate increase would be appropriate for the company, and they are recommending anything other than a very minimal increase, I will ask the company to inform you of that recommendation, and give you another chance to voice your opinion. Depending on interest and the amount of possible increase involved, I may ask the Commission to hold a public hearing in your area to allow more customers to voice their concerns. In the meantime, your rates will not increase.

As part of this process, it is important that we hear from you, the customer, especially about your concerns with the quality of service being provided. Thank you for taking the time to let us know your opinion in this case.

Sincerely,

A handwritten signature in cursive script, reading "M. Ruth O'Neill".

M. Ruth O'Neill
Assistant Public Counsel

MRO:jb

9/6/08

11:17 am

Cedar Hill Estates -Crystal Thornton (314) 308-3065

~~part~~ doing a lot of work
 - has lost water pressure
 can't run water &
 flush sink.

#3 Cedar Hill Estates

Cedar Hill 63016

- water meters install
 broke sewer line
 & now having

problem w sewer
 - broke yard & had to
 repair yard -
 fill in holes.

* problem going on since they took over
 system.

- thinks water tower
 is leaking

- just installed meter.

- worried about contamination
 when water tower was
 drained.

FILE COPY

To whom it may concern:

The water produced by the Cedar Hill Estates Water Company is undrinkable because of the high content of chlorine.

While taking a shower, before lathering my face with soap I have rinsed my face with water and gotten the water in my eyes which felt as if I put pure soap in them because of the high content of the chlorine.

I buy my drinking water from the store. All I use the water company's water for is bathing and laundry ~~when doing~~ dishes which is one bath a day ~~and~~ dishes once a day and two loads of clothes a week.

Any raise in the water bill is ridiculous and should not be done.

Sincerely Dan Fodor



SEP 09 2002



John B. Coffman
Acting Public Counsel

State of Missouri

Bob Holden
Governor

Office of the Public Counsel
Governor Office Building
200 Madison, Suite 650
P.O. Box 7800
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Facsimile: 573-751-5562
Web: <http://www.mo-opc.org>
Relay Missouri
1-800-735-2966 TDD
1-800-735-2466 Voice

October 2, 2002

Dan Frolos
84 Cedar Hill Estates
Cedar Hill MO 63016-2223

Dear Dan Frolos:

Thank you for your letter regarding the proposed rate increase for Cedar Hill Estates Water Company. The letter you received was sent to let you know that Cedar Hills is asking the Missouri Public Service Commission to approve a rate increase for them. However, we are at the beginning of an auditing process which we hope will provide the Commission with information about how much of a rate increase, if any, Cedar Hills actually needs in order to continue to provide you with water service. No rate increase has been approved at this time.

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Sincerely,

M. Ruth O'Neill
Assistant Public Counsel

MRO:jb

RECEIVED
APR 18 2003
UTILITY OPERATIONS
DIVISION

Dear Sir:

April 15, 2002

We received a letter informing us that the KMB Utility Corporation submitted a request to raise their rates under the MO Public Service Commission small company rate increase procedure.

We moved into Cedar Hill Estates in Sept of 2002, selling our homestead in Franklin County after 48 years. My husband and I are both retired, and on fixed incomes and we both feel the rate hike proposed is extremely exhorbitant. A 123% increase should not be allowed. I have no qualms about our water being metered, which is what the water company is doing at the present time, but I resent very much this huge increase in fees.

Also, the charge for a new service line is over a 300% increase and this should not be allowed.

My husband and I are completely against this huge increase in rates.

Sincerely,

Mrs Edwin D. Tenny

Mr. and Mrs. Edwin D. Tenny
49 Cedar Hill Estates,
Cedar Hill MO 63016-2224
636-285-7055

April 15, 2003

Missouri Public Service Commission
Water and Sewer Department
P.O. Box 360
Jefferson City, Mo. 65102

RECEIVED
APR 18 2003
UTILITY OPERATIONS
DIVISION

David C. Wilson
76 Cedar Hill Estates
Cedar Hill, Mo. 63016-2223
(636) 274-1309

To Whom it May Concern,

This letter is a commentary in response to the Consumer Impact Statement dated April 11, 2003 by Cedar Hill Water Company, Inc. 5108 Dulin Creek Rd, House Springs, Mo. 63051 apparently on behalf of KMB Utility Corporation regarding a request for permanent increase in its current water rates, under the Missouri Public Service Commission's small company rate increase procedure.

Regarding their rate increase proposal, I will comment on each item in the order it was presented in their letter.

- (1)-(3) The Late Payment Charge is to be modified;
 - (2) A \$20.00 charge for Bad Checks is in line with other businesses in this area so I see nothing wrong with this item.
 - (3) I feel the Door Collection Charges are not out of line either due to the fact that I have been aware of individuals who, not only don't pay their bills, but avoid those trying to confront them about it.
- (4)-(6) I find these three Charge Tables to be ambiguous in nature and open to misinterpretation and possible misuse.
 - (4) Most systems that I am familiar with have Shut Off Valves at the meter that the customer can operate themselves without the necessity of Water Company involvement. This allows for repairs or general maintenance to be performed without additional costs to the customer.
 - (5) Does this Reconnecting Charge apply to Item (4) above which now would cost the customer \$75.00 for help from this Public Service Provider, or is it an inflated charge to simply turn a valve back on for someone who has already paid the Back Charges owed the Water Company in order to get their service reinstated. I feel in case No.1 this charge would be totally out of line and in case No. 2 it is excessive.

- (6) Item No. 4 has already implemented a Turn Off charge and yet here's another one for seemingly the same situation which takes the opportunity to add additional fees.
Again, I must say that these Three Paragraphs need closer examination, clarification and most certainly adjustments.
- (7) I feel this charge for Meter Testing is Totally out of line. Why should the consumer pay to have equipment checked that belongs to the Service Provider which said Provider uses in his Business Operations. I haven't paid to get the Gas Pumps or the Electric Meter Calibrated, to mention only two similar situations, so why in the name of common sense and fairness should I be required to pay for the Water Company Good Maintenance Practices.
- (8) This New Service Connection is understandable in the case of a New Home construction but does not address the issue of Mobil Homes with-in a Mobil Home Park, which is my case. The water service we have was already in place except for the meters that have recently been installed which I feel is not my responsibility to pay for. The meters are a way to generate income for the Water Company and should be considered a Cost of Doing Business Expense not an addition to the Water Bill I will be receiving.
- (9) I feel no need in responding to this item due to the fact that it has been covered in (4); (5) and (6) already.

As far as the Overall Rate Increases proposed, I find it hard to believe that the Commission would even consider an increase ranging from 87% to 165% at one time. No private company could institute such high increases in the Selling Price of their product without losing every customer they have. I beg you to consider this request carefully, what is being proposed is an Increase that could only be successful in a Monopoly Situation where the Consumer has no other source of service.

I'm not opposed to Reasonable Return on Investment, that's what keeps business afloat, I am not, however, in favor of a Public Service Provider manipulating the system solely for their Financial Gain without consideration as to the affect it will have on their consumers because the customers have no real recourse.

Thank You for your time in considering my comments and I pray that you will look deeply into the points that I have brought up and reach a fair and equitable resolution for All Parties concerned.


David C. Wilson

CEDAR HILL ESTATES WATER COMPANY, INC.
5108 Dulin Creek Rd.
House Springs, MO 63051
(636) 671-3310

April 11, 2003

Dear Customer:

On August 15, 2002, KMB Utility Corporation (Company) submitted a request for permanent increase in its current water rates, under the Missouri Public Service Commission's (Commission) small company rate increase procedure.

By its request, the Company was seeking increases in its customer rates intended to generate an increase in the Company's annual operating revenues for water service of \$27,615. The Company believes these increases in its operating revenues are necessary to meet current operating expenses.

As a result of the Company's request, the Staff of the Public Service Commission (Commission Staff) conducted an investigation of the Company's books and records and the Company's operations. Based upon the results of its investigation, the Commission Staff is recommending an increase in the Company's annual operating water revenues of the total requested amount of \$26,052.

The Office of the Public Counsel (Public Counsel), a state agency responsible for representing the interests of consumers before the Commission, has reviewed the results of the Commission Staff's investigation. However, the Public Counsel has not yet taken a final position regarding the Commission Staff's recommended increase in the Company's annual operating revenues. Public Counsel has indicated that it will review the responses to this customer notice letter before making the determination of whether to request that the Commission hold a local public hearing.

Attached is a residential customer impact statement for a customer using 6,000 gallons per month. This example is shown without applicable taxes.

In addition to the monthly rate and commodity rate changes the following changes are also proposed:

- (1) The Late Payment Charge is to be modified;
- (2) A Bad Check Charge of \$20 per bad check is to be approved;

- (3) A Door Collection Charge modification of \$10 per regular working hours and \$15 for other than regular working hours, to avoid disconnection is to be approved;
- (4) An Emergency Call Out Charge of \$25 to shut off service where the emergency exists entirely on the customer owned facilities is to be approved;
- (5) The implementation of a Reconnection Charge of \$50.00 after Company discontinuance of service is to be approved;
- (6) The implementation of a Temporary Turn-off charge, totally for the customer's convenience, of \$25 during regular working hours and \$35 during all other hours is to be approved;
- (7) The meter test charge is to be increased from \$10 to \$25;
- (8) The New Service Connection Fee for the installation of a new service line from the Company's main to the customer's property line, from \$115 to \$475 is to be approved;
- (9) That a Temporary Turn-off Charge, for the customer's convenience is to be approved.

Any customer that has questions or comments about the Commission Staff's recommended rate increase should contact the Staff, and/or the Public Counsel, ***within 20 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. Depending upon the response to this notice, the Public Counsel may request that the Public Service Commission hold a local public hearing. ***Regardless of whether a local public hearing is held, no increase in rates will take effect without the approval of the Public Service Commission.***

Sincerely,



Ann Rudy
President

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

AR:vja

Enclosure

KMB - Cedar Hill Estates Water Co.

Small Company Rate Filing - Water Service
Work ID # QW-2003-0007

W-1

Residential Water Customer Impact

Monthly Bill:	Monthly Flat Charge				Total Bill
Proposed Rates	\$7.00	\$1.50	6,000	\$10.17	\$18.18
Current Rates	\$4.28	\$0.64	6,000	\$3.84	\$8.12
Difference	\$3.71	\$1.05		\$8.33	\$10.04
Percentage Difference from Current Rates	86.7%	164.7%		164.7%	123.6%

January 23, 2003
Missouri Public Service Commission Staff

W. R. Hubbs

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