GREGORY D. WILLIAMS ATTORNEY AT LAW HIGHWAY 5 AT 5-33 P. O. BOX 431 SUNRISE BEACH, MO 65079

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September 9, 2002

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

Attn: Filing Desk

Re: Environmental Utilities, LLC Case WA-2002-65 Missouri Public Service Commission

SEP 1 1 2002

FILED³

Dear Judge Roberts:

Please find enclosed for filing in the above referenced matter the original and 8 copies of the following:

1. Not ice of Water Supply Agreement.

An additional copy of the same is also enclosed to be stamped "filed" and returned to me in the enclosed envelop. A copy of the same has been mailed to all counsel of record in said matter.

If you have any questions concerning this matter, please do not hesitate to contact me.

Sincerely yours,

Villiams

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the matter of the application of Environmental Utilities, LLC for permission, approval, and a certificate of convenience and necessity authorizing it to construct, install, own, operate, control, manage and maintain a water system for the public located in unincorporated portions of Camden County, Missouri (Golden Glade Subdivision).

))) Case No. WA-2002-65)

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NOTICE OF WATER SUPPLY AGREEMENT

COMES NOW Environmental Utilities, LLC, and pursuant to the Report and Order of

the Public Service Commission dated June 27, 2002 does hereby submit its Water Supply

Agreement with Osage Water Company for the provision of wholesale water to Osage Water

Company for the use of Osage Water Company's customers in Eagle Woods as required by

Paragraph 1 on Pages 28-29 of said Report and Order, which agreement is attached hereto as

Exhibit A.

. .

WHEREFORE, Environmental Utilities, LLC does hereby pray for an Order of the

Commission finding that it has satisfied the pre-conditions of said Report and Order and that the

Certificate of Convenience and Necessity granted therein is in full force and effect.

SEP 1 1 2002

Missouri Public Service Commission

Gregory D Williams #32272 Highway 5 at Lake Road 5-33 P.O. Box 431 Sunrise Beach, MO 65079 (573) 374-8761

CERTIFICATE OF SERVICE

I, Gregory D. Williams, do hereby certify that a true copy of the foregoing was on this day of 3, 2002, mailed, postage prepaid, to the following:

M. Ruth O'Neill Office of Public Counsel P.O. Box 7800 Jefferson City, MO 65102

Keith Krueger General Counsel, Missouri Public Service Commission P.O. Box 360 Jefferson City, MO 65102 Thomas E. Loraine 4075 Highway 54, Suite 300 Osage Beach, MO 65065

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<u>.</u> L : Di Gregory D. Williams

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WATER SUPPLY AGREEMENT

This Agreement is made and entered into this _____ day of September 2002 by and between Osage Water Company, a Missouri Corporation ("OWC"), and Environmental Utilities, LLC, a Missouri Limited Liability Company ("Env. Util.").

Whereas, OWC is authorized by the Missouri Public Service Commission to provide public water utility service in an area described in its Tariff as "Eagle Woods"; and

Whereas, Env. Util. is authorized by the Missouri Public Service Commission to provide public water utility service in an area described in its Tariff as "Golden Glade"; and

Whereas, OWC does not own a public drinking water supply with which to supply the needs of its customers for water utility service in with Eagle Woods; and

Whereas, Env. Util. owns a public drinking water supply in its "Golden Glade" service area and has sufficient capacity therein with which to supply the needs of OWC for water in Eagle Woods.

Now, Therefore, in consideration of the mutual covenants and agreements contained herein, the parties do hereby covenant, contract, and agree as follows:

- Osage Water Company does hereby agree to purchase water from Environmental Utilities, LLC, and Environmental Utilities, LLC does hereby agree to sell water to Osage Water Company for distribution and resale to customers of Osage Water Company located in its KK Service Area at the rate of \$44.25 per month minimum, plus metered usage greater than 2,000 gallons per month at the rate of \$3.8701 per 1,000 gallons of usage.
- Env. Util. agrees to furnish said water on a "best efforts" basis and shall not be liable to OWC or its customers for any interruption or termination of service, other than the deliberate and intentional acts of its duly authorized agents or employees acting within the scope and course of their employment and at the direction of the Manager of Env. Util.
- 3. Env. Util. shall render its bills for water service to OWC at the same time and in the same manner as its bills for water service to retail customers or Env. Util. In the event that any bill for service is not paid in a timely manner in accordance with the Utility Billing Practices of the Missouri Public Service Commission, Env. Util. may discontinue the provision of water service until such time as all sums due and owing from OWC to Env. Util, are paid in full, and a deposit for one (1) month's average usage by OWC is deposited with Env. Util. In the event that any bill remains unpaid for a period longer than sixty (60) days, Env. Util. may terminate this agreement upon ten (10) days written notice to OWC.
- 4. Env. Util. shall notify OWC of any planned disruption of service for non-emergency repairs or otherwise at least forty-cight (48) hours in advance thereof, and of any emergency repairs as soon as possible after the disruption of service occurs. Env. Util. shall notify OWC of any boil orders required by applicable Missouri Law or Regulations with respect to said water supply immediately upon receipt of the same in the same manner as notice thereof is supplied to Env. Util.'s customers. OWC shall be responsible for all notices to OWC's customers in Eagle Woods.



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- 5. It is contemplated under this agreement that water shall be supplied hereunder only to the Eagle Woods Service Area as that area exists on the date hereof and as described in OWC's Water Tariff in effect on the date hereof, and which is contemplated to include not more than fifty-three (53) single family homes. Any expansion of said service area by OWC or any change in the scope or plan of development therein to include more than fifty-three (53) single family homes shall require the prior consent and agreement of Env. Util. to continue to supply water to OWC, which consent may be with held in the sole discretion of Env. Util.
- 6. It is contemplated under this agreement that OWC will maintain its water distribution system in good repair at all times and that water shall be supplied only for normal residential purposes to not more than fifty-three (53) homes in the Eagle Woods development. In the event that excessive water leaks or other high volume usages occur which would or could cause the inability of Env. Util. to supply water within its Golden Glade Service Area, Env. Util. may discontinue the provision of water to OWC until such time as said excessive water leaks are repaired, notwithstanding the agreement and undertaking by OWC hereunder to pay for all water taken from Env. Util., it being expressly acknowledged and agreed that Env. Util. is not required to furnish an unlimited supply of water to OWC under this agreement.
- It is not contemplated that water will be supplied hereunder for fire protection purposes, and Env. Util. shall have no obligation as a result of this agreement to furnish water for such purposes.
- 8. This Agreement may be terminated by either party hereto, without cause, upon six (6) months written notice to the other.

In witness whereof the parties have set their hands the day and year first above written.

William P. Mkchell, Presiden

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