

Analysis of the proposed rate increase for water and sewer for Stonebridge Village.

I don't know who prepared the mailing we received, but in my opinion, the mailing received is a wonderful example of bureaucratic misinformation designed to confuse its readers to a point that they just accept it. First of all we are charged in increments of 1,000 gallons, so why would the preparer use 3,500 gallons. We don't know if the increase is based from 3,000 gallons or 4,000 gallons. Both water and sewer are made up of two charges: a minimum, or base charge (which includes 2,000 gallons per month in our case) and a rate per 1,000 gallons above the base. Give us the real numbers. We can do the math and see how the increase affects each of us. They don't average our bills, so why are they trying to hide reality.

Secondly, and this is really bad, they used the wrong formula to tell us what the proposed increase percentage will be. They took the increase and divided it into the proposed rate. The increase percentage is the increase divided into the existing rate. If you have a charge of \$100 and increase it by \$100 to \$200, the increase is 100%, not 50%.

I took the proposed dollar increases and calculated them against our current rates, including my winter rate of 2,000 gallons per month, and came up with increase percentages from 119% at 2,000 gallons to 81% at 4,000 gallons. Why does the mailing say about 47%?

If this mailing was prepared by the Missouri Public Service Commission, someone should lose their job. If the mailing was prepared by Missouri-American Water Company, their proposal should be denied in total for the deceitful information provided to its customers.

It is our understanding that MAWC's acquisition of this business was at a significant loss to Roark Water & Sewer, so their recovery of investment is already at an accelerated rate from that of the seller. We were expecting a reduction in our rates to be more competitive with Branson and Branson West. If MAWC needed to increase their revenue by \$43 million, why would the Missouri Public Service Commission allow them to buy additional businesses to turn around and gouge the new customers with and immediate 90% increase, to help cover existing poor management? The level of this proposed increase is inconceivable to those of us on fixed incomes.

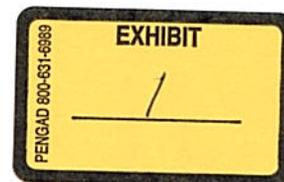
Thank you for your consideration.

Loren & Patricia Lund

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CURRENT CHARGE	PROPOSED \$ INCREASE BY DISTRICT	PROPOSED INCREASE % BY DISTRICT
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PROPOSED \$ INCREASE STATEWIDE	PROPOSED INCREASE % STATEWIDE
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WATER USAGE
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2,000	13.72	16.26	119%	11.17	81%
3,000	16.92	16.26	96%	11.17	66%
4,000	20.12	16.26	81%	11.17	56%
Increase per the mailed information			47%		21%

SEWER USAGE
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2,000	26.78	25.11	94%	27.95	104%
3,000	32.05	25.11	78%	27.95	87%
4,000	37.32	25.11	67%	27.95	75%
Increase per the mailed information			34%		38%