

October 20, 2006

Via FedEx

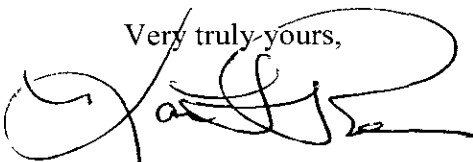
Colleen M. Dale, Chief Regulatory Law Judge/Secretary
Missouri Public Service Commission
Governor Office Building
P.O. Box 360
200 Madison Street, Suite 100
Jefferson City, MO 65102

Re: Aqua Missouri, Inc.
Docket Nos. WR-2007-20
WR-2007-21
SR-2007-22
SR-2007-23

Dear Secretary Dale:

I have enclosed for filing an original and 5 copies of the "Report on After Hours Calls to Aqua's Call Center".

Very truly yours,



Kathy L. Pape

KLP/kab

Enclosure

cc: The Honorable Jeff Davis
The Honorable Linward Appling
The Honorable Robert M. Clayton III
The Honorable Connie Murray
The Honorable Steve Gaw
The Honorable Lewis Mills
The Honorable Nancy Dippell
Dale Johansen

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OCT 23 2006

**Missouri Public
Service Commission**

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document upon the participants listed below:

VIA FEDERAL EXPRESS

The Honorable Jeff Davis
Missouri Public Service Commission
Governor Office Building
200 Madison Street, Suite 100
Jefferson City, MO 65102

The Honorable Linward Appling
Missouri Public Service Commission
Governor Office Building
200 Madison Street, Suite 100
Jefferson City, MO 65102

The Honorable Robert M. Clayton, III
Missouri Public Service Commission
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The Honorable Connie Murray
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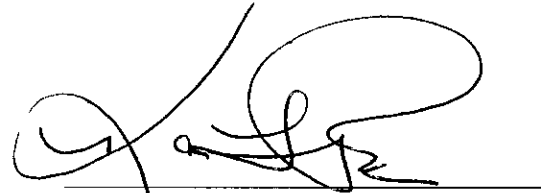
The Honorable Steve Gaw
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The Honorable Lewis Mills
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The Honorable Nancy Dippell
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Dale Johansen, Manager
Water and Sewer Department
Missouri Public Service Commission
Governor Office Building
200 Madison Street
Jefferson City, MO 65102

Dated: October 20, 2006



Kathy L. Pape
Vice President, Treasurer and Rate Counsel

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**Aqua Missouri, Inc.
Case Nos. WR-2007-20
WR-2007-21
SR-2007-22
SR-2007-23**

**Missouri Public
Service Commission**

**Report on after-hours telephone calls to Aqua's call center
October 20, 2006**

Background

As a result of several customer complaints related to Aqua Missouri's ("Aqua Missouri" or "Company") handling of after-hours telephone calls to the Aqua Missouri office, the Company reviewed its procedures. This report discusses the procedural review, problem areas that were discovered, resolutions of the issues and the changes that are currently underway to correct the customer service issues and improvements that will be made to the Aqua Call Center in 2007.

Procedural Review

When a customer calls the number on their bill (1-800-851-1305), they will reach the Aqua Call Center located in Kankakee, Illinois. Business hours for Missouri customers are 8:00 a.m. to 5:00 p.m. Monday through Friday (closed on holidays).

During business hours the Aqua Call Center handles all billing and service customer calls and issues work orders when necessary. In order for customer service to function as effectively, it is necessary that all calls be handled by the Customer Service Representatives ("CSR") and/or the Supervisor/Manager of the Aqua Call center for all calls related to customer service issues. Customers are encouraged to allow the CSR or the supervisory staff located at the call center to assist them. If a customer is not satisfied by this staff and desires to speak with a local manager then a message will be e-mailed to the local manager with the customer's name, number and description of request made by the customer. The local operating company Manager would then handle the customer call. This process is important since the call center is in the best position to address typical customer service issues (billing, account maintenance, collections, etc.).

If the customer calls after business hours to 1-800-851-1305 they will be automatically forwarded to an after hours answering service ("Answering Service"), which will address all emergency related calls and respond as necessary. However, the Answering Service is set up to handle only emergency related issues for immediate response. For all other items, customers are asked to call back during normal working hours of 8:00 a.m. to 5:00 p.m. Monday through Friday (closed on holidays). Similarly, the Answering Service will not take messages for individuals. Rather, customers will be asked to call back during normal working hours.

If a customer calls the local Jefferson City office during the hours of 8:00 a.m. to 5:00 p.m. for a customer related issue they will be asked to use 1-800-851-1305 in the future and then transferred to 1-800-851-1305. These calls are documented in the Missouri office as such. If a customer calls to talk to someone in the Missouri office, the call

would be addressed immediately if that individual were available. If they were not, a message will be taken for a call back. The answering machine in the Missouri office is checked regularly through out the day.

If a customer calls the Jefferson City office and all lines are busy or it is after hours they will get the following message on the answering machine:

"You have reached the Aqua Missouri office located in Jefferson City, Missouri. No one is available to take your call, at this time. If you are a water or a wastewater customer of Aqua Missouri and you are calling on a customer service related issue such as a billing question or other service related issue you will need to contact our customer service department at 1-800-851-1305 during the hours of 8:00 a.m. to 5:00 p.m. If you have an emergency issue such as a water leak, sewer backup or other emergency related item and it is after normal business hours, you will need to call the 1-800-851-1305 for an immediate response. If you are trying to reach an employee of the Missouri office please leave a message for the person that you would like to speak to, your name, number, time of call and brief message your call will be returned as soon as possible. Thank you for calling Aqua Missouri."

Problem Areas

After a careful review of the procedures utilized by Aqua Missouri and the Aqua Call Center and after re-reading the transcripts of the customer complaints during the public input hearings, the Company believes that all of the customers' complaints regarding no response to telephone calls were caused by transferring the local Missouri office telephone calls to the Answering Service after business hours. While the after-hours emergency Answering Service was designed to handle both emergency situations and take messages for Aqua Missouri employees, some messages were not e-mailed to the local Missouri office. AS noted above, the after business hours Answering Service was never meant to address billing issues and routine service issues that can easily be addressed during the next business day. The Answering Service was instructed to state to customers with routine questions that the customer should call during regular business hours.

Resolution of Problems

The Company made two changes to its call taking procedures that it believes will address the problems discussed above. First, all non-emergency after-hours telephone calls to the local Missouri office on line 1-800-624-5252 will be addressed by the local office via telephone voice mail instead of re-directing the telephone calls to the Aqua Call Center Answering Service. In that way, the Aqua Missouri office manager and her staff can respond to non-billing, non-emergency calls. The Company will return all after-hours telephone messages left on voice mail at the local Missouri office during the next business day. Second, the Company will provide instructions to the after-hours Answering Service regarding the task of e-mailing messages to the local offices in cases

where customers call the telephone number on their bill after-hours. These two changes will be implemented during the week of October 23, 2006.

Aqua Call Center Improvements in 2007

Aqua America is currently implementing a project to install new technology to better track customer contacts and customer service quality in the Aqua Call Center. Among the new technologies being installed in the first half of 2007 will be the NICE software, which records all incoming telephone calls from customers. It will permit a review of the full transcript of customer calls upon the request of the supervisor, the regulatory body, or the customer. We hope to use this recording for regulatory inquiries, training of our customer service representatives, and in addressing any other customer contact issues. Additionally, the installation of the Avaya telephone system will allow the Aqua Call Center to track incoming customer calls. For example, if a customer contacts the call center, we can track that inquiry by telephone number, which will allow us to verify the time and date of any customer call. Finally, the use of the new Banner Customer Information System, which is also to be installed in the first half of 2007, will force our customer service representatives to log the reason for the customer contact. As a result, we will be able to better track the reasons why our customers are contacting the Aqua Call Center. All of this technology should provide continuous improvement in the quality of service we provide our customers in Missouri.