

**RATE INCREASE REQUEST LETTER – SEWER SERVICE**

**August 10, 2012**

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

**FILED**

**AUG 14 2012**

**Missouri Public  
Service Commission**

RE: Request for Increase in Annual Sewer System Operating Revenues  
MO PSC Small Utility Rate Case Procedure

Dear Secretary:

W.P.C. Sewer Company (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 in Pettis County, Missouri. The Commission first authorized the Company to provide regulated sewer utility service in October of 1988. The Company currently provides service to approximately 68 sewer customers within its certified service area under the provisions of its Commission-approved tariffs. The Company's customer rates for sewer service were last changed in April of 2009.

Pursuant to 4 CSR 340-3.050, the Commission's rule pertaining to rate increase requests made by qualifying small utilities, the Company is hereby requesting an increase \$14,483.00 in its annual sewer system operating revenues. Based upon current customer rates and customer numbers, this increase represents a change of approximately 70.9% in the Company's annual sewer 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 request, and may thus be the subject of Staff recommendations at the conclusion of the rate increase process.

The specific reasons for the requested increase in the Company's annual operating revenues include: increases in utility plant investment of a Ultra-Violet Disinfection System mandated by the Department of Natural Resources with a cost of approximately \$30,000, increased cost of clerical staff, increased salaries, postage and mail expenses, office supply expense and other general office expenses that occur from time to time. 2012 Profit and Loss Statement projects out to a loss of \$6,358 for the year. The increased cost of office expense projects to be \$1,200. When the \$30,000 additional cost is amortized on a 5 year note, the expense is equal to \$6,925.08.

\$1,200.00 office expense

\$6,925.08 amortized expense

\$6,358.00 projected loss

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\$14,483.00

$\$14,483 / 12 = \$1,206.92$  per month

$\$1,206.92 / 68 = \$17.74$  increase per month

Furthermore, the Company requests a waiver of Commission Rule 4 CSR 240-4.020(2), requiring notice to be filed with the secretary of the Commission a minimum of sixty days prior to filing a small company rate case, because the Company needs to have new rates take effect as soon as possible in order to provide the mandated requirements by the Department of Natural Resources.

Lastly, I wish to advise you that the Company is current on the payment of its Commission annual assessments and the filing of its Commission 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.

Sincerely,



Anthony B. Monsees

President

Copies:        Jim Russo – Commission Staff  
                  Christina Baker – Office of the Public Counsel