

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of Osage Water Company, Inc.'s
Request for a Rate Increase.

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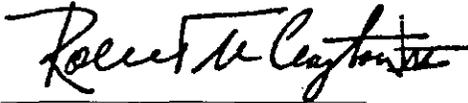
**Case Nos. WR-2009-0149
SR-2009-0152**

NOTICE REGARDING EXTERNAL COMMUNICATIONS

Issue Date: February 20, 2009

On February 19, 2009 my office received the attached document via facsimile from John T. Russell regarding Osage Water Company's request for a rate increase.

Respectfully submitted,



Robert M. Clayton III
Chairman

Dated at Jefferson City, Missouri,
on this 20th day of February 2009.

John T. Russell

(Mailing Address)
PO Box 93
Lebanon, MO 65536
Home: 417-532-5326

(Office Address)
158 N. Adams
Office: 417-532-6050
Fax: 417-532-3031
johntrussell@earthlink.net

February 19, 2009

**Jeff Davis, Chairman
Public Service Commission
PO Box 360
Jefferson City, MO 65102**

Dear Mr. Chairman:

I am writing on my behalf and also several friends who ask for my support concerning the issue of the excessive rate increase proposed by the 'Osage Water Company.' The rates requested are beyond reasonable and I doubt these can be supported by facts.

I am sure the promoters would like to see the income doubled. No assurance of improved service from their water division. Off of K Highway, several customers had to buy filters in an effort to clear the water from the odor.

A public hearing at Osage Beach or Camdenton would be very helpful for the customers of Osage Water Company.

Perhaps these developments and or owners' association which have one of more wells, could acquire these back from Osage Water. At the time Osage Water acquired these water systems, I am sure the transactions benefited Osage Water and did little to protect the water-sewer customers.

Thanks for your consideration.

Sincerely,


John T. Russell

JTR/rjl

**Copy to:
Office of Public Counsel
Attn: Water/Sewer Department
PO Box 2230
Jefferson City, MO 65102
FAX #573-751-5562**



Commissioners

ROBERT M. CLAYTON III
Chairman

CONNIE MURRAY

JEFF DAVIS

TERRY JARRETT

KEVIN GUNN

Missouri Public Service Commission

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Director, Utility Operations

COLLEEN M. DALE
Secretary/Chief Regulatory Law Judge

KEVIN A. THOMPSON
General Counsel

February 20, 2009

The Honorable John T. Russell
PO Box 93
Lebanon, MO 65536

Re: Osage Water Company

Dear Senator Russell:

My name is Jim Busch and I am the Manager of the Water and Sewer Department at the Missouri Public Service Commission. It is my understanding that you delivered a fax to Commissioner Jeff Davis regarding the rate request filed by Osage Water Company. That letter was forwarded to Chairman Robert Clayton who asked that I respond directly to your concerns associated with this utility. Because there is an on-going case, Chairman Clayton is unable to discuss most of the issues involving this company.

On October 23, 2008, Osage Water Company filed a request with the Commission to increase rates by approximately 100%. At that time, the Staff of the Commission's Auditing Department initiated a complete and thorough audit of the Company's books and records. The Auditors review all expenses and improvements to ensure that only prudently incurred costs are included in the Company's cost of service. Furthermore, my Staff will conduct an operational audit of the Company's operations and is in the process of reviewing all of the customer complaints and comments submitted to identify problem areas. Both recommendations are due on May 21, 2009.

Following the submission of the staff recommendations, it is customary for a local public hearing to be requested by the Office of the Public Counsel to offer customers a chance to directly advise the Commission of any complaints. Due to the amount of customer comments received by both Staff and Public Counsel, it is probable that local public hearings will be conducted at that time.

Finally, I wanted to make you aware that on December 31, 2002, the Commission petitioned the circuit court to have a receiver appointed and remove control of the

Honorable John T. Russell
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company from the current owners due to mismanagement and other reasons. The staff has worked closely with the receiver, who is currently trying to make any and all necessary improvements to the system to ensure that the customers receive safe and adequate service.

If you have any further questions or comments, please feel free to contact me. My phone number is 1-573-751-7529 and my email address is jim.busch@psc.mo.gov. Thank you very much for your letter. Chairman Clayton sends his best regards.

Sincerely,



Jim Busch
Manager – Water and Sewer Department
Missouri Public Service Commission
Jim.busch@psc.mo.gov
573-751-7529

cc: Chairman Clayton
Robert Boone