

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

In the Matter of Small Company Rate)
Increase for Whiteside Hidden Acres, LLC)

Case No. WR-2011-0024

**NOTICE OF AGREEMENT REGARDING DISPOSITION
OF SMALL COMPANY RATE INCREASE REQUEST**

COMES NOW the Staff of the Missouri Public Service Commission (Staff), by and through counsel, and for its *Notice Agreement Regarding Disposition of Small Company Rate Increase Request* (Notice) states the following:

1. On July 28, 2010, the Missouri Public Service Commission (Commission) received a Rate Increase Request Letter from Whiteside Hidden Acres, LLC. (Company), requesting the Commission to approve an increase of \$8,505.76 in its annual operating revenues pursuant to Commission Rule 4 CSR 240-3.050 (Small Utility Rate Case Procedure).

2. Upon completion of Staff's investigation of the Company's request, Staff provided the Company and the Office of the Public Counsel ("OPC") with materials related to Staff's investigation, as well as its initial recommendations for the resolution of the revenue increase request.

4. Pursuant to negotiations conducted after the receipt by the Company and OPC of the above-referenced information and recommendations, Staff and the Company were able to reach an agreement ("Disposition Agreement") regarding the resolution of the Company's rate increase request.

5. Included in Appendix A, attached hereto, is a copy of the above-referenced Disposition Agreement, as well as various attachments related to the Disposition Agreement. Additionally, Appendix A contains affidavits from Staff members that participated in the investigation of the Company's Request. This Disposition Agreement provides for an overall

agreed-upon operating revenue increase of \$7,464. The agreement, among other things, also prescribes a schedule of depreciation rates and requires the Company to implement certain agreed-upon Staff recommendations.

6. Pursuant to Rule 4 CSR 240-3.050, governing disposition agreements executed between Staff and small utility companies utilizing the small utility rate case procedure, Whiteside Hidden Acres, LLC will file tariff sheets seeking to implement the terms of the Disposition Agreement. The tariff sheets will be filed December 30, 2010, and as required will bear an effective date of February 15, 2011, which, as required by Commission Rule 4 CSR 240-3.050(14), is not fewer than forty-five (45) days after they are filed.

7. Whiteside Hidden Acres, LLC is current on its payment of Commission assessments and on its filings of annual reports and statements of revenue. The Company has no other cases pending before the Commission at this time.

WHEREFORE, Staff respectfully submits this Agreement Notice and the attached Appendix for the Commission's information and consideration in this case and requests that the Commission enter an Order adopting the terms agreed upon by Staff and the Company.

Respectfully submitted,

/s/ Jaime N. Ott

Jaime N. Ott

Missouri Bar No. 60949

Attorney for the Staff of the
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102
(573) 751-8700 (Telephone)
(573) 751-9285 (Fax)
jaime.ott@psc.mo.gov (e-mail)

Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 23rd day of December 2010.

/s/ Jaime N. Ott

APPENDIX A

STAFF PARTICIPANT AFFIDAVITS AND DISPOSITION AGREEMENT & ATTACHMENTS

CASE NO. WR-2011-0024

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Staff Participant Affidavits

James M. Russo – Water & Sewer Department

Paula Mapeka– Accounting Department

David Williams – Engineering & Management Services Department

Gary Bangert – Engineering & Management Services Department

BEFORE THE MISSOURI PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

AFFIDAVIT OF JAMES M. RUSSO

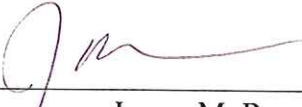
STATE OF MISSOURI)

) SS

CASE NO. WR-2011-0024

COUNTY OF COLE)

COMES NOW James M. Russo, being of lawful age, and on his oath states the following: (1) that he is the Rate and Tariff Examination Supervisor of the Missouri Public Service Commission's Water & Sewer Department; (2) that he participated in the Staff's investigation of the small company rate increase request that is the subject of the instant case; (3) that he has knowledge of the foregoing *Disposition of Small Water Company Water Revenue Increase Request ("Disposition Agreement")*; (4) that he was responsible for the preparation of Attachments, A, C, D, E and I to the Disposition Agreement; (5) that he has knowledge of the matters set forth in the Disposition Agreement and the above-referenced attachments thereto; and (6) that the matters set forth in the Disposition Agreement and the above-referenced attachments thereto are true and correct to the best of his knowledge, information and belief.



James M. Russo
Rate & Tariff Examination Supervisor
Water and Sewer Department

Subscribed and sworn to before me this 20th day of December, 2010.



Notary Public

SUSAN L. SUNDERMEYER Notary Public - Notary Seal State of Missouri Commissioned for Callaway County My Commission Expires: October 03, 2014 Commission Number: 10942086
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BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

AFFIDAVIT OF PAULA MAPEKA

In the Matter of the Rate Increase for)
Whiteside Hidden Acres, LLC)

File No. WR-2011-0024

STATE OF MISSOURI

ss.

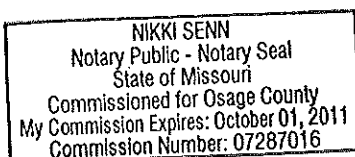
COUNTY OF COLE

COMES NOW Paula Mapeka, being of lawful age, and on her oath states the following: (1) that she is a(n) Utility Regulatory Auditor in the Missouri Public Service Commission's Auditing Department; (2) that she participated in the Staff's investigation of the small company rate increase request that is the subject of the instant case; (3) that she has knowledge of the foregoing *Company/Staff Agreement Regarding Disposition of Small Water Company Revenue Increase Request* ("Disposition Agreement"); (4) that she was responsible for the preparation of Attachments B and G to the Disposition Agreement; (5) that she has knowledge of the matters set forth in Attachments B and G to the Disposition Agreement; and (6) that the matters set forth in Attachments B and G to the Disposition Agreement are true and correct to the best of her knowledge, information, and belief.



Paula Mapeka
Utility Regulatory Auditor III
Auditing Department

Subscribed and sworn to before me this 21st day of December, 2010.





Notary Public

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

AFFIDAVIT OF DAVID WILLIAMS

In the Matter of the Rate Increase for)
Whiteside Hidden Acres, LLC)

Case No. WR-2011-0024

STATE OF MISSOURI

ss.

COUNTY OF COLE

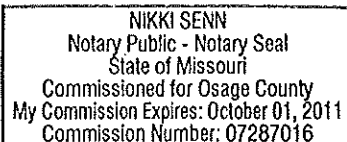
COMES NOW David Williams, being of lawful age, and on his oath states the following: (1) that he is a(n) Utility Engineer Specialist III in the Missouri Public Service Commission's Engineering & Management Services Department; (2) that he participated in the Staff's investigation of the small company rate increase request that is the subject of the instant case; (3) that he has knowledge of the foregoing *Company/Staff Agreement Regarding Disposition of Small Water Company Revenue Increase Request* ("Disposition Agreement"); (4) that he was responsible for the preparation of Attachment F to the Disposition Agreement; (5) that he has knowledge of the matters set forth in Attachment F to the Disposition Agreement; and (6) that the matters set forth in Attachment F to the Disposition Agreement are true and correct to the best of his knowledge, information, and belief.

David Williams

David Williams

Utility Engineer Specialist III
Engineering & Management
Services Department

Subscribed and sworn to before me this 20th day of December, 2010.



Nikki Senn

Notary Public

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

AFFIDAVIT OF GARY R. BANGERT

In the Matter of the Rate Increase for)
Whiteside Hidden Acres, LLC)
)

Case No. WR-2011-0024

STATE OF MISSOURI

ss.

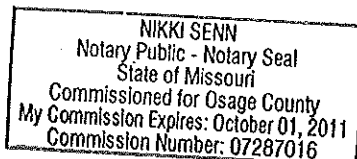
COUNTY OF COLE

COMES NOW Gary R. Bangert, being of lawful age, and on his oath states the following: (1) that he is a(n) Utility Management Analyst III in the Missouri Public Service Commission's Engineering & Management Services Department; (2) that he participated in the Staff's investigation of the small company rate increase request that is the subject of the instant case; (3) that he has knowledge of the foregoing *Company/Staff Agreement Regarding Disposition of Small Water Company Revenue Increase Request* ("Disposition Agreement"); (4) that he was responsible for the preparation of Attachment H to the Disposition Agreement; (5) that he has knowledge of the matters set forth in Attachment H to the Disposition Agreement; and (6) that the matters set forth in Attachment H to the Disposition Agreement are true and correct to the best of his knowledge, information, and belief.



Gary R. Bangert
Utility Management Analyst III
Engineering & Management
Services Department

Subscribed and sworn to before me this 20th day of December, 2010.


Notary Public

Company/Staff Disposition Agreement

**COMPANY/STAFF AGREEMENT REGARDING DISPOSITION
OF SMALL WATER COMPANY REVENUE INCREASE REQUEST**

WHITESIDE HIDDEN ACRES, L.L.C.

MO PSC FILE NO. WR-2011-0024

BACKGROUND

Whiteside Hidden Acres, L.L.C. ("Company") initiated the small company revenue increase request ("Request") for water service that is the subject of the above-referenced Missouri Public Service Commission ("Commission") File Number by submitting a letter to the Secretary of the Commission in accordance with the provisions of Commission Rule 4 CSR 240-3.050, Small Utility Rate Case Procedure ("Small Company Procedure"). In its request letter, which was received at the Commission's offices on July 28, 2010, the Company set forth its request for an increase of \$8,505.76 in its total annual water service operating revenues. In its request letter, the Company also acknowledged that the design of its customer rates, its service charges, its customer service practices, its general business practices and its general tariff provisions would be reviewed during the Commission Staff's ("Staff") review of the revenue increase request, and could thus be the subject of Staff recommendations. The Company provides water service to 39 residential customers near Pittsburg, Missouri.

Pursuant to the provisions of the Small Company Procedure and related internal operating procedures, Staff initiated an audit of the Company's books and records, a review of the Company's customer service and general business practices, a review of the Company's existing tariff, an inspection of the Company's facilities and a review of the Company's operation of its facilities. (These activities are collectively referred to hereinafter as Staff's "investigation" of the Company's Request.)

Upon completion of Staff's investigation of the Company's Request, Staff provided the Company and the Office of the Public Counsel ("OPC") with information regarding Staff's investigation and the results of the investigation, including Staff's initial recommendations for the resolution of the Company's Request.

RESOLUTION OF THE COMPANY'S RATE INCREASE REQUEST

Pursuant to negotiations held subsequent to the Company's and OPC's receipt of the above-referenced information regarding Staff's investigation of the Company's Request, Staff and the Company hereby state the following agreements:

- (1) For the purpose of implementing the agreements set out herein, the Company will file with the Commission proposed tariff revisions containing the rates, charges and language set out in the example tariff sheets attached hereto as Attachment A and incorporated by reference herein, with those proposed tariff revisions bearing an effective date of February 15, 2011;
- (2) Except as otherwise noted in the agreements below, both the Exhibit Modeling System ("EMS"), attached hereto as Attachment B and incorporated by reference herein, and the ratemaking income statement attached hereto as Attachment C and incorporated by reference herein, accurately reflects the Company's annualized revenues generated by its current customer rates, the agreed-upon total annualized cost of service for the Company, and the resulting agreed-upon annualized operating revenue increase of \$7,464 is just and reasonable and designed to recover the Company's cost of service;
- (3) The audit work papers attached hereto as Attachment B and incorporated by reference herein, which include consideration of a capital structure of 100% equity for the Company and a return on that equity of 8.73%, accurately reflect the agreed-upon total annualized cost of service for the Company and provide the basis for the ratemaking income statement referenced in item (2) above;
- (4) The rates set out in the attached example tariff sheets, the development of which is shown on the rate design worksheet attached hereto as Attachment D and incorporated by reference herein, are designed to generate revenues sufficient to recover the agreed-upon total annualized cost of service for the Company;
- (5) The rates included in the attached example tariff sheets will result in the residential customer impacts shown on the billing comparison worksheet attached hereto as Attachment E and incorporated by reference herein;
- (6) The rates included in the attached example tariff sheets, attached and incorporated by reference herein as Attachment A, are just and reasonable, and that the provisions of the attached example tariff sheets also properly reflect all other agreements set out herein, where necessary;
- (7) The schedule of depreciation rates attached hereto as Attachment F and incorporated herein, which includes the depreciation rates used by Staff in its revenue requirement analysis, shall be the prescribed schedule of water plant depreciation rates for the Company;

(8) The Commission's Auditing Department conducted an audit of the Company's books and records using the 12-month period ending December 31, 2009, as the basis for the revenue requirement calculation. All revenues, expenses, and rate base investment were reviewed through this period. The audit findings are identified as Attachment G and incorporated by reference herein.

Staff provided the Company and OPC its initial recommendations of the revenue increase for the resolution of the Company's request and Staff's EMS run. The work papers supporting the revenue requirement calculation were also provided to the Company and OPC with the results of its investigation regarding the proposed rate increase;

(9) Within thirty (30) days of the effective date of an order approving this Company/Staff Disposition Agreement, the Company shall implement the recommendations contained in the Engineering & Management Services Department ("EMSD") Report attached hereto as Attachment H and incorporated by reference herein:

- a. Incorporate the due date on customers' bills and clearly state on each bill when customers are subject to the \$5.00 late fee;
- b. Prepare a written notice that could be used to notify customers when scheduling disconnections of service due to nonpayment; and
- c. Develop and implement a process to ensure all customer complaints received by Company personnel are documented and maintained for at least two (2) years;

(10) Within ninety (90) days of the effective date of an order approving this Company/Staff Disposition Agreement, the Company shall implement the recommendations contained in the Engineering & Management Services Department ("EMSD") Report attached hereto as Attachment H and incorporated by reference herein:

- a. Develop and maintain time sheets to record work assignments and the time spent working on each project;

(11) Within ninety (90) days of the effective date of an order approving this Company/Staff Disposition Agreement, the Company shall implement the recommendations contained in the Auditing Department Recommendation Memorandum attached hereto as Attachment G and incorporated by reference herein. These recommendations include the following:

- a. Develop a log book to track the use of personal vehicles for company business. The minimum information required is starting point, destination point, trip mileage and reason for trip;
- b. Develop property records for all plant including additions and repairs to existing plant; and

- c. Develop timesheets that include at a minimum the date, amount of time and purpose for water company activities;
- (12) The Company shall mail its customers a final written notice of the rates and charges included in its proposed tariff revisions prior to or with its next billing cycle after issuance of the Commission order approving the terms of this Company/Staff Disposition Agreement. The notice shall include a summary of the impact of the proposed rates on an average residential customer's bill. When the Company mails the notice to its customers, it shall also send a copy to Staff Case Coordinator who will file a copy in this case;
- (13) Staff will conduct follow-up reviews of the Company's operations to ensure that the Company has complied with the provisions of this Company/Staff Disposition Agreement;
- (14) Staff may file a formal complaint against the Company, if the Company does not comply with the provisions of this Company/Staff Disposition Agreement;
- (15) The Company agrees that it has read the foregoing Company/Staff Agreement Regarding Disposition of Small Water Company Revenue Increase Request; that facts stated therein are true and accurate to the best of the Company's knowledge and belief; that the foregoing conditions accurately reflect the agreement reached between the Company and Staff; and that the Company freely and voluntarily enters into this agreement; and
- (16) The above agreements satisfactorily resolve all issues identified by Staff and the Company regarding the Company's Request, except as otherwise specifically stated herein.

ADDITIONAL MATTERS

Other than the specific conditions agreed upon and expressly set out herein, the terms of this Company/Staff Disposition Agreement reflect compromises between Staff and the Company. In arriving at the amount of the annual operating revenue increase specified herein neither party has agreed to any particular ratemaking principle.


Staff has completed a Summary of Case Events and has included that summary as Attachment I to this Company/Staff Disposition Agreement.

The Company acknowledges that the Staff will be filing this Company/Staff Disposition Agreement and the attachments hereto. The Company also acknowledges that Staff may make other filings in this case.

Additionally, the Company agrees that subject to the rules governing practice before the Commission that Staff shall have the right to provide whatever oral explanation the Commission may request regarding this Company/Staff Disposition Agreement at any agenda meeting at which this case is noticed to be considered by the Commission. Subject to the rules governing practice before the Commission, Staff will be available to answer Commission questions regarding this Company/Staff Disposition Agreement. To the extent reasonably practicable, Staff shall provide the Company with advanced notice of any such agenda meeting so that they may have the opportunity to be present and/or represented at the meeting.

SIGNATURES


Agreement Signed and Dated:



Dale Whiteside Jr.
President
Whiteside Hidden Acres, L.L.C.

12-15-10

Date



James Busch
Manager
Water & Sewer Department
Missouri Public Service Commission Staff

12-15-10

Date

List of Attachments

- Attachment A – Example Tariff Sheets
- Attachment B – BMS Run
- Attachment C – Ratemaking Income Statement
- Attachment D – Rate Design Worksheet
- Attachment E – Billing Comparison Worksheet
- Attachment F – Schedule of Depreciation Rates
- Attachment G – Auditing Department Recommendation Memorandum
- Attachment H – EMSD Report
- Attachment I – Summary of Events

Agreement Attachment A

Example Tariff Sheets

P.S.C. MO No. 1

1st Revised Sheet No. 6

Cancelling

Original Sheet No. 6

Whiteside Hidden Acres, LLC
Name of Issuing Company

For: Certificated Water Service Areas in Hickory County
Certificated Service Area

Rules Governing
Rendering of Water Service

SCHEDULE OF RATES

Rate Schedule W-1

Availability: This rate is available to water customers served off the Company's mains suitable for supplying the service requested and located in the Company's Certificated Water Service Areas.

Residential unmetered rate -----\$93.97 per quarter, +

Metered rate -----\$31.89 per quarter plus +
\$4.60 per 1000 gallons of use. +

Taxes: Any applicable Federal, State, or local taxes computed on a quarterly billing basis shall be added as a separate item in rendering each bill.

* Indicates New Rate or Text

+ Indicates Changed Rate or Text

Issue Date: December 30, 2010
Month/Day/Year

Effective Date: February 15, 2011
Month/Day/Year

Issued By: Dale Whiteside, Manager
Name & Title of Issuing Officer

HC77 Box 754, Pittsburg, MO 65724
Company Mailing Address

P.S.C. MO No. 1

Original

Sheet No. 5

Whiteside Hidden Acres, LLC
Name of Issuing Company

For: Certificated Water Service Areas in Hickory County
Certificated Service Area

Rules Governing
Rendering of Water Service

Returned check ----- \$25

Disconnect/reconnect fee with shutoff valve available ----- \$25

Disconnect/reconnect fee when installation of meter setting is
necessary to establish a shutoff valve ----- \$360

Late fee per billing cycle ----- \$5

Meter Installation (includes, but not limited to, labor, equipment rental,
meter box, meter yoke, lid and appurtenances) ----- ½ of actual cost *

* Indicates New Rate or Text

+ Indicates Changed Rate or Text

Issue Date: December 30, 2010
Month/Day/Year

Effective Date: February 15 2011
Month/Day/Year

Issued By: Dale Whiteside, Manager
Name & Title of Issuing Officer

HC77 Box 754, Pittsburg, MO 65724
Company Mailing Address

Agreement Attachment B

EMS Run

Exhibit No.: 12345667
Issue: Accounting Schedules
Witness: MO PSC Auditors
Sponsoring Party: MO PSC Staff
Case No: WR-2011-0024
Date Prepared:



MISSOURI PUBLIC SERVICE COMMISSION

UTILITY SERVICES DIVISION

Revised

STAFF ACCOUNTING SCHEDULES

WHITESIDE HIDDEN ACRES, LLC

CASE NO. WR-2011-0024

Jefferson City, Missouri

June 2008

Whiteside Hidden Acres, LLC
Informal Rate Case
Tracking Number WR-2011-0024
Test Year Ending 12/31/2009
Rate Design Schedule - Water

Line Number	A Description	B Account Number (Optional)	C Staff Annualized	D Customer Charge	E Commodity	F Percentage Rate
Rev-1	ANNUALIZED REVENUES					
Rev-2	Annualized Rate Revenues		(1) \$7,195			
Rev-3	Miscellaneous Revenues		(1) \$0			
Rev-4	TOTAL ANNUALIZED REVENUES		\$7,195			
1	OPERATIONS EXPENSES		(2)			
2	Management Salary (1)		\$3,120	\$0	\$3,120	0.00%
3	General Management Salary		\$1,200	\$0	\$1,200	0.00%
4	Electricity-(Pumping)		\$988	\$0	\$988	0.00%
5	Chemicals-(Chlorine)		\$0	\$0	\$0	0.00%
6	TOTAL OPERATIONS EXPENSE		\$5,308	\$0	\$5,308	
7	MAINTENANCE EXPENSES					
8	Maint. Other Plant Fac		\$0	\$0	\$0	0.00%
9	Maint. Pumping System		\$406	\$0	\$406	0.00%
10	Maint. Treatment & Disposal		\$0	\$0	\$0	0.00%
11	TOTAL MAINTENANCE EXPENSE		\$406	\$0	\$406	
12	CUSTOMER ACCOUNT EXPENSE					
13	Meter Reader Expense		\$0	\$0	\$0	0.00%
14	Bad Debt Expense		\$0	\$0	\$0	0.00%
15	Postage & Billing Expense		\$90	\$0	\$90	0.00%
16	Office Supplies Expense		\$41	\$0	\$41	0.00%
17	Miscellaneous		\$0	\$0	\$0	0.00%
18	Customer Deposit Interest		\$0	\$0	\$0	0.00%
19	TOTAL CUSTOMER ACCOUNT EXPENSE		\$131	\$0	\$131	
20	ADMINISTRATIVE & GENERAL EXPENSES					
21	Administration & General Payroll		\$4,800	\$0	\$4,800	0.00%
22	Advertising		\$0	\$0	\$0	0.00%
23	Telephone Expense		\$432	\$0	\$432	0.00%
24	Outside Service		\$263	\$0	\$263	0.00%
25	Transportation Expense		\$0	\$0	\$0	0.00%
26	Interest Expense		\$0	\$0	\$0	0.00%
27	Insurance Expense		\$126	\$0	\$126	0.00%
28	Legal & Accounting		\$0	\$0	\$0	0.00%
29	Rate Case Expense		\$229	\$0	\$229	0.00%
30	Rent Expense		\$900	\$0	\$900	0.00%
31	TOTAL ADMINISTRATIVE AND GENERAL		\$6,750	\$0	\$6,750	
32	OTHER OPERATING EXPENSES					
33	Licenses		\$0	\$0	\$0	0.00%
34	PSC Assessment		\$7	\$0	\$7	0.00%
35	Dues & Donations		\$0	\$0	\$0	0.00%
36	Other Taxes & Licenses		\$0	\$0	\$0	0.00%
37	DNR Fees		\$200	\$0	\$200	0.00%
38	Depreciation		\$649	\$0	\$649	0.00%
39	TOTAL OTHER OPERATING EXPENSES		\$856	\$0	\$856	
40	TAXES OTHER THAN INCOME					
41	Property Taxes		\$139	\$0	\$139	0.00%
42	Payroll Taxes		\$0	\$0	\$0	0.00%
43	TOTAL TAXES OTHER THAN INCOME		\$139	\$0	\$139	
44	TOTAL OPERATING EXPENSES		\$13,590	\$0	\$13,590	
45	Interest Expense		(3) \$0	\$0	\$0	0.00%
46	Return on Equity		(3) \$856	\$0	\$856	0.00%
47	Income Taxes		(3) \$213	\$0	\$213	0.00%
48	TOTAL INTEREST RETURN & TAXES		\$1,069	\$0	\$1,069	

Whiteside Hidden Acres, LLC
Informal Rate Case
Tracking Number WR-2011-0024
Test Year Ending 12/31/2009
Rate Design Schedule - Water

Line Number	A Description	B Account Number (Optional)	C Staff Annualized	D Customer Charge	E Commodity	F Percentage Rate
49	TOTAL COST OF SERVICE		\$14,659	\$0	\$14,659	
50	Less: Miscellaneous Revenues		\$0	\$0	\$0	0.00%
51	COST TO RECOVER IN RATES		\$14,659	\$0	\$14,659	
52	INCREMENTAL INCREASE IN RATE REVENUES		\$7,464			
53	PERCENTAGE OF INCREASE		103.74%			
54	REQUESTED INCREASE IN REVENUES		\$0			

- (1) From Revenue Schedule
(2) From Expense Schedule
(3) From PreTax Rate of Return Schedule, Rate Base & Return Schedule

Whiteside Hidden Acres, LLC
 Informal Rate Case
 Tracking Number WR-2011-0024
 Test Year Ending 12/31/2009
 Rate Base Required Return on Investment Schedule - Water

Line Number	A Rate Base Description	B Dollar Amount	
1	Plant In Service	\$10,305	From Plant Schedule
2	Less Accumulated Depreciation Reserve	\$499	From Depreciation Reserve Schedule
3	Net Plant In Service	\$9,806	
4	Other Rate Base Items:	\$0	
	Customer Deposits	\$0	
	Materials & Supplies	\$0	
	CIAC Depreciation	\$0	
5	Total Rate Base	\$9,806	
6	Total Weighted Rate of Return Including Income Tax	10.90%	From PreTax Return & Taxes Schedule
7	Required Return & Income Tax	\$1,069	

Whiteside Hidden Acres, LLC
Informal Rate Case
Tracking Number WR-2011-0024
Test Year Ending 12/31/2009
Rate of Return Including Income Tax - Water

	A	B	formulas
1 State Income Tax Rate Statutory / Effective	6.25% (2)	5.81%	$(1 - (B2 \times .5)) \times A1$
2 Federal Income Tax Rate Statutory / Effective	15.00% (1) & (2)	14.13%	$(1 - B1) \times A2$
3 Composite Effective Income Tax Rate		19.94%	$B1 + B2$
4 Equity Tax Factor		1.2490	$1 / (1 - B3)$
5 Recommended Weighted Rate of Return on Equity - Common and Preferred		8.73%	From Capital Structure Schedule
6 Weighted Rate of Return on Equity Including Income Tax		10.90%	$B4 \times B5$
7 Recommended Weighted Rate of Return on Debt - Long-Term and Short-Term		0.00%	From Capital Structure Schedule
8 Total Weighted Rate of Return Including Income Tax		10.90%	$B6 + B7$

(1) If Sub-Chapter S Corporation, Enter Y:

N

To Rate Base Schedule

Equity Income Required \$1,007
& Preliminary Federal Tax

Tax Rate Table

Net Income Range		Tax Rate	Amount in Range	Tax on Range
Start	End			
\$0	\$50,000	15.00%	\$1,007	\$151
\$50,001	\$75,000	25.00%	\$0	\$0
\$75,001	\$100,000	34.00%	\$0	\$0
\$100,001	\$335,000	39.00%	\$0	\$0
\$335,001	\$9,999,999,999	34.00%	\$0	\$0
			\$1,007	\$151
			Consolidated Tax Rate:	
			Average Tax Rate:	0.15

Whiteside Hidden Acres, LLC
Informal Rate Case
Tracking Number WR-2011-0024
Test Year Ending 12/31/2009
Capital Structure Schedule - Water

Line Number	Description	Dollar Amount	Percentage of Total Capital Structure	Embedded Cost of Capital	Weighted Cost of Capital
1	Common Stock	\$10,305	100.00%	8.73%	8.730%
2	Other Security-Non Tax Deductible	\$0	0.00%	0.00%	0.000%
3	Preferred Stock	\$0	0.00%	0.00%	0.000%
4	Long Term Debt	\$0	0.00%	0.00%	0.000%
5	Short Term Debt	\$0	0.00%	0.00%	0.000%
6	Other Security-Tax Deductible	\$0	0.00%	0.00%	0.000%
7	TOTAL CAPITALIZATION	\$10,305	100.00%		8.730%

To PreTax Return Rate Schedule

Whiteside Hidden Acres, LLC
Informal Rate Case
Tracking Number WR-2011-0024
Test Year Ending 12/31/2009
Plant In Service - Water

Line Number	A Account # (Optional)	B Plant Account Description	C Total Plant	D Adjustment Number	E Adjustments	F Jurisdictional Allocation	G Adjusted Jurisdictional
1		INTANGIBLE PLANT					
2	301.000	Organization	\$0			100.00%	\$0
3	302.000	Franchises	\$0			100.00%	\$0
4		TOTAL INTANGIBLE PLANT	\$0		\$0		\$0
5		SOURCE OF SUPPLY PLANT					
6	310.000	Land & Land Rights SP	\$0			100.00%	\$0
7	311.000	Structures & Improvements - SSP	\$0			100.00%	\$0
8	312.000	Collection & Impounding Reservoirs	\$0			100.00%	\$0
9	313.000	Lake, River & Other Intakes	\$0			100.00%	\$0
10	314.000	Wells & Springs	\$0			100.00%	\$0
11	315.000	Infiltration Galleries & Tunnels	\$0			100.00%	\$0
12	316.000	Supply Mains	\$0			100.00%	\$0
13		TOTAL SOURCE OF SUPPLY PLANT	\$0		\$0		\$0
14		PUMPING PLANT					
15	321.000	Structures & Improvements - PP	\$0			100.00%	\$0
16	325.000	Electric Pumping Equipment	\$5,205	P-16	\$0	100.00%	\$5,205
17	326.000	Diesel Pumping Equipment	\$0			100.00%	\$0
18	328.000	Other Pumping Equipment	\$0			100.00%	\$0
19		TOTAL PUMPING PLANT	\$5,205		\$0		\$5,205
20		WATER TREATMENT PLANT					
21	330.000	Land & Land Rights-WTP	\$0			100.00%	\$0
22	331.000	Structures & Improvements - WTP	\$0			100.00%	\$0
23	332.000	Water Treatment Equipment	\$0			100.00%	\$0
24		TOTAL WATER TREATMENT PLANT	\$0		\$0		\$0
25		TRANSMISSION & DISTRIBUTION PLANT					
26	340.000	Land & Land Rights-T&D	\$0			100.00%	\$0
27	341.000	Structures & Improvements - T&D	\$0			100.00%	\$0
28	342.000	Distribution Reservoirs & Standpipes	\$5,100			100.00%	\$5,100
29	344.000	Fire Mains	\$0			100.00%	\$0
30	345.000	Services	\$0			100.00%	\$0
31	343.000	Transmission & Distribution Mains	\$0			100.00%	\$0
32	346.000	Meters- Bronze Chamber	\$0			100.00%	\$0
33	346.000	Meters- Plastic Chamber	\$0			100.00%	\$0
34	347.000	Meter Installations- Bronze	\$0			100.00%	\$0
35	347.000	Meter Installations- Plastic	\$0			100.00%	\$0
36	348.000	Other Transmission & Distribution Plant	\$0			100.00%	\$0
37	349.000	Hydrants	\$0			100.00%	\$0
38		TOTAL TRANS. & DISTRIBUTION PLANT	\$5,100		\$0		\$5,100
39		GENERAL PLANT					
40	370.000	Land & Land Rights-GP	\$0			100.00%	\$0
41	371.000	Structures & Improvements - GP	\$0			100.00%	\$0
42	372.000	Office Furniture & Equipment	\$0			100.00%	\$0
43		Office Computer Equipment	\$0			100.00%	\$0
44	373.000	Transportation Equipment - GP	\$0			100.00%	\$0
45	379.000	Other General Equipment	\$0			100.00%	\$0
46		TOTAL GENERAL PLANT	\$0		\$0		\$0
47		TOTAL PLANT IN SERVICE	\$10,305		\$0		\$10,305

To Rate Base & Depreciation Schedules

Whiteside Hidden Acres, LLC
 Informal Rate Case
 Tracking Number WR-2011-0024
 Test Year Ending 12/31/2009
 Schedule of Adjustments for Plant in Service - Water

<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>
Plant Adjustment Number	Plant In Service Adjustment Description	Account Number	Adjustment Amount	Total Adjustment
P-16	Electric Pumping Equipment	325.000		\$0
	To add pumping equip. not included in prior rate case (Green)		\$0	
	To add pumping equip. purchased outside the update period (Green)		\$0	
Total Plant Adjustments				\$0

Whiteside Hidden Acres, LLC
Informal Rate Case
Tracking Number WR-2011-0024
Test Year Ending 12/31/2009
Depreciation Expense - Water

Line Number	A Account Number	B Plant Account Description	C Adjusted Jurisdictional	D Depreciation Rate	E Depreciation Expense
1		INTANGIBLE PLANT			
2	301.000	Organization	\$0	0.00%	\$0
3	302.000	Franchises	\$0	0.00%	\$0
4		TOTAL INTANGIBLE PLANT	\$0		\$0
5		SOURCE OF SUPPLY PLANT			
6	310.000	Land & Land Rights SP	\$0	0.00%	\$0
7	311.000	Structures & Improvements - SSP	\$0	2.50%	\$0
8	312.000	Collection & Impounding Reservoirs	\$0	0.00%	\$0
9	313.000	Lake, River & Other Intakes	\$0	0.00%	\$0
10	314.000	Wells & Springs	\$0	2.00%	\$0
11	315.000	Infiltration Galleries & Tunnels	\$0	0.00%	\$0
12	316.000	Supply Mains	\$0	2.00%	\$0
13		TOTAL SOURCE OF SUPPLY PLANT	\$0		\$0
14		PUMPING PLANT			
15	321.000	Structures & Improvements - PP	\$0	2.50%	\$0
16	325.000	Electric Pumping Equipment	\$5,205	10.00%	\$521
17	326.000	Diesel Pumping Equipment	\$0	2.70%	\$0
18	328.000	Other Pumping Equipment	\$0	4.00%	\$0
19		TOTAL PUMPING PLANT	\$5,205		\$521
20		WATER TREATMENT PLANT			
21	330.000	Land & Land Rights-WTP	\$0	0.00%	\$0
22	331.000	Structures & Improvements - WTP	\$0	2.50%	\$0
23	332.000	Water Treatment Equipment	\$0	2.90%	\$0
24		TOTAL WATER TREATMENT PLANT	\$0		\$0
25		TRANSMISSION & DISTRIBUTION PLANT			
26	340.000	Land & Land Rights-T&D	\$0	0.00%	\$0
27	341.000	Structures & Improvements - T&D	\$0	2.50%	\$0
28	342.000	Distribution Reservoirs & Standpipes	\$5,100	2.50%	\$128
29	344.000	Fire Mains	\$0	0.00%	\$0
30	345.000	Services	\$0	2.50%	\$0
31	343.000	Transmission & Distribution Mains	\$0	2.00%	\$0
32	346.000	Meters- Bronze Chamber	\$0	10.00%	\$0
33	346.000	Meters- Plastic Chamber	\$0	0.00%	\$0
34	347.000	Meter Installations- Bronze	\$0	0.00%	\$0
35	347.000	Meter Installations- Plastic	\$0	0.00%	\$0
36	348.000	Other Transmission & Distribution Plant	\$0	0.00%	\$0
37	349.000	Hydrants	\$0	2.00%	\$0
38		TOTAL TRANS. & DISTRIBUTION PLANT	\$5,100		\$128
39		GENERAL PLANT			

Whiteside Hidden Acres, LLC
Informal Rate Case
Tracking Number WR-2011-0024
Test Year Ending 12/31/2009
Depreciation Expense - Water

Line Number	A Account Number	B Plant Account Description	C Adjusted Jurisdictional	D Depreciation Rate	E Depreciation Expense
40	370.000	Land & Land Rights-GP	\$0	0.00%	\$0
41	371.000	Structures & Improvements - GP	\$0	0.00%	\$0
42	372.000	Office Furniture & Equipment	\$0	0.00%	\$0
43		Office Computer Equipment	\$0	0.00%	\$0
44	373.000	Transportation Equipment - GP	\$0	0.00%	\$0
45	379.000	Other General Equipment	\$0	10.00%	\$0
46		TOTAL GENERAL PLANT	\$0		\$0
47		Total Depreciation	<u>\$10,305</u>		<u>\$649</u>

Whiteside Hidden Acres, LLC
Informal Rate Case
Tracking Number WR-2011-0024
Test Year Ending 12/31/2009
Accumulated Depreciation Reserve - Water

Line Number	A Account Number	B Depreciation Reserve Description	C Total Reserve	D Adjustment Number	E Adjustments	F Jurisdictional Allocation	G Adjusted Jurisdictional
1		INTANGIBLE PLANT					
2	301.000	Organization	\$0			100.00%	\$0
3	302.000	Franchises	\$0			100.00%	\$0
4		TOTAL INTANGIBLE PLANT	\$0		\$0		\$0
5		SOURCE OF SUPPLY PLANT					
6	310.000	Land & Land Rights SP	\$0			100.00%	\$0
7	311.000	Structures & Improvements - SSP	\$0			100.00%	\$0
8	312.000	Collection & Impounding Reservoirs	\$0			100.00%	\$0
9	313.000	Lake, River & Other Intakes	\$0			100.00%	\$0
10	314.000	Wells & Springs	\$0	R-10	\$0	100.00%	\$0
11	315.000	Infiltration Galleries & Tunnels	\$0			100.00%	\$0
12	316.000	Supply Mains	\$0			100.00%	\$0
13		TOTAL SOURCE OF SUPPLY PLANT	\$0		\$0		\$0
14		PUMPING PLANT					
15	321.000	Structures & Improvements - PP	\$0			100.00%	\$0
16	325.000	Electric Pumping Equipment	\$0	R-16	\$392	100.00%	\$392
17	326.000	Diesel Pumping Equipment	\$0			100.00%	\$0
18	328.000	Other Pumping Equipment	\$0			100.00%	\$0
19		TOTAL PUMPING PLANT	\$0		\$392		\$392
20		WATER TREATMENT PLANT					
21	330.000	Land & Land Rights-WTP	\$0			100.00%	\$0
22	331.000	Structures & Improvements - WTP	\$0	R-22	\$0	100.00%	\$0
23	332.000	Water Treatment Equipment	\$0			100.00%	\$0
24		TOTAL WATER TREATMENT PLANT	\$0		\$0		\$0
25		TRANSMISSION & DISTRIBUTION PLANT					
26	340.000	Land & Land Rights-T&D	\$0			100.00%	\$0
27	341.000	Structures & Improvements - T&D	\$0			100.00%	\$0
28	342.000	Distribution Reservoirs & Standpipes	\$0	R-28	\$107	100.00%	\$107
29	344.000	Fire Mains	\$0			100.00%	\$0
30	345.000	Services	\$0	R-30	\$0	100.00%	\$0
31	343.000	Transmission & Distribution Mains	\$0	R-31	\$0	100.00%	\$0
32	346.000	Meters- Bronze Chamber	\$0	R-32	\$0	100.00%	\$0
33	346.000	Meters- Plastic Chamber	\$0			100.00%	\$0
34	347.000	Meter Installations- Bronze	\$0			100.00%	\$0
35	347.000	Meter Installations- Plastic	\$0			100.00%	\$0
36	348.000	Other Transmission & Distribution Plant	\$0			100.00%	\$0
37	349.000	Hydrants	\$0	R-37	\$0	100.00%	\$0
38		TOTAL TRANS. & DISTRIBUTION PLANT	\$0		\$107		\$107
39		GENERAL PLANT					
40	370.000	Land & Land Rights-GP	\$0			100.00%	\$0
41	371.000	Structures & Improvements - GP	\$0			100.00%	\$0
42	372.000	Office Furniture & Equipment	\$0			100.00%	\$0
43		Office Computer Equipment	\$0			100.00%	\$0
44	373.000	Transportation Equipment - GP	\$0			100.00%	\$0
45	379.000	Other General Equipment	\$0	R-45	\$0	100.00%	\$0
46		TOTAL GENERAL PLANT	\$0		\$0		\$0
47		TOTAL DEPRECIATION RESERVE	\$0		\$499		\$499

To Rate Base Schedule

Whiteside Hidden Acres, LLC
Informal Rate Case
Tracking Number WR-2011-0024
Test Year Ending 12/31/2009
Schedule of Adjustments for Accumulated Depreciation Reserve - Water

<u>A</u> Reserve Adjustment Number	<u>B</u> Accumulated Depreciation Reserve Adjustments Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment Amount
R-10	Wells & Springs	314.000		\$0
	No Adjustment		\$0	
R-16	Electric Pumping Equipment	325.000		\$392
	1. To add depreciation expense. (Westhues)		\$392	
R-22	Structures & Improvements - WTP	331.000		\$0
	No adjustment		\$0	
R-28	Distribution Reservoirs & Standpipes	342.000		\$107
	To add depreciation expense (Westhues)		\$107	
R-30	Services	345.000		\$0
	No Adjustment		\$0	
R-31	Transmission & Distribution Mains	343.000		\$0
	No adjustment		\$0	
R-32	Meters- Bronze Chamber	346.000		\$0
	No Adjustment		\$0	
R-37	Hydrants	349.000		\$0
	No adjustment		\$0	
R-45	Other General Equipment	379.000		\$0

Whiteside Hidden Acres, LLC
 Informal Rate Case
 Tracking Number WR-2011-0024
 Test Year Ending 12/31/2009
 Schedule of Adjustments for Accumulated Depreciation Reserve - Water

<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>
Reserve Adjustment Number	Accumulated Depreciation Reserve Adjustments Description	Account Number	Adjustment Amount	Total Adjustment Amount
	No adjustment		\$0	
Total Reserve Adjustments				\$499

Whiteside Hidden Acres, LLC
Informal Rate Case
Tracking Number WR-2011-0024
Test Year Ending 12/31/2009
Rate Revenue Feeder Schedule - Water

Line Number	A Description	Residential 5/8"		Commercial 1"	
		B Amount	C Amount	D Amount	E Amount
1	<u>Customer Charge Revenues:</u>				
2	Customer Number	39		0	
3	Bills Per Year	4		0	
4	Customer Bills Per year	156		0	
5	Current Customer Charge	<u>\$46.12</u>		<u>\$0.00</u>	
6	Annualized Customer Charge Revenues		\$7,195		\$0
7	<u>Commodity Charge Revenues:</u>				
8	Total Gallons Sold	0		0	
9	Less: Base Gallons Included In Customer Charge	<u>0</u>		<u>0</u>	
10	Commodity Gallons	0		0	
11	Block 1, Commodity Gallons per Block	0		0	
12	Block 1, Number of Commodity Gallons per Unit	0		0	
13	Block 1, Commodity Billing Units	0.00		0.00	
14	Block 1, Existing Commodity Charge	<u>\$0.00</u>		<u>\$0.00</u>	
15	Block 1, Annualized Commodity Charge Rev.		\$0		\$0
16	FFFFF, Commodity Gallons per Block	0		0	
17	FFFFF, Number of Commodity Gallons per Unit	0		0	
18	FFFFF, Commodity Billing Units	0.00		0.00	
19	FFFFF, Existing Commodity Charge	<u>\$0.00</u>		<u>\$0.00</u>	
20	FFFFF, Annualized Commodity Charge Rev.		\$0		\$0
21	VVV, Commodity Gallons per Block	0		0	
22	VVV, Number of Commodity Gallons per Unit	0		0	
23	VVV, Commodity Billing Units	0.00		0.00	
24	VVV, Existing Commodity Charge	<u>\$0.00</u>		<u>\$0.00</u>	
25	VVV, Annualized Commodity Charge Rev.		\$0		\$0
26	FADF, Commodity Gallons per Block	0		0	
27	FADF, Number of Commodity Gallons per Unit	0		0	
28	FADF, Commodity Billing Units	0.00		0.00	
29	FADF, Existing Commodity Charge	<u>\$0.00</u>		<u>\$0.00</u>	
30	FADF, Annualized Commodity Charge Rev.		\$0		\$0
31	Total Annualized Water Rate Revenues		<u>\$7,195</u>		<u>\$0</u>

Whiteside Hidden Acres, LLC
Informal Rate Case
Tracking Number WR-2011-0024
Test Year Ending 12/31/2009
Rate Revenue Feeder Schedule - Water

Line Number	A Description	Residential 5/8"		Commercial 1"	
		B Amount	C Amount	D Amount	E Amount

Commodity Billing Units are based on the number of commodity gallons applicable to each block, divided by the tariff usage rate gallons (e.g. for tariff rate of \$2.50 per 1,000 gallons of usage, the commodity gallons for that rate would be divided by 1,000 to arrive at the number of commodity billing units.

Whiteside Hidden Acres, LLC
Informal Rate Case
Tracking Number WR-2011-0024
Test Year Ending 12/31/2009
Rate Revenue Feeder Schedule - Water

Line Number	A Description	Total	
		E Amount	G Amount
1	<u>Customer Charge Revenues:</u>		
2	Customer Number	39	
3	Bills Per Year		
4	Customer Bills Per year	156	
5	Current Customer Charge		
6	Annualized Customer Charge Revenues		\$7,195
7	<u>Commodity Charge Revenues:</u>		
8	Total Gallons Sold	0	
9	Less: Base Gallons Included In Customer Charge	0	
10	Commodity Gallons	0	
11	Block 1, Commodity Gallons per Block		
12	Block 1, Number of Commodity Gallons per Unit		
13	Block 1, Commodity Billing Units		
14	Block 1, Existing Commodity Charge		
15	Block 1, Annualized Commodity Charge Rev.		\$0
16	FFFFF, Commodity Gallons per Block		
17	FFFFF, Number of Commodity Gallons per Unit		
18	FFFFF, Commodity Billing Units		
19	FFFFF, Existing Commodity Charge		
20	FFFFF, Annualized Commodity Charge Rev.		\$0
21	VVV, Commodity Gallons per Block		
22	VVV, Number of Commodity Gallons per Unit		
23	VVV, Commodity Billing Units		
24	VVV, Existing Commodity Charge		
25	VVV, Annualized Commodity Charge Rev.		\$0
26	FADF, Commodity Gallons per Block		
27	FADF, Number of Commodity Gallons per Unit		
28	FADF, Commodity Billing Units		
29	FADF, Existing Commodity Charge		
30	FADF, Annualized Commodity Charge Rev.		\$0
31	Total Annualized Water Rate Revenues		\$7,195

Whiteside Hidden Acres, LLC
Informal Rate Case
Tracking Number WR-2011-0024
Test Year Ending 12/31/2009
Rate Revenue Feeder Schedule - Water

Line Number	A Description	Total	
		F Amount	G Amount

Commodity Billing Units are based on the number of commodity gallons applicable to each block, divided by the tariff usage rate gallons (e.g. for tariff rate of \$2.50 per 1,000 gallons of usage, the commodity gallons for that rate would be divided by 1,000 to arrive at the number of commodity billing units.

Whiteside Hidden Acres, LLC
Informal Rate Case
Tracking Number WR-2011-0024
Test Year Ending 12/31/2009
Expense Schedule - Water

Line Number	A Account Number (Optional)	B Expense Description	C Company/ Test Year Amount	D Adjustment Number	E Adjustments	F Jurisdictional Allocation	G Adjusted Jurisdictional
1		OPERATIONS EXPENSES					
2		Management Salary (1)	\$1,890	W-2	\$1,230	100.00%	\$3,120
3		General Management Salary	\$900	W-3	\$300	100.00%	\$1,200
4		Electricity-(Pumping)	\$374	W-4	\$614	100.00%	\$988
5		Chemicals-(Chlorine)	\$0			100.00%	\$0
6		TOTAL OPERATIONS EXPENSE	\$3,164		\$2,144		\$5,308
7		MAINTENANCE EXPENSES					
8		Maint. Other Plant Fac	\$0	W-8	\$0	100.00%	\$0
9		Maint. Pumping System	\$0	W-9	\$406	100.00%	\$406
10		Maint. Treatment & Disposal	\$0	W-10	\$0	100.00%	\$0
11		TOTAL MAINTENANCE EXPENSE	\$0		\$406		\$406
12		CUSTOMER ACCOUNT EXPENSE					
13		Meter Reader Expense	\$0	W-13	\$0	100.00%	\$0
14		Bad Debt Expense	\$0	W-14	\$0	100.00%	\$0
15		Postage & Billing Expense	\$0	W-15	\$90	100.00%	\$90
16		Office Supplies Expense	\$125	W-16	-\$84	100.00%	\$41
17		Miscellaneous	\$500	W-17	-\$500	100.00%	\$0
18		Customer Deposit Interest	\$0	W-18	\$0	100.00%	\$0
19		TOTAL CUSTOMER ACCOUNT EXPENSE	\$625		-\$494		\$131
20		ADMINISTRATIVE & GENERAL EXPENSES					
21		Administration & General Payroll	\$2,000	W-21	\$2,800	100.00%	\$4,800
22		Advertising	\$0			100.00%	\$0
23		Telephone Expense	\$0	W-23	\$432	100.00%	\$432
24		Outside Service	\$0	W-24	\$263	100.00%	\$263
25		Transportation Expense	\$0	W-25	\$0	100.00%	\$0
26		Interest Expense	\$0	W-26	\$0	100.00%	\$0
27		Insurance Expense	\$0	W-27	\$126	100.00%	\$126
28		Legal & Accounting	\$0	W-28	\$0	100.00%	\$0
29		Rate Case Expense	\$0	W-29	\$229	100.00%	\$229
30		Rent Expense	\$0	W-30	\$900	100.00%	\$900
31		TOTAL ADMINISTRATIVE AND GENERAL	\$2,000		\$4,750		\$6,750
32		OTHER OPERATING EXPENSES					
33		Licenses	\$0			100.00%	\$0
34		PSC Assessment	\$0	W-34	\$7	100.00%	\$7
35		Dues & Donations	\$0	W-35	\$0	100.00%	\$0
36		Other Taxes & Licenses	\$0	W-36	\$0	100.00%	\$0
37		DNR Fees	\$0	W-37	\$200	100.00%	\$200
38		Depreciation	\$400	W-38	\$249	100.00%	\$649
39		TOTAL OTHER OPERATING EXPENSES	\$400		\$456		\$856
40		TAXES OTHER THAN INCOME					
41		Property Taxes	\$0	W-41	\$139	100.00%	\$139
42		Payroll Taxes	\$0	W-42	\$0	100.00%	\$0
43		TOTAL TAXES OTHER THAN INCOME	\$0		\$139		\$139
44		TOTAL OPERATING EXPENSES	\$6,189		\$7,401		\$13,590

Whiteside Hidden Acres, LLC
Informal Rate Case
Tracking Number WR-2011-0024
Test Year Ending 12/31/2009
Expense Adjustment Schedule - Water

<u>A</u> Expense Adj Number	<u>B</u> Adjustment Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment
W-2	Management Salary (1)			\$1,230
	1. To annualize Shelly Whiteside's salary.		\$1,230	
	No Adjustment		\$0	
W-3	General Management Salary			\$300
	1. To annualize Dale Whiteside's salary.		\$300	
	No Adjustment		\$0	
W-4	Electricity-(Pumping)			\$614
	1. To annualize electric expense		\$614	
W-8	Maint. Other Plant Fac			\$0
	No Adjustment		\$0	
W-9	Maint. Pumping System			\$406
	1. To annualize maintenance expense.		\$406	
W-10	Maint. Treatment & Disposal			\$0
	No Adjustment		\$0	
W-13	Meter Reader Expense			\$0
	No Adjustment		\$0	
	No Adjustment		\$0	
W-14	Bad Debt Expense			\$0
	No Adjustment		\$0	

Whiteside Hidden Acres, LLC
Informal Rate Case
Tracking Number WR-2011-0024
Test Year Ending 12/31/2009
Expense Adjustment Schedule - Water

<u>A</u> Expense Adj Number	<u>B</u> Adjustment Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment
W-15	Postage & Billing Expense			\$90
	To annualize postage and billing expense.		\$90	
	No Adjustment		\$0	
W-16	Office Supplies Expense			-\$84
	1. To annualize office supplies expense.		-\$84	
W-17	Miscellaneous			-\$500
	To adjust out Miscellaneous Expenses that are included in other accounts.		-\$500	
	No Adjustment		\$0	
W-18	Customer Deposit Interest			\$0
	No Adjustment		\$0	
W-21	Administration & General Payroll			\$2,800
	1. To annualize contract worker's salary.		\$2,800	
	No Adjustment		\$0	
	No Adjustment		\$0	
W-23	Telephone Expense			\$432
	1. To annualize telephone expense		\$432	
W-24	Outside Service			\$263
	1. To annualize outside services		\$263	
W-25	Transportation Expense			\$0
	No Adjustment		\$0	

Whiteside Hidden Acres, LLC
Informal Rate Case
Tracking Number WR-2011-0024
Test Year Ending 12/31/2009
Expense Adjustment Schedule - Water

A Expense Adj Number	B Adjustment Description	C Account Number	D Adjustment Amount	E Total Adjustment
W-26	Interest Expense			\$0
	No Adjustment		\$0	
W-27	Insurance Expense			\$126
	1. To annualize insurance premiums		\$126	
W-28	Legal & Accounting			\$0
	No Adjustment		\$0	
	No Adjustment		\$0	
W-29	Rate Case Expense			\$229
	1. To normalize rate case expense over 3 years.		\$229	
W-30	Rent Expense			\$900
	1. To annualize rent expense for the use of office space and associated utilities, computer, printer, and use of personal vehicles for transportation.		\$900	
W-34	PSC Assessment			\$7
	1. To annualize PSC Assessment.		\$7	
W-35	Dues & Donations			\$0
	No Adjustment		\$0	
W-36	Other Taxes & Licenses			\$0
	No Adjustment		\$0	
	No Adjustment		\$0	
	No Adjustment		\$0	

Whiteside Hidden Acres, LLC
Informal Rate Case
Tracking Number WR-2011-0024
Test Year Ending 12/31/2009
Expense Adjustment Schedule - Water

A Expense Adj Number	B Adjustment Description	C Account Number	D Adjustment Amount	E Total Adjustment
W-37	DNR Fees			\$200
	To annualize DNR Fees.		\$200	
W-38	Depreciation			\$249
	1. To Annualize Depreciation		\$249	
	2. Description		\$0	
W-41	Property Taxes			\$139
	1. To annualize property taxes.		\$139	
W-42	Payroll Taxes			\$0
	No Adjustment		\$0	
	Total Expense Adjustments			<u>\$7,401</u>

Whiteside Hidden Acres, LLC
 Informal Rate Case
 Tracking Number WR-2011-0024
 Test Year Ending 12/31/2009
 Revenue Schedule - Water

Line Number	A Account Number (Optional)	B Revenue Description	C Company/ Test Year Amount	D Adjustment Number	E Jurisdictional Adjustments	F Jurisdictional Allocation	G Adjusted Jurisdictional
Rev-1		ANNUALIZED REVENUES					
Rev-2		Annualized Rate Revenues	\$6,641	Rev-2	\$554	100.00%	\$7,195
Rev-3		Miscellaneous Revenues	\$0	Rev-3	\$0	100.00%	\$0
Rev-4		TOTAL ANNUALIZED REVENUES	\$6,641		\$554		\$7,195

Whiteside Hidden Acres, LLC
Informal Rate Case
Tracking Number WR-2011-0024
Test Year Ending 12/31/2009
Revenue Adjustment Schedule - Water

<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>
Revenue Adj Number	Adjustment Description	Account Number	Adjustment Amount	Total Adjustment
Rev-2	Annualized Rate Revenues			\$554
	1. To Annualize Rate Revenues		\$554	
Rev-3	Miscellaneous Revenues			\$0
	1. To Annualize Miscellaneous Revenues		\$0	
	2. Description		\$0	
	Total Revenue Adjustments			<u>\$554</u>

Whiteside Hidden Acres, LLC
Informal Rate Case
Tracking Number WR-2011-0024
Test Year Ending 12/31/2009
Miscellaneous Revenues Feeder - Water

Line Number	A Description	B Amount
4	Total Miscellaneous Revenues	<u>\$0</u>

Agreement Attachment C

Ratemaking Income Statement

WHITESIDE HIDDEN ACRES, LLC

Rate Making Income Statement-Water

Operating Revenues at Current Rates

1	Tariffed Rate Revenues *	\$	7,195
2	Other Operating Revenues *	\$	-
3	Total Operating Revenues	\$	7,195
4	* See "Revenues - Current Rates" for Details		

Cost of Service

Item	Amount
1 General Management Salary	\$ 1,200
2 Operator-Backup	\$ -
3 Electricity-Pumping	\$ 988
4 Electricity-Shop	\$ -
5 Utility Water Usage	\$ -
6 Water Treatment Expense-Chemicals	\$ -
7 Water Treatment -Testing/Laboratory Fees	\$ -
8 Maintenance of Pumping System	\$ 406
9 Management Salary	\$ 3,120
10 Administration & General - Salaries	\$ 4,800
11 Office Supplies	\$ 41
12 Postage	\$ 90
13 Outside Services	\$ 263
14 Telephone & Internet Expense	\$ 432
15 Transportation Expense	\$ -
16 Property & Liability Insurance	\$ 126
17 Rent Expense-Building	\$ 900
18 Rate Case Expense	\$ 229
19 MO DNR Fees	\$ 200
20 Employee Pensions & Benefits	\$ -
21 Regulatory Commission Expense	\$ 7
22 Miscellaneous General Expenses	\$ -
23 Sub-Total Operating Expenses	\$ 12,797
24 Property Taxes	\$ 139
25 MO Franchise Taxes	\$ -
26 Employer FICA Taxes	\$ -
27 Federal Unemployment Taxes	\$ -
28 State Unemployment Taxes	\$ -
29 State & Federal Income Taxes	\$ 213
30 Sub-Total Taxes	\$ 352
31 Depreciation Expense	\$ 649
32 Amortization of Utility Plant	\$ -
33 Sub-Total Depreciation/Amortization	\$ 649
34 Return on Rate Base	\$ 856
35 Total Cost of Service	\$ 14,654
36 Overall Revenue Increase Needed	\$ 7,464

Agreement Attachment D

Rate Design Worksheet

WHITESIDE HIDDEN ACRES, LLC

Development of Tariffed Rates-Water

Agreement is to increase currently tariffed rates by a percentage equal to the agreed-upon overall revenue increase divided by the revenues generated by the currently tariffed rates.

Revenues Generated by Current Tariffed Rates	\$ 7,195
Agreed-Upon Overall Revenue Increase	\$ 7,464
Percentage Increase Needed	103.747%

Metered Customer Rates				
Customer Type	Current Service Charge	Proposed Service Charge	Current Usage Rate	Proposed Usage Rate
Un-metered	\$ 46.12	\$ 93.97	\$ -	\$ -
Metered	\$ 15.65	\$ 31.89	\$ 2.26	\$ 4.60

Customers are currently billed quarterly

Agreement Attachment E

Billing Comparison Worksheet

WHITESIDE HIDDEN ACRES, LLC

Residential Customer Bill Comparison-Water

Rates for Non-Metered Residential Customer

<u>Current Base</u> <u>Customer Charge</u>	<u>Proposed Base</u> <u>Customer Charge</u>	<u>Current</u> <u>Usage Rate</u>	<u>Proposed</u> <u>Usage Rate</u>
\$46.12	\$93.97	\$0.000	\$0.000

current service charge is quarterly charge

QUARTERLY BILL COMPARISON

Current Rates

Customer Charge	\$ 46.12
Usage Charge	\$ -
Total Bill	\$ 46.12

Proposed Rates

Customer Charge	\$ 93.97
Usage Charge	\$ -
Total Bill	\$ 93.97

INCREASES

Customer Charge

\$ Increase	\$47.85
% Increase	103.75%

Usage Charge

\$ Increase	\$0.00
% Increase	N/A

Total Bill

\$ Increase	\$47.85
% Increase	103.75%

Agreement Attachment F

Schedule of Depreciation Rates

Whiteside Hidden Acres, LLC
DEPRECIATION RATES
(WATER)
WR-2011-0024

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	DEPRECIATION RATE	AVERAGE SERVICE LIFE (YEARS)	NET SALVAGE
311	Structures & Improvements	2.5%	40	0%
314	Wells & Springs	2.0%	50	0%
325	Electric Pumping Equipment	10.0%	10	0%
332	Water Treatment Equipment	2.9%	35	0%
342	Distribution Reservoirs & Standpipes	2.5%	40	0%
343	Transmission & Distribution Mains	2.0%	50	0%
346	Meters	10.0%	10	0%
347	Meter Installations	2.5%	40	0%
391	Office Furniture & Equipment	5.0%	20	0%
391.1	Office Computer Equipment	20.0%	5	0%
392	Transportation Equipment	13.0%	7	9%
394	Tools, Shop, Garage Equipment	5.0%	20	0%
395	Laboratory Equipment	5.0%	20	0%
396	Power Operated Equipment	6.7%	13.5	10%

Agreement Attachment G

Auditing Department Recommendation Memorandum

MEMORANDUM

TO: Jim Russo

THROUGH: Joan Wandel
Kim Bolin

FROM: Paula Mapeka
Casey Westhues

SUBJECT: Whiteside Hidden Acres LLC Informal Rate Request
Case numbers: WR-2011-0024 (Water)

DATE: October 4, 2010

Whiteside Hidden Acres, LLC is located in Pittsburgh, Missouri and presently provides service to 36 water customers. Whiteside filed for a rate increase on July 28, 2010 under the Commission's informal rate procedure. Their request consisted of an annual increase of \$8505.76 for water service.

The Auditing Staff (Staff) performed an analysis of Whiteside's books and records, based on a test year of the twelve months ending December 31, 2009, updated for known and measurable changes through June 30, 2010. Staff's analysis shows that the rates for the Company's water operations are under recovering the cost of service by \$7,464. Attached to this memorandum are Staff's work papers related to its review of Whiteside Hidden Acres operations. The following is a discussion of Staff's finding in this case.

RATE BASE:

Plant in service for Whiteside was determined by using the invoices for purchases of pumps, tanks, and parts and materials. Due to the lack of plant records, Staff deemed the water plant to be fully depreciated based on the estimated construction period.

PROPERTY TAXES

Property taxes were annualized based on the amount of plant in service multiplied by a percentage of total property. The percentage to be applied to property taxes was derived by taking the County property assessment value and divided it by the total amount of property taxes due/paid. This percentage came to be around 4.23%; which percentage was then multiplied times the total plant in service amount to arrive at the annualized property taxes.

REVENUES:

Whiteside's current water customer charge for unmetered residential is \$46.12 per quarter. The metered tariff rate is \$15.65 per quarter plus \$2.26 per 1000 gallons of use. Whiteside has a total of 39 customers, all of them unmetered.

PAYROLL:

Whiteside has two employees, Dale and Shelly Whiteside, and one contract worker, Eddie Martinez. Staff normalized Shelly Whiteside's payroll based on five hours a week for \$12.00 an hour. Dale Whiteside originally requested a monthly salary of \$250. Staff thought this was excessive as Whiteside only has 39 customers and only one person was really needed to handle answering the phone and taking care of water company related business, so Staff reduced Dale's monthly salary to \$100. Eddie Martinez does all of the maintenance work, meter reading, and handles any system related work. Mr. Martinez is contracted for \$400 a month. Staff thought this was reasonable and included the full amount in the payroll annualization.

ELECTRICITY:

Electricity for the Company is provided by Southwest Electric Cooperative. To arrive at an annualized amount for electricity usage the monthly electric bills were from August 2009 to August 2010 were analyzed. An average was determined for the kilowatt hours used and for the dollar amount per kilowatt hour. These amounts were then multiplied together to arrive at an average amount of electricity usage per month. It was then multiplied by 12 to determine an annualized amount.

POSTAGE:

Postage expense was determined by taking the total number of customers and multiplying them by the cost of the stamp to send out the bills. Customers are billed every quarter, so the total was multiplied by 4 quarters to arrive at the annualized amount for customer bills. Also included in the postage amount is the cost to send the annual report to the Public Service Commission and the postage expense for mailing out water samples.

TELEPHONE:

Whiteside's monthly cell phone bills were analyzed to determine the appropriate amount to include for telephone expense. The total overall monthly bill seemed excessive so Staff did research at other cell phone providers in the Pittsburgh area to see what their costs to provide service were. The average cost for cell phone providers was \$36 per month for one phone. The total current charge on each Whiteside monthly bill was on average \$36 and comparable to other companies so this amount was used for the annualization.

Staff did not include an amount for the cell phone for Dale Whiteside. Staff believes that only one cell phone is necessary for business operations.

INSURANCE:

All of Whiteside's insurance premiums were analyzed to determine which premiums covered the water company. Once the determination was made, all premiums related to Whiteside were included at an annual amount.

MAINTENANCE

Staff included maintenance expenses incurred in 2010 as the annualized expenses. The company did not keep any records prior to 2010. Included in the maintenance expenses is the purchase of the Lexel Tube and the water leak repairs performed by Eddie Martinez.

RENT EXPENSES

Staff included amounts in rent expense to cover for the use of office space, utilities, computers, printers, and the use of personal vehicles for water company business.

OFFICE EXPENSES

A normalized amount was determined for office expenses using the test year expenses. Dale and Shelly Whiteside own two other businesses besides the water company and so all office expenses were divided evenly among their three businesses and an adjustment was made to the test year amount.

STAFF RECOMMENDS:

- 1) A log book should be kept for the use of personal vehicles for water company use. Information that should be recorded are the starting point, destination point, reason for the trip, and trip mileage.
- 2) Company should start keeping property plant records for any additions and repairs to plant.
- 3) Timesheets for Dale and Shelly Whiteside should be kept. Information recorded should be date, amount of time, and purpose for water company activities.

Agreement Attachment H

EMSD Implementation Review

REPORT OF CUSTOMER SERVICE AND BUSINESS OPERATIONS REVIEW

Small Company Rate Increase Request

Whiteside Hidden Acres, LLC

Case with File No. WR-2011-0024

**Engineering and Management Services Department
Gary Bangert**

Whiteside Hidden Acres, LLC, (Whiteside Hidden Acres or Company) filed a rate increase request on July 28, 2010, for water service provided in its certificated service area located near Pittsburg, Missouri. The Engineering and Management Services Department (EMSD) staff initiated an informal review of customer service processes, procedures, and practices at Whiteside Hidden Acres in August, 2010. This customer service review was done in conjunction with the Company's rate increase request. Prior to on-site interviews, the EMSD staff examined Company tariffs, annual reports, Missouri Public Service Commission (Commission) complaint records, and other documentation related to the Company's customer service operations. The EMSD staff's review resulted in the following three Company management recommendations:

EMSD Staff Recommendations

1. Develop and maintain time sheets to record work assignments and the time spent working on each project. This recommendation must be completed within ninety (90) days of the Commission order approving the disposition agreement in Case with File No. WR-2011-0024.
2. Incorporate the delinquent date on customers' bills and clearly state on each bill when customers are subject to the \$5.00 late payment charge. This recommendation must be completed within thirty (30) days of the Commission order approving the disposition agreement in Case with File No. WR-2011-0024.
3. Prepare a written notice that could be used to notify customers when scheduling disconnections of service due to nonpayment. This recommendation must be completed within thirty (30) days of the Commission order approving the disposition agreement in Case with File No. WR-2011-0024.
4. Develop and implement a process to ensure all customer complaints received by Company personnel are documented and maintained for at least two (2) years. Documentation shall include the customer name, address, nature of the complaint,

date of occurrence, as well as an explanation of what the Company has done to address the complaint. This recommendation must be completed within thirty (30) days of the Commission order approving the disposition agreement in Case with File No. WR-2011-0024.

The purpose of the Engineering and Management Services Department is to promote and encourage efficient and effective utility management. This purpose contributes to the Commission's overall mission to ensure that customers receive safe and adequate service at a reasonable cost, while providing utilities the opportunity to earn a fair return on their investment.

The objectives of this review were to document and analyze the management control processes, procedures, and practices used by the Company to ensure that its customers' service needs are met and to make recommendations, where appropriate, by which the Company may improve the quality of services provided to its customers. The findings of this review also provide the Commission with information regarding the Company's customer service operations.

The scope of this review focused on processes, procedures, and practices related to:

- Meter Reading
- Customer Billing
- Payment Remittance
- Credit and Collections
- Complaints and Inquiries
- Customer Communication

This report contains the results of the EMSD staff's review.

OVERVIEW

Whiteside Hidden Acres was granted a certificate of public convenience and necessity by the Missouri Public Service Commission effective on July 11, 2009, to provide water service in Hickory County, Missouri. The Company provides water service to approximately 36 residential customers. Company management anticipates minimal growth in the number of customers.

Company personnel moved into the current business office near Pittsburg, Missouri, during the Third Quarter of 2010. Business office hours are 9:00 a.m. to 6:00 p.m., Monday through Friday. Customers also have 24-hour, 7-day access to Company personnel by calling the

telephone numbers listed in the customer information brochure provided to every customer and on customer bills.

Whiteside Hidden Acres staffing includes the president, Mr. Whiteside; the secretary, Mrs. Whiteside; and a plant operator. The president has overall responsibility for Company operations. He performs routine daily maintenance work and makes all policy and planning decisions. The secretary is responsible for business office functions including taking new service applications, maintaining customer account records, billing, accounts payable, and responding to customer inquiries and complaints. The plant operator is a contract employee who oversees outside plant operations. He inspects and maintains the well, identifies needed repairs, checks for leaks, reads the well meter, and takes required water samples. Company employees do not complete time sheets. The Commission's Auditing Department staff is addressing the lack of time sheets in its recommendations for Company action.

Meter Reading

The plant operator reads the master meter at the well on a weekly basis. However, there are no customer meters installed on the water system. Company personnel are unaware of any theft of water service.

Customer Billing

Customer rates for water service are provided in the Company's tariffs. All customers are charged the quarterly, unmetered rate of \$46.12. The Company uses a Microsoft Works template to prepare the quarterly customer bills. Company personnel stated that bills are mailed by the 10th of the month and are considered due on the 15th of the following month. The actual customer bills do not state when payments will be considered delinquent.

Payment Remittance

Customers have the option of mailing their bill payment, placing it in a drop box, or bringing it into the office. Approximately 75% of the customers mail their bill payments and about 25% use the drop box or come into the office to make their payments. Payments are not collected in the field. An electronic spreadsheet is used to record and monitor customer payments. Company personnel stated that they keep customer payments in locked storage and make bank deposits about twice a week.

Credit and Collections

All new customers complete an application form when initiating service. The Company does not collect customer deposits from customers, although the collection of security deposits is permitted under the Company's tariff. Company personnel stated that an average of four to five customers are delinquent each month and these customers are charged the \$5.00 late charge that is allowed in the Company's tariff. The Company has never disconnected the water service to a nonpaying customer. A delinquent notice has not been developed in the event action would be taken to disconnect a nonpaying customer. The Company's tariff provides for a \$25 disconnection fee and a \$25 reconnection fee when a customer's service is turned off and back on. Company personnel have never received an insufficient funds check, although the Company's tariff provides for a \$25.00 returned check charge. Company personnel have never had an uncollectible debt that was subsequently written off. Outside collection agencies have never been used.

Complaints and Inquiries

Customers with questions or concerns may call one of the Company's contact numbers appearing in the customer brochure and on the customer bill. Company personnel stated that customer questions or concerns are resolved by the secretary or the president. Company personnel stated that notes are sometimes taken regarding individual account issues; however, customer complaints and inquiries are not consistently documented. A review of Commission complaint/inquiry records showed one customer contact in 2010, but no complaints.

Customer Communication

Company management stated that bill inserts are the most common form of customer communication. Letters are also used to notify customers about rate case activity.

FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

The following discussion presents a summary of the findings, conclusions, and recommendations pertaining to the Company's customer service operations. The information presented in this section focuses on the following issues that require Company management's attention:

- Time Sheets
- Customer Bill Information
- Delinquent Account Notification
- Complaint and Inquiry Documentation

Time Sheets

Whiteside Hidden Acres employees do not complete time sheets. Company personnel stated that salaries are based on 2009 estimates of the time that is spent on Company business.

Maintaining accurate time records can serve and support several purposes, such as planning, budgeting, and human resources.

- Time records assist in tracking the amount of time employees expend on all projects, enabling the president to more accurately schedule required work to increase operational efficiencies.
- Time sheets create a record, serving as visual feedback to the president and the employees of the work and projects they have accomplished.
- Data contained in the time records should be linked to accounting records and provide the necessary support for financial reporting and allocation of costs. Employee time records are useful in the regulatory process to support the pay and benefits that regulated utilities will receive in customer rates.

For all of the above reasons, it is vital that Whiteside Hidden Acres institute and maintain time sheets to record the various work assignments and the time spent working on each project

THE EMSD STAFF RECOMMENDS THAT COMPANY MANAGEMENT:

Develop and maintain time sheets to record work assignments and the time spent working on each project. This recommendation must be completed within ninety (90) days of the Commission order approving the disposition agreement in Case with File No. WR-2011-0024.

Customer Bill Information

Customer bills do not state the delinquent date indicating when a payment must be made in order to avoid a \$5.00 late payment charge. Commission Rule 4 CSR 240-13.020(9) states in pertinent part:

Every bill for residential utility service shall clearly state ... (B) The date when the bill will be considered due and the date when it will be delinquent, if different;

The provision of a delinquent date on customers' bills would enable the Company to comply with Commission rules. In addition, the inclusion of a delinquent date would inform customers of the date they must pay their bill in order to avoid the \$5.00 late payment charge authorized in the Company's tariff.

THE EMSD STAFF RECOMMENDS THAT COMPANY MANAGEMENT:

Incorporate the delinquent date on customers' bills and clearly state on each bill when customers are subject to the \$5.00 late payment charge. This recommendation must be completed within thirty (30) days of the Commission order approving the disposition agreement in Case with File No. WR-2011-0024.

Delinquent Account Notification

Company management has not prepared a written notice that could be used in the event of a scheduled discontinuance of service for nonpayment. Company management stated that while an average of four or five customers pay late each month, service has never been discontinued. Commission Rule 4 CSR 240-13.050(5) states in pertinent part:

A utility shall not discontinue residential service pursuant to section (1) unless written notice by first class mail is sent to the customer at least ten (10) days prior to the date of the proposed discontinuance. Service of notice by mail is complete upon mailing. As an alternative, a utility may deliver a written notice in hand to the customer at least ninety-six (96) hours prior to discontinuance.

The availability of a well-prepared, written notice would enable Company management to provide the required notification in a timely manner if a disconnection for nonpayment is scheduled.

THE EMSD STAFF RECOMMENDS THAT COMPANY MANAGEMENT:

Prepare a written notice that could be used to notify customers when scheduling disconnections of service due to nonpayment. This recommendation must be completed within thirty (30) days of the Commission order approving the disposition agreement in Case with File No. WR-2011-0024.

Complaint and Inquiry Documentation

The Company does not keep a record of customer contacts involving complaints it receives. Commission Rule 4 CSR 240-13.040(5) states in pertinent part:

A utility shall maintain records on its customers for at least two (2) years which contain information concerning: ... (B) The number and general description of complaints registered with the utility;

The availability of documented customer contact information would enable Company management to evaluate why customers contact the Company, determine if any corrective measures could be taken to reduce customer contacts, and improve customer satisfaction. The availability of documentation regarding customer contacts would also help to show the Company's responsiveness in addressing customer issues.

THE EMSD STAFF RECOMMENDS THAT COMPANY MANAGEMENT:

Develop and implement a process to ensure all customer complaints received by Company personnel are documented and maintained for at least two (2) years. Documentation shall include the customer name, address, nature of the complaint, date of occurrence, as well as an explanation of what the Company has done to address the complaint. This recommendation must be completed within thirty (30) days of the Commission order approving the disposition agreement in Case with File No. WR-2011-0024.

Follow-Up

The EMSD staff will conduct follow-up on all of the EMSD recommendations no later than the deadlines as set out for each EMSD recommendation in the disposition agreement in Case with File No. WR-2011-0024.

Agreement Attachment I

Summary of Case Events

Whiteside Hidden Acres, L.L.C.
Case #WR-2011-0024
Summary of Case Events

Date Filed	July 28, 2010
Day 150	
Extension?	No
If yes, why?	
Amount Requested	\$8,506
Amount Agreed Upon	\$7,464
Item(s)/Dollar(s) Driving Rate Increase	Cost of Service spread over a reduced number of customers from the certificate case.
Number of Customers	39
Rate of Return	8.73%
Return on Equity	8.73%
Assessments Current	Yes
Annual Reports Filed	Yes
Statement of Revenue Filed	Yes
Other Open Cases before Commission	No
Status with Secretary of State	Good Standing
DNR Violations	No
Significant Service/Quality Issues	None