

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

In the Matter of the Small Company)	
Rate Increase for Woodland Manor)	Case No. <u>WR-2013-0326</u>
Water Company, LLC)	

**NOTICE OF COMPANY/STAFF AGREEMENT REGARDING
DISPOSTION OF REVENUE INCREASE REQUEST**

COMES NOW the Staff of the Missouri Public Service Commission (Staff) and, on behalf of itself and Woodland Manor Water Company, LLC (Woodland Manor or the Company), states as follows:

1. On December 6, 2012, the Missouri Public Service Commission (Commission) received a Rate Increase Request Letter from Woodland Manor requesting Commission approval of an increase of \$20,000 in its annual water system operating revenues pursuant to Commission Rule 4 CSR 240-3.050 (Small Utility Rate Case Procedure).

2. Upon completion of its investigation of Woodland Manor's request, Staff provided the Company and the Office of the Public Counsel (Public Counsel) with the results of Staff's investigation and Staff's recommendations for the resolution of the revenue increase request.

3. Staff and Woodland Manor have reached an agreement (Disposition Agreement) regarding the resolution of the Company's request, a copy of which is attached hereto as Appendix A. Included in Appendix A are various attachments related to the Disposition Agreement and Staff's investigation of the revenue increase request.

4. The Disposition Agreement reflects an agreed-upon annualized operating revenue increase for the Company in the amount of \$24,141.00. This Agreement represents a full disposition of all issues between Staff and the Company.

5. In addition to approval of the Disposition Agreement, Staff also asks the Commission to retroactively approve a name change for the Company from “Stephen T. Fennema and Mona L. Fennema d/b/a Woodland Manor Water Company” to “Woodland Manor Water Company, LLC,” pursuant to 4 CRS 240-2.060(5). The Company changed its name with the Missouri Secretary of State in 1999 and has been operating under that name since that time. The Company was unaware it should request approval for a name change. The discrepancy between the name under which the Company operates and the name on its tariffs was pointed out to the Company by the Commission in Case No. WC-2012-0409. Shortly thereafter, the Company initiated these rate increase proceedings and has agreed to seek a name change as part of this case, as Staff is now requesting on the Company’s behalf. The example tariffs, filed as part of the attached Disposition Agreement (Agreement Attachment E), reflect the Company’s new name.

WHEREFORE, Staff submits this notice of agreement between Staff and Woodland Manor and asks the Commission to issue an Order approving the Disposition Agreement, approving a change of the Company’s name to Woodland Manor Water Company, LLC, and granting what further relief is deemed just and appropriate.

Respectfully submitted,

/s/ Amy E. Moore

Amy E. Moore

Legal Counsel

Missouri Bar No. 61759

Attorney for the Staff of the

Missouri Public Service Commission

P. O. Box 360

Jefferson City, MO 65102

(573) 751-4140 (Telephone)

(573) 751-9285 (Fax)

amy.moore@psc.mo.gov

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed with first-class postage, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 6th day of May, 2013.

/s/ Amy E. Moore

APPENDIX A

CASE No. WR-2013-0326

STAFF/COMPANY DISPOSITION AGREEMENT WITH ATTACHMENTS AND STAFF AFFIDAVITS

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Company/Staff Disposition Agreement

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

WOODLAND MANOR WATER COMPANY, L.L.C.

MO PSC FILE NO. WR-2013-0326

BACKGROUND

Woodland Manor Water Company, 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 December 6, 2012, the Company set forth its request for an increase of \$20,000 in its total annual water service operating revenues. 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 service to approximately 164 customers in Stone County, 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" or "Staff's investigation.")

Upon completion of Staff's investigation of the Company's Request, Staff provided the Company and the Office of the Public Counsel ("Public Counsel") 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 Public Counsel'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) The agreed upon revenue requirement increase of \$24,141 (55.96% increase) added to the level of previous revenues of \$43,136 results in overall revenues of \$67,277. This revenue requirement is just and reasonable and designed to recover the Company's cost of service. These amounts are shown on the ratemaking income statement found in Attachment A, incorporated by reference herein;
- (2) The Auditing Unit conducted a full and complete audit of the Company's books and records using the 12-month period ending December 31, 2012, as the basis for the revenue requirement determined above. The audit findings can be found in Attachment B, incorporated by reference herein;
- (3) The agreed upon net rate base is \$171,039. The development of this amount is shown on the rate base worksheet that is found in Attachment C, incorporated by reference herein. This amount is included in the audit work papers in the ultimate determination of the revenue requirement shown in (1) above;
- (4) Included in Attachment B is the agreed upon capital structure which includes 100.00 % equity for the Company and a return on that equity of 8.02%;
- (5) The schedule of depreciation rates in Attachment D, incorporated by reference herein, includes the depreciation rates used by Staff in its revenue requirement analysis and shall be the prescribed schedule of water plant depreciation rates for the Company;
- (6) To allow the Company the opportunity to collect the revenue requirement agreed to in (1) above, the rates as shown on Attachment E, incorporated by reference herein, are just and reasonable rates that the Company will be allowed to charge its customers. The impact of these rates will be as shown on Attachment F, also attached and incorporated by reference herein;
- (7) For the purposes of implementing the agreements set out in this disposition agreement, the Company will file with the Commission proposed tariff revisions containing the rates, charges, and language set out in the example tariff sheet(s) attached as Attachment E. The proposed tariff revisions will bear an effective date of June 25, 2013;
- (8) The current PSC MO Number 1 tariff will be cancelled and replaced by PSC MO Number 2, which is included in the example tariff described above;
- (9) Within thirty (30) days of the effective date of an order approving this Company/Staff Disposition Agreement, the Company shall implement the

recommendation contained in the Auditing Unit Report attached hereto as Attachment H and incorporated by reference herein and provide proof of implementing the recommendations to the Manager of the Commission's Auditing Unit:

- (a) The Company will maintain its utility plant, customer account and financial records in accordance with the Uniform System of Accounts;

(10) 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 Unit ("EMSU") Report attached hereto as Attachment I and incorporated by reference herein, and provide proof of implementing the recommendation to the Manager of the Commission's EMSU Unit:

- (a) The Company will use the credit evaluation criteria included in Commission Rule 4 CSR 240-13.030(1)(C) in order to determine which customers must remit a deposit prior to establishing service;
- (b) The Company will perform a monthly evaluation of the payment history on all accounts where customers have paid a deposit when applying for service and refund the deposits plus accrued interest on all accounts with a satisfactory payment history as defined in Commission Rule 4 CSR 240-13.030(4)(D); and
- (c) The Company will incorporate required information about the Missouri Public Service Commission and the Office of the Public Counsel in the written information provided to utility customers pursuant to Commission Rule 4 CSR 240-13.040(3);

(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 EMSU Report attached hereto as Attachment I and incorporated by reference herein, and provide proof of implementing the recommendations to the Manager of the Commission's EMSU Unit:

- (a) The Company will develop and utilize a written vehicle log to maintain information regarding vehicle usage. The log should include information regarding the vehicle type, date, description and location of the task, and the miles attributable to the task; and
- (b) The Company will store all customer payments and other important business documents in a locked, fireproof cabinet;

(12) 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 Unit Report attached hereto as Attachment H and incorporated by reference herein and provide proof of

implementing the recommendations to the Manager of the Commission's Auditing Unit:

- (a) The Company will develop and utilize time sheets to record work assignments and the time associated with each work assignment. The time reporting must be sufficiently detailed to identify time spent between the regulated Woodland utility and non-regulated operations;
 - (b) The Company will implement the use of a vehicle log; and
 - (c) The Company will correct its books and records to reflect the adjusted plant, depreciation reserve, and contributions in aid of construction balances reflected in Staff Accounting Schedules, Appendix B attached herein;
- (13) Within one hundred eighty (180) days of the effective date of an order approving this Company/Staff Disposition Agreement, the Company shall implement the recommendations contained in the Water & Sewer Unit Memorandum attached hereto as Attachment G and incorporated by reference herein, and provide proof of implementing the recommendation to the Manager of the Commission's Water & Sewer Unit:
- (a) The Company will provide a list of alternative methods to keep pressure up without fluctuations in the system; and
 - (b) The Company will arrange for an independent company to perform an inspection and provide a written report regarding the condition of the storage tanks and estimates for any needed painting, repairs, or modifications. The Company will provide the manager of the Water and Sewer Unit with a copy of this report;
- (14) 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;
- (15) Staff or Public Counsel may 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;
- (16) Staff or Public Counsel may file a formal complaint against the Company if the Company does not comply with the provisions of this Company/Staff Disposition Agreement;
- (17) The Company, Staff and Public Counsel agree that they have read the foregoing Company/Staff Disposition Agreement, 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 Disposition Agreement, and;

(18) The above agreements satisfactorily resolve all issues identified by Staff, Public Counsel 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 J to this Company/Staff Disposition Agreement.

The Company acknowledges that 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.

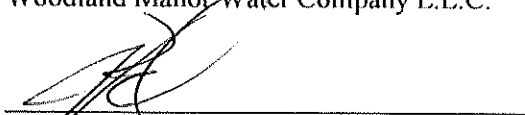
Additionally, the Company agrees that, subject to the rules governing practice before the Commission, Staff shall have the right to provide whatever oral explanation the Commission may request regarding this Company/Staff Disposition Agreement at any agenda meeting at which this case is noticed to be 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 advance notice of any such agenda meeting so that they may have the opportunity to be present and/or represented at the meeting.

SIGNATURES

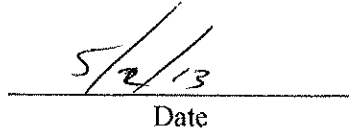
Agreement Signed and Dated:



Mona Fennema
Owner/Operator
Woodland Manor Water Company L.L.C.


Date

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


Date

List of Attachments

- Attachment A – Ratemaking Income Statement
- Attachment B – EMS Run
- Attachment C – Rate Base Worksheet
- Attachment D – Schedule of Depreciation Rates
- Attachment E – Example Tariff Sheets
- Attachment F – Billing Comparison Worksheet
- Attachment G – Water & Sewer Unit Memorandum
- Attachment H – Auditing Unit Recommendation Memorandum
- Attachment I – EMSU Report
- Attachment J – Summary of Events

Agreement Attachment A

Ratemaking Income Statement

WOODLAND MANOR WATER COMPANY LLC

Rate Making Income Statement-Water

Operating Revenues at Current Rates

		Base	Commodity
1	Tariffed Rate Revenues *	\$ 31,744	\$ 9,204
2	Other Operating Revenues *	\$ 1,094	\$ 1,094
3	Total Operating Revenues	\$ 32,838	\$ 10,298
4	* See "Revenues - Current Rates" for Details		

Cost of Service

Item	Amount	Base	Commodity
1 Operators Salary-Maintenance	\$ 3,604		\$ 3,604
2 Electricity-Pumping	\$ 4,011	\$ -	\$ 4,011
3 System Repairs Maintenance	\$ 658		\$ 658
4 Water Treatment Expense-Chemicals	\$ 374	\$ -	\$ 374
5 Maintenance of Water Plant	\$ 310	\$ -	\$ 310
6 Repairs of Water Plant-Water Line Repair	\$ 2,310	\$ -	\$ 2,310
7 Administration & General - Salaries	\$ 19,208	\$ 9,604	\$ 9,604
8 Office Supplies	\$ 1,316	\$ 1,316	\$ -
9 Billing & Collections	\$ 1,297	\$ 1,297	\$ -
10 Dues & Subscriptions	\$ 350	\$ 350	\$ -
11 MO DNR Fees	\$ 200		\$ 200
12 Outside Services Employed	\$ 495	\$ 495	\$ -
13 Property & Liability Insurance	\$ 882		\$ 882
14 Employee Pensions & Benefits	\$ 5,659	\$ 2,830	\$ 2,830
15 Regulatory Commission Expense	\$ 312	\$ 312	\$ -
16 Transportation Expense	\$ 320		\$ 320
17 Missouri One Call	\$ 56	\$ 56	\$ -
18 Storage	\$ 200	\$ 200	\$ -
19 Supplies & Expense	\$ 60	\$ 60	\$ -
20 Supplies & Expense-Operations & Maintenance	\$ 579	\$ 579	\$ -
21 Supplies & Expense-Rent	\$ 66	\$ 66	\$ -
22 Supplies & Expense-Cell Phone	\$ 505	\$ 505	\$ -
23 Sub-Total Operating Expenses	\$ 42,772	\$ 17,670	\$ 25,103
24 Property Taxes	\$ 327		\$ 327
25 MO Franchise Taxes	\$ -		\$ -
26 Employer FICA Taxes	\$ -		\$ -
27 Federal Unemployment Taxes	\$ -		\$ -
28 State Unemployment Taxes	\$ -		\$ -
29 State & Federal Income Taxes	\$ 3,555		\$ 3,555
30 Sub-Total Taxes	\$ 3,882	\$ -	\$ 3,882
31 Depreciation Expense	\$ 6,906	\$ 4,594	\$ 2,312
32 Interest Expense	\$ -		\$ -
33 Amortization of Utility Plant	\$ -		\$ -
34 Sub-Total Depreciation/Interest/Amortization	\$ 6,906	\$ 4,594	\$ 2,312
35 Return on Rate Base	\$ 13,717	\$ 9,125	\$ 4,592
36 Total Cost of Service	\$ 67,277	\$ 31,388	\$ 35,889
37 Overall Revenue Increase Needed	\$ 24,141	\$ (1,450)	\$ 25,591

Agreement Attachment B

EMS Run

Exhibit No.: 12345667
Issue: Accounting Schedules
Witness: MO PSC Auditors
Sponsoring Party: MO PSC Staff
Case No: WR-2013-0326
Date Prepared: March 1, 2013



MISSOURI PUBLIC SERVICE COMMISSION

UTILITY SERVICES DIVISION

STAFF ACCOUNTING SCHEDULES

LARGE WATER COMPANY
Test Year Ended December 31, 2012

CASE NO. WR-2013-0326

Jefferson City, Missouri

March 2013

Large Water Company
Case No. WR-2013-0326
Title Line
Test Year Ending 12-31-2012
Revenue Requirement

Line Number	A Description	B 8.02% Return	C 8.02% Return	D 8.02% Return
1	Net Orig Cost Rate Base	\$171,039	\$171,039	\$171,039
2	Rate of Return	8.02%	8.02%	8.02%
3	Net Operating Income Requirement	\$13,717	\$13,717	\$13,717
4	Net Income Available	-\$6,869	-\$6,869	-\$6,869
5	Additional Net Income Required	\$20,586	\$20,586	\$20,586
6	Income Tax Requirement			
7	Required Current Income Tax	\$3,555	\$3,555	\$3,555
8	Current Income Tax Available	\$0	\$0	\$0
9	Additional Current Tax Required	\$3,555	\$3,555	\$3,555
10	Revenue Requirement	\$24,141	\$24,141	\$24,141
11	Allowance for Known and Measureable Changes/True-Up Estimate	\$0	\$0	\$0
12	Gross Revenue Requirement	\$24,141	\$24,141	\$24,141

Large Water Company
Case No. WR-2013-0326
Title Line
Test Year Ending 12-31-2012
RATE BASE SCHEDULE

Line Number	A Rate Base Description	B Percentage Rate	C Dollar Amount
1	Plant In Service		\$333,423
2	Less Accumulated Depreciation Reserve		\$80,299
3	Net Plant In Service		\$253,124
4	ADD TO NET PLANT IN SERVICE		
5	Cash Working Capital		\$0
6	Materials & Supplies		\$0
7	Prepayments		\$0
8	Meter Rerouting Project		\$0
9	TOTAL ADD TO NET PLANT IN SERVICE		\$0
10	SUBTRACT FROM NET PLANT		
11	Federal Tax Offset	0.0000%	\$0
12	State Tax Offset	0.0000%	\$0
13	City Tax Offset	0.0000%	\$0
14	Interest Expense Offset	0.0000%	\$0
15	CIAC		\$108,148
16	CIAC Amortization		-\$26,896
17	Customer Deposits		\$833
18	Deferred Income Taxes		\$0
19	Accrued Pension Liability		\$0
20	TOTAL SUBTRACT FROM NET PLANT		\$82,085
21	Total Rate Base		\$171,039

Large Water Company
Case No. WR-2013-0326
Title Line
Test Year Ending 12-31-2012
Plant In Service

Line Number	A Account # (Optional)	B Plant Account Description	C Total Plant	D Adjust. Number	E Adjustments	F As Adjusted Plant	G Jurisdictional Allocations	H Jurisdictional Adjustments	I MO Adjusted Jurisdictional
1		INTANGIBLE PLANT							
2	301.000	Organization	\$2,933	P-2	\$0	\$2,933	100.00%	\$0	\$2,933
3	302.000	Franchises and Consents	\$0	P-3	\$0	\$0	100.00%	\$0	\$0
4	303.000	Miscellaneous Intangible Plant	\$0	P-4	\$0	\$0	100.00%	\$0	\$0
5		TOTAL PLANT INTANGIBLE	\$2,933		\$0	\$2,933		\$0	\$2,933
6		SOURCE OF SUPPLY PLANT							
7	310.000	Land and Land Rights - SSP	\$0	P-7	\$0	\$0	100.00%	\$0	\$0
8	311.000	Structures and Improvements - SSP	\$0	P-8	\$0	\$0	100.00%	\$0	\$0
9	312.000	Collecting & Impounding Reservoirs	\$0	P-9	\$0	\$0	100.00%	\$0	\$0
10	313.000	Lake, River and Other Intakes	\$0	P-10	\$0	\$0	100.00%	\$0	\$0
11	314.000	Wells and Springs	\$35,640	P-11	\$0	\$35,640	100.00%	\$0	\$35,640
12	315.000	Infiltration Galleries and Tunnels	\$0	P-12	\$0	\$0	100.00%	\$0	\$0
13	316.000	Supply Mains	\$0	P-13	\$0	\$0	100.00%	\$0	\$0
14	317.000	Other Water Source Plant	\$0	P-14	\$0	\$0	100.00%	\$0	\$0
15		TOTAL SOURCE OF SUPPLY PLANT	\$35,640		\$0	\$35,640		\$0	\$35,640
16		PUMPING PLANT							
17	320.000	Land and Land Rights - PP	\$6,000	P-17	\$0	\$6,000	100.00%	\$0	\$6,000
18	321.000	Structures and Improvements - PP	\$1,743	P-18	\$0	\$1,743	100.00%	\$0	\$1,743
19	322.000	Boiler Plant Equipment	\$0	P-19	\$0	\$0	100.00%	\$0	\$0
20	323.000	Other Power Production Equipment	\$0	P-20	\$0	\$0	100.00%	\$0	\$0
21	324.000	Steam Pumping Equipment	\$0	P-21	\$0	\$0	100.00%	\$0	\$0
22	325.100	Electric Pumping Equipment	\$39,647	P-22	\$0	\$39,647	100.00%	\$0	\$39,647
23	326.000	Diesel Pumping Equipment	\$0	P-23	\$0	\$0	100.00%	\$0	\$0
24	327.000	Hydraulic Pumping Equipment	\$0	P-24	\$0	\$0	100.00%	\$0	\$0
25	328.000	Other Pumping Equipment	\$0	P-25	\$0	\$0	100.00%	\$0	\$0
26		TOTAL PUMPING PLANT	\$47,390		\$0	\$47,390		\$0	\$47,390
27		WATER TREATMENT PLANT							
28	330.000	Land and Land Rights - WTP	\$0	P-28	\$0	\$0	100.00%	\$0	\$0
29	331.000	Structures and Improvements - WTP	\$0	P-29	\$0	\$0	100.00%	\$0	\$0
30	332.000	Water Treatment Equipment	\$1,025	P-30	\$0	\$1,025	100.00%	\$0	\$1,025
31		TOTAL WATER TREATMENT PLANT	\$1,025		\$0	\$1,025		\$0	\$1,025
32		TRANSMISSION & DIST. PLANT							
33	340.000	Land and Land Rights - TDP	\$0	P-33	\$0	\$0	100.00%	\$0	\$0
34	341.000	Structures and Improvements - TDP	\$1,470	P-34	\$0	\$1,470	100.00%	\$0	\$1,470
35	342.000	Distribution Reservoirs and Standpipes	\$56,011	P-35	\$0	\$56,011	100.00%	\$0	\$56,011
36	343.000	Transmission and Distribution Mains	\$130,389	P-36	\$0	\$130,389	100.00%	\$0	\$130,389
37	344.000	Fire Mains	\$0	P-37	\$0	\$0	100.00%	\$0	\$0
38	345.000	Services	\$17,100	P-38	\$0	\$17,100	100.00%	\$0	\$17,100
39	346.100	Meters after 2012, plus prior years Plastic	\$2,761	P-39	\$0	\$2,761	100.00%	\$0	\$2,761
40	346.200	Meters Bronze and Installations Prior 2013	\$28,643	P-40	\$0	\$28,643	100.00%	\$0	\$28,643
41	347.000	Meter Installations After 2012	\$0	P-41	\$0	\$0	100.00%	\$0	\$0
42	348.000	Hydrants	\$2,292	P-42	\$0	\$2,292	100.00%	\$0	\$2,292
43	349.000	Other Transmission & Distribution Plant	\$990	P-43	\$0	\$990	100.00%	\$0	\$990
44		TOTAL TRANSMISSION & DIST. PLANT	\$239,656		\$0	\$239,656		\$0	\$239,656
45		GENERAL PLANT							
46	370.000	Land and Land Rights - GP	\$0	P-46	\$0	\$0	100.00%	\$0	\$0
47	371.000	Structures and Improvements - GP	\$0	P-47	\$0	\$0	100.00%	\$0	\$0
48	372.000	Office Furniture and Equipment	\$80	P-48	\$0	\$80	100.00%	\$0	\$80
49	372.100	Office Electronic Equipment	\$0	P-49	\$0	\$0	100.00%	\$0	\$0
50	373.000	Transportation Equipment	\$1,000	P-50	\$0	\$1,000	100.00%	\$0	\$1,000
51	379.000	Other General Equipment	\$5,699	P-51	\$0	\$5,699	100.00%	\$0	\$5,699
52		TOTAL GENERAL PLANT	\$6,779		\$0	\$6,779		\$0	\$6,779
53		TOTAL PLANT IN SERVICE	\$333,423		\$0	\$333,423		\$0	\$333,423

Large Water Company
Case No. WR-2013-0326
Title Line
Test Year Ending 12-31-2012
Adjustments to Plant in Service

<u>A</u> Plant Adj. Number	<u>B</u> Plant In Service Adjustment Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment Amount	<u>F</u> Jurisdictional Adjustments	<u>G</u> Total Jurisdictional Adjustments
Total Plant Adjustments				\$0		\$0

Large Water Company
Case No. WR-2013-0326
Title Line
Test Year Ending 12-31-2012
Depreciation Expense

Line Number	A Account Number	B Plant Account Description	C MO Adjusted Jurisdictional	D Depreciation Rate	E Depreciation Expense
1		INTANGIBLE PLANT			
2	301.000	Organization	\$2,933	0.00%	\$0
3	302.000	Franchises and Consents	\$0	0.00%	\$0
4	303.000	Miscellaneous Intangible Plant	\$0	0.00%	\$0
5		TOTAL PLANT INTANGIBLE	\$2,933		\$0
6		SOURCE OF SUPPLY PLANT			
7	310.000	Land and Land Rights - SSP	\$0	0.00%	\$0
8	311.000	Structures and Improvements - SSP	\$0	2.50%	\$0
9	312.000	Collecting & Impounding Reservoirs	\$0	0.00%	\$0
10	313.000	Lake, River and Other Intakes	\$0	0.00%	\$0
11	314.000	Wells and Springs	\$35,640	2.00%	\$713
12	315.000	Infiltration Galleries and Tunnels	\$0	0.00%	\$0
13	316.000	Supply Mains	\$0	0.00%	\$0
14	317.000	Other Water Source Plant	\$0	0.00%	\$0
15		TOTAL SOURCE OF SUPPLY PLANT	\$35,640		\$713
16		PUMPING PLANT			
17	320.000	Land and Land Rights - PP	\$6,000	0.00%	\$0
18	321.000	Structures and Improvements - PP	\$1,743	2.50%	\$44
19	322.000	Boiler Plant Equipment	\$0	0.00%	\$0
20	323.000	Other Power Production Equipment	\$0	0.00%	\$0
21	324.000	Steam Pumping Equipment	\$0	0.00%	\$0
22	325.100	Electric Pumping Equipment	\$39,647	6.70%	\$2,656
23	326.000	Diesel Pumping Equipment	\$0	0.00%	\$0
24	327.000	Hydraulic Pumping Equipment	\$0	0.00%	\$0
25	328.000	Other Pumping Equipment	\$0	5.00%	\$0
26		TOTAL PUMPING PLANT	\$47,390		\$2,700
27		WATER TREATMENT PLANT			
28	330.000	Land and Land Rights - WTP	\$0	0.00%	\$0
29	331.000	Structures and Improvements - WTP	\$0	0.00%	\$0
30	332.000	Water Treatment Equipment	\$1,025	2.90%	\$30
31		TOTAL WATER TREATMENT PLANT	\$1,025		\$30
32		TRANSMISSION & DIST. PLANT			
33	340.000	Land and Land Rights - TDP	\$0	0.00%	\$0
34	341.000	Structures and Improvements - TDP	\$1,470	2.50%	\$37
35	342.000	Distribution Reservoirs and Standpipes	\$56,011	2.50%	\$1,400
36	343.000	Transmission and Distribution Mains	\$130,389	2.00%	\$2,608
37	344.000	Fire Mains	\$0	0.00%	\$0
38	345.000	Services	\$17,100	2.90%	\$496

Large Water Company
Case No. WR-2013-0326
Title Line
Test Year Ending 12-31-2012
Depreciation Expense

Line Number	A Account Number	B Plant Account Description	C MO Adjusted Jurisdictional	D Depreciation Rate	E Depreciation Expense
39	346.100	Meters after 2012, plus prior years Plastic	\$2,761	10.00%	\$276
40	346.200	Meters Bronze and installations Prior 2013	\$28,643	3.30%	\$945
41	347.000	Meter Installations After 2012	\$0	2.50%	\$0
42	348.000	Hydrants	\$2,292	2.50%	\$57
43	349.000	Other Transmission & Distribution Plant	\$990	3.30%	\$33
44		TOTAL TRANSMISSION & DIST. PLANT	\$239,656		\$5,852
45		GENERAL PLANT			
46	370.000	Land and Land Rights - GP	\$0	0.00%	\$0
47	371.000	Structures and Improvements - GP	\$0	0.00%	\$0
48	372.000	Office Furniture and Equipment	\$80	5.00%	\$4
49	372.100	Office Electronic Equipment	\$0	14.30%	\$0
50	373.000	Transportation Equipment	\$1,000	13.00%	\$130
51	379.000	Other General Equipment	\$5,699	6.70%	\$382
52		TOTAL GENERAL PLANT	\$6,779		\$516
53		Total Depreciation	\$333,423		\$9,811

Large Water Company
Case No. WR-2013-0326
Title Line
Test Year Ending 12-31-2012
Accumulated Depreciation Reserve

Line Number	A Account Number	B Depreciation Reserve Description	C Total Reserve	D Adjust. Number	E Adjustments	F As Adjusted Reserve	G Jurisdictional Allocations	H Jurisdictional Adjustments	I MO Adjusted Jurisdictional
1		INTANGIBLE PLANT							
2	301.000	Organization	\$0	R-2	\$0	\$0	100.00%	\$0	\$0
3	302.000	Franchises and Consents	\$0	R-3	\$0	\$0	100.00%	\$0	\$0
4	303.000	Miscellaneous Intangible Plant	\$0	R-4	\$0	\$0	100.00%	\$0	\$0
5		TOTAL PLANT INTANGIBLE	\$0		\$0	\$0		\$0	\$0
6		SOURCE OF SUPPLY PLANT							
7	310.000	Land and Land Rights - SSP	\$0	R-7	\$0	\$0	100.00%	\$0	\$0
8	311.000	Structures and Improvements - SSP	\$0	R-8	\$0	\$0	100.00%	\$0	\$0
9	312.000	Collecting & Impounding Reservoirs	\$0	R-9	\$0	\$0	100.00%	\$0	\$0
10	313.000	Lake, River and Other Intakes	\$0	R-10	\$0	\$0	100.00%	\$0	\$0
11	314.000	Wells and Springs	\$13,565	R-11	\$0	\$13,565	100.00%	\$0	\$13,565
12	315.000	Infiltration Galleries and Tunnels	\$0	R-12	\$0	\$0	100.00%	\$0	\$0
13	316.000	Supply Mains	\$0	R-13	\$0	\$0	100.00%	\$0	\$0
14	317.000	Other Water Source Plant	\$0	R-14	\$0	\$0	100.00%	\$0	\$0
15		TOTAL SOURCE OF SUPPLY PLANT	\$13,565		\$0	\$13,565		\$0	\$13,565
16		PUMPING PLANT							
17	320.000	Land and Land Rights - PP	\$0	R-17	\$0	\$0	100.00%	\$0	\$0
18	321.000	Structures and Improvements - PP	\$675	R-18	\$0	\$675	100.00%	\$0	\$675
19	322.000	Boiler Plant Equipment	\$0	R-19	\$0	\$0	100.00%	\$0	\$0
20	323.000	Other Power Production Equipment	\$0	R-20	\$0	\$0	100.00%	\$0	\$0
21	324.000	Steam Pumping Equipment	\$0	R-21	\$0	\$0	100.00%	\$0	\$0
22	325.100	Electric Pumping Equipment	\$16,943	R-22	\$0	\$16,943	100.00%	\$0	\$16,943
23	326.000	Diesel Pumping Equipment	\$0	R-23	\$0	\$0	100.00%	\$0	\$0
24	327.000	Hydraulic Pumping Equipment	\$0	R-24	\$0	\$0	100.00%	\$0	\$0
25	328.000	Other Pumping Equipment	\$0	R-25	\$0	\$0	100.00%	\$0	\$0
26		TOTAL PUMPING PLANT	\$17,518		\$0	\$17,518		\$0	\$17,518
27		WATER TREATMENT PLANT							
28	330.000	Land and Land Rights - WTP	\$0	R-28	\$0	\$0	100.00%	\$0	\$0
29	331.000	Structures and Improvements - WTP	\$0	R-29	\$0	\$0	100.00%	\$0	\$0
30	332.000	Water Treatment Equipment	\$352	R-30	\$0	\$352	100.00%	\$0	\$352
31		TOTAL WATER TREATMENT PLANT	\$352		\$0	\$352		\$0	\$352
32		TRANSMISSION & DIST. PLANT							
33	340.000	Land and Land Rights - TDP	\$0	R-33	\$0	\$0	100.00%	\$0	\$0
34	341.000	Structures and Improvements - TDP	\$320	R-34	\$0	\$320	100.00%	\$0	\$320
35	342.000	Distribution Reservoirs and Standpipes	\$2,911	R-35	\$0	\$2,911	100.00%	\$0	\$2,911
36	343.000	Transmission and Distribution Mains	\$24,296	R-36	\$0	\$24,296	100.00%	\$0	\$24,296
37	344.000	Fire Mains	\$0	R-37	\$0	\$0	100.00%	\$0	\$0
38	345.000	Services	\$8,041	R-38	\$0	\$8,041	100.00%	\$0	\$8,041
39	346.100	Meters after 2012, plus prior years Plastic	\$1,519	R-39	\$0	\$1,519	100.00%	\$0	\$1,519
40	346.200	Meters Bronze and installations Prior 2013	\$7,716	R-40	\$0	\$7,716	100.00%	\$0	\$7,716
41	347.000	Meter Installations After 2012	\$0	R-41	\$0	\$0	100.00%	\$0	\$0
42	348.000	Hydrants	\$410	R-42	\$0	\$410	100.00%	\$0	\$410
43	349.000	Other Transmission & Distribution Plant	\$278	R-43	\$0	\$278	100.00%	\$0	\$278
44		TOTAL TRANSMISSION & DIST. PLANT	\$45,491		\$0	\$45,491		\$0	\$45,491
45		GENERAL PLANT							
46	370.000	Land and Land Rights - GP	\$0	R-46	\$0	\$0	100.00%	\$0	\$0
47	371.000	Structures and Improvements - GP	\$0	R-47	\$0	\$0	100.00%	\$0	\$0
48	372.000	Office Furniture and Equipment	\$54	R-48	\$0	\$54	100.00%	\$0	\$54
49	372.100	Office Electronic Equipment	\$0	R-49	\$0	\$0	100.00%	\$0	\$0
50	373.000	Transportation Equipment	\$585	R-50	\$0	\$585	100.00%	\$0	\$585
51	379.000	Other General Equipment	\$2,734	R-51	\$0	\$2,734	100.00%	\$0	\$2,734
52		TOTAL GENERAL PLANT	\$3,373		\$0	\$3,373		\$0	\$3,373
63		TOTAL DEPRECIATION RESERVE	\$80,299		\$0	\$80,299		\$0	\$80,299

Large Water Company
Case No. WR-2013-0326
Title Line
Test Year Ending 12-31-2012
Adjustments for Depreciation Reserve

<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	<u>F</u> Jurisdictional Adjustments	<u>G</u> Total Jurisdictional Adjustments
	Total Reserve Adjustments			\$0		\$0

Large Water Company
Case No. WR-2013-0326
Title Line
Test Year Ending 12-31-2012
Cash Working Capital

Line Number	A Description	B Test Year Adj. Expenses	C Revenue Lag	D Expense Lag	E Net Lag C - D	F Factor (Col E / 365)	G CWC Req B x F
1	OPERATION AND MAINT. EXPENSE						
2	Base Payroll	\$0	0.00	0.00	0.00	0.000000	\$0
3	Tax Withholding	\$0	0.00	0.00	0.00	0.000000	\$0
4	Pensions and Employee Benefits	\$0	0.00	0.00	0.00	0.000000	\$0
5	Electric	\$0	0.00	0.00	0.00	0.000000	\$0
6	Telephone	\$0	0.00	0.00	0.00	0.000000	\$0
7	Office Rents	\$0	0.00	0.00	0.00	0.000000	\$0
8	Intercompany Billing	\$0	0.00	0.00	0.00	0.000000	\$0
9	Uncollectible Accounts	\$0	0.00	0.00	0.00	0.000000	\$0
10	PSC Assessment	\$0	0.00	0.00	0.00	0.000000	\$0
11	Cash Vouchers	\$42,772	0.00	0.00	0.00	0.000000	\$0
12	TOTAL OPERATION AND MAINT. EXPENSE	\$42,772					\$0
13	TAXES						
14	FICA - Employer Portion	\$0	0.00	0.00	0.00	0.000000	\$0
15	Unemployment	\$0	0.00	0.00	0.00	0.000000	\$0
16	Property Tax	\$0	0.00	0.00	0.00	0.000000	\$0
17	Gross Receipts Tax	\$0	0.00	0.00	0.00	0.000000	\$0
18	Corporate Franchise	\$0	0.00	0.00	0.00	0.000000	\$0
19	Sales Tax	\$0	0.00	0.00	0.00	0.000000	\$0
20	Test Line	\$0	0.00	0.00	0.00	0.000000	\$0
21	TOTAL TAXES	\$0					\$0
22	CWC REQ'D BEFORE RATE BASE OFFSETS						\$0
23	TAX OFFSET FROM RATE BASE						
24	Federal Tax Offset	\$2,421	0.00	0.00	0.00	0.000000	\$0
25	State Tax Offset	\$995	0.00	0.00	0.00	0.000000	\$0
26	City Tax Offset	\$139	0.00	0.00	0.00	0.000000	\$0
27	Interest Expense Offset	\$0	0.00	0.00	0.00	0.000000	\$0
28	TOTAL OFFSET FROM RATE BASE	\$3,555					\$0
29	TOTAL CASH WORKING CAPITAL REQUIRED						\$0

Large Water Company
Case No. WR-2013-0326
Title Line
Test Year Ending 12-31-2012
Income Statement

Line Number	A Category/Description	B Total Test Year	C Test Year Labor	D Test Year Non Labor	E Adjustments	E Total Company Adjusted	G Jurisdictional Adjustments	H MO Final Adj Jurisdictional	I MO Juris. Labor	J MO Juris. Non Labor
1	TOTAL OPERATING REVENUES	\$41,009	See Note (1)	See Note (1)	See Note (1)	\$41,009	\$2,127	\$43,136	See Note (1)	See Note (1)
2	TOTAL SOURCE OF SUPPLY EXPENSES	\$3,226	\$2,083	\$1,143	\$378	\$3,604	\$0	\$3,604	\$3,604	\$0
3	TOTAL PUMPING EXPENSES	\$4,347	\$0	\$4,347	\$322	\$4,669	\$0	\$4,669	\$0	\$4,669
4	TOTAL WATER TREATMENT EXPENSES	\$477	\$0	\$477	\$207	\$684	\$0	\$684	\$0	\$684
5	TOTAL TRANSMISSION & DIST. EXPENSES	\$2,941	\$0	\$2,941	-\$631	\$2,310	\$0	\$2,310	\$0	\$2,310
6	TOTAL CUSTOMER ACCOUNTS EXPENSE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7	TOTAL CUSTOMER SERVICE EXPENSES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	TOTAL SALES PROMOTION EXPENSES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9	TOTAL ADMIN. & GENERAL EXPENSES	\$22,185	\$11,059	\$11,126	\$9,320	\$31,505	\$0	\$31,505	\$24,867	\$6,638
10	TOTAL DEPRECIATION EXPENSE	\$0	See Note (1)	See Note (1)	See Note (1)	\$0	\$6,906	\$6,906	See Note (1)	See Note (1)
11	TOTAL AMORTIZATION EXPENSE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
12	TOTAL OTHER OPERATING EXPENSE	\$327	\$0	\$327	\$0	\$327	\$0	\$327	\$0	\$327
13	TOTAL OPERATING EXPENSE	\$33,503	\$13,142	\$20,361	\$9,596	\$43,099	\$6,906	\$50,005	\$28,471	\$14,628
14	NET INCOME BEFORE TAXES	\$7,506	\$0	\$0	\$0	-\$2,090	-\$4,779	-\$6,869	\$0	\$0
15	TOTAL INCOME TAXES	\$0	See Note (1)	See Note (1)	See Note (1)	\$0	\$0	\$0	See Note (1)	See Note (1)
16	TOTAL DEFERRED INCOME TAXES	\$0	See Note (1)	See Note (1)	See Note (1)	\$0	\$0	\$0	See Note (1)	See Note (1)
17	NET OPERATING INCOME	\$7,506	\$0	\$0	\$0	-\$2,090	-\$4,779	-\$6,869	\$0	\$0

(1) Labor and Non Labor Detail not applicable to Revenue & Taxes

Large Water Company
Case No. WFR-2013-0326
Title Line
Test Year Ending 12-31-2012
Income Statement Detail

Line Number	Account Number	B Income Description	C Test Year Total (D+E)	D Test Year Labor	E Test Year Non Labor	E Adjust. Number	G Total Company Adjustments (From Adj. Sch.)	H Total Company Adjusted (C+G)	I Jurisdictional Allocations	J Jurisdictional Adjustments (From Adj. Sch.)	K MO Final Adj. Jurisdictional (H x J) + J	L MO Adj. Juris. Labor	M MO Adj. Non Labor
Rev-1		OPERATING REVENUES											
Rev-2	461,100	Residential	\$41,009	See note (1)	See note (1)	Rev-2	See note (1)	\$41,009	100.00%	\$-561	\$40,948	See note (1)	See note (1)
Rev-3	461,200	Commercial	\$0			Rev-3		\$0	100.00%	\$0	\$0		
Rev-4	461,300	Industrial	\$0			Rev-4		\$0	100.00%	\$0	\$0		
Rev-5	462,000	Private Fire Protection	\$0			Rev-5		\$0	100.00%	\$0	\$0		
Rev-6	463,000	Public Fire Protection	\$0			Rev-6		\$0	100.00%	\$0	\$0		
Rev-7	464,000	Other Public Auth.	\$0			Rev-7		\$0	100.00%	\$0	\$0		
Rev-8	466,000	Sales for Resale	\$0			Rev-8		\$0	100.00%	\$0	\$0		
Rev-9	474,000	Other Water Revenue - Oper. Rev.	\$0			Rev-9		\$0	100.00%	\$2,188	\$2,188		
Rev-10		TOTAL OPERATING REVENUES	\$41,009					\$41,009		\$2,127	\$43,136		
1		SOURCE OF SUPPLY EXPENSES											
2	401,000	Plant Operation and Maintenance Expense	\$1,143	\$0	\$1,143	E-2	-\$1,143	\$0	100.00%	\$0	\$0	\$0	\$0
3	600,000	Salaries and Wages	\$2,083	\$2,083	\$0	E-3	\$1,521	\$3,604	100.00%	\$0	\$3,604	\$3,604	\$0
4		TOTAL SOURCE OF SUPPLY EXPENSES	\$3,226	\$2,083	\$1,143		\$378	\$3,604		\$0	\$3,604		\$0
5		PUMPING EXPENSES											
6	620,000	Fuel or Power Purchased for Pumping	\$4,201	\$0	\$4,201	E-6	-\$190	\$4,011	100.00%	\$0	\$4,011	\$0	\$4,011
7	650,100	Repairs of Water Pump-Pump repairs	\$146	\$0	\$146	E-7	\$512	\$658	100.00%	\$0	\$658	\$0	\$658
8		TOTAL PUMPING EXPENSES	\$4,347	\$0	\$4,347		\$322	\$4,669		\$0	\$4,669	\$0	\$4,669
9		WATER TREATMENT EXPENSES											
10	630,000	Chemicals - WTE	\$374	\$0	\$374	E-10	\$0	\$374	100.00%	\$0	\$374	\$0	\$374
11	650,000	Maint. Of Water Plant	\$103	\$0	\$103	E-11	\$207	\$310	100.00%	\$0	\$310	\$0	\$310
12		TOTAL WATER TREATMENT EXPENSES	\$477	\$0	\$477		\$207	\$684		\$0	\$684	\$0	\$684
13		TRANSMISSION & DIST. EXPENSES											
14	650,300	Repairs of WP- Water Line Repair	\$2,941	\$0	\$2,941	E-14	-\$631	\$2,310	100.00%	\$0	\$2,310	\$0	\$2,310
15		TOTAL TRANSMISSION & DIST. EXPENSES	\$2,941	\$0	\$2,941		-\$631	\$2,310		\$0	\$2,310	\$0	\$2,310
16		CUSTOMER ACCOUNTS EXPENSE											
17		TOTAL CUSTOMER ACCOUNTS EXPENSE	\$0	\$0	\$0		\$0	\$0		\$0	\$0	\$0	\$0
18		CUSTOMER SERVICE EXPENSES											
19		TOTAL CUSTOMER SERVICE EXPENSES	\$0	\$0	\$0		\$0	\$0		\$0	\$0	\$0	\$0
20		SALES PROMOTION EXPENSES											
21		TOTAL SALES PROMOTION EXPENSES	\$0	\$0	\$0		\$0	\$0		\$0	\$0	\$0	\$0
22		ADMIN. & GENERAL EXPENSES											
23	680,000	Admin. & General Salaries	\$5,400	\$5,400	\$0	E-23	\$13,808	\$19,208	100.00%	\$0	\$19,208	\$19,208	\$0
24	681,000	Office Supplies & Expenses	\$2,783	\$0	\$2,783	E-24	-\$1,467	\$1,316	100.00%	\$0	\$1,316	\$0	\$1,316
25	681,100	Office Supplies and Expense- Billing and Postage Expense	\$2,798	\$0	\$2,798	E-25	-\$1,501	\$1,297	100.00%	\$0	\$1,297	\$0	\$1,297
26	681,200	Office Supplies & Expenses-Dues and Subscriptions	\$0	\$0	\$0	E-26	\$350	\$350	100.00%	\$0	\$350	\$0	\$350
27	681,300	Office Supplies & Expenses-DNR fees	\$0	\$0	\$0	E-27	\$200	\$200	100.00%	\$0	\$200	\$0	\$200
28	682,000	Outside Services Employed-Attorney	\$2,474	\$0	\$2,474	E-28	-\$1,979	\$495	100.00%	\$0	\$495	\$0	\$495
29	684,000	Insurance Expense	\$864	\$0	\$864	E-29	\$18	\$882	100.00%	\$0	\$882	\$0	\$882
30	686,000	Employee Pensions & Benefits	\$5,659	\$5,659	\$0	E-30	\$0	\$5,659	100.00%	\$0	\$5,659	\$5,659	\$0

Large Water Company
Case No. WR-2013-0326
Title Line
Test Year Ending 12-31-2012
Income Statement Detail

Line Number	A Account Number	B Income Description	C Test Year Total (D+E)	D Test Year Labor	E Test Year Non Labor	E Adjust. Number	G Total Company Adjustments (From Adj. Sch.)	H Total Company Adjusted (C+G)	I Jurisdictional Allocations	J Jurisdictional Adjustments (From Adj. Sch.)	K MO Final Adj. Jurisdictional (H x I) + J	L MO Adj. Juris. Labor L x M = K	M MO Adj. Juris. Non Labor
31	688.000	Regulatory Commission Expenses	\$560	\$0	\$560	E-31	-\$249	\$312	100.00%		\$312	\$0	\$312
32	660.000	Transportation Expenses	\$320	\$0	\$320	E-32	\$0	\$320	100.00%		\$320	\$0	\$320
33	689.000	Misc General Expenses- Missouri One Call	\$0	\$0	\$0	E-33	\$56	\$56	100.00%		\$56	\$0	\$56
34	689.100	Misc. General Expenses- Storage	\$600	\$0	\$600	E-34	-\$400	\$200	100.00%		\$200	\$0	\$200
35	640.000	Supplies and Expense	\$727	\$0	\$727	E-35	-\$667	\$60	100.00%		\$60	\$0	\$60
36	640.100	Supplies and Expense- Operations and Maintenance	\$0	\$0	\$0	E-36	\$579	\$579	100.00%		\$579	\$0	\$579
37	640.200	Supplies and Expenses-Rent	\$0	\$0	\$0	E-37	\$66	\$66	100.00%		\$66	\$0	\$66
38	640.300	Supplies and Expenses- Cell Phone	\$0	\$0	\$0	E-38	\$505	\$505	100.00%		\$505	\$0	\$505
39		TOTAL ADMIN. & GENERAL EXPENSES	\$22,185	\$11,059	\$11,126		\$9,320	\$31,505			\$31,505	\$24,867	\$6,638
40		DEPRECIATION EXPENSE											
41	0.000	Depreciation Expense, Dep. Exp.	\$0		See note (1)	E-41	See note (1)	\$0	100.00%	\$6,906	\$6,906	See note (1)	See note (1)
42	0.000	Depreciation Expense- CIAC amortization Offset	\$0			E-42		\$0	100.00%		\$0		
43		TOTAL DEPRECIATION EXPENSE	\$0	\$0	\$0		\$0	\$0		\$6,906	\$6,906	\$0	\$0
44		AMORTIZATION EXPENSE											
45		TOTAL AMORTIZATION EXPENSE	\$0	\$0	\$0		\$0	\$0			\$0	\$0	\$0
46		OTHER OPERATING EXPENSES											
47	403.900	Amortization of Net Cost of Removal	\$0	\$0	\$0	E-47	\$0	\$0	100.00%		\$0	\$0	\$0
48	404.000	Amortization of Expense	\$0	\$0	\$0	E-48	\$0	\$0	100.00%		\$0	\$0	\$0
49	408.000	Property Taxes	\$0	\$0	\$0	E-49	\$0	\$0	100.00%		\$0	\$0	\$0
50	408.000	Payroll Taxes	\$0	\$0	\$0	E-50	\$0	\$0	100.00%		\$0	\$0	\$0
51	408.100	Taxes other than Income-Real Estate Taxes	\$327	\$0	\$327	E-51	\$0	\$327	100.00%		\$327	\$0	\$327
52	408.000	Missouri Franchise Taxes	\$0	\$0	\$0	E-52	\$0	\$0	100.00%		\$0	\$0	\$0
53	403.001	Transportation Depr Clearing	\$0	\$0	\$0	E-53	\$0	\$0	100.00%		\$0	\$0	\$0
54	403.900	Kansas City Income Taxes Paid	\$0	\$0	\$0	E-54	\$0	\$0	100.00%		\$0	\$0	\$0
55		TOTAL OTHER OPERATING EXPENSE	\$327	\$0	\$327		\$0	\$327			\$327	\$0	\$327
56		TOTAL OPERATING EXPENSE	\$33,503	\$13,142	\$20,361		\$9,896	\$43,099		\$6,906	\$50,005	\$28,471	\$14,628
57		NET INCOME BEFORE TAXES	\$7,506					-\$2,090		-\$4,779	-\$6,869		
58		INCOME TAXES											
59	0.000	Current Income Taxes	\$0	See note (1)	See note (1)	E-59	See note (1)	\$0	100.00%	\$0	\$0	See note (1)	See note (1)
60		TOTAL INCOME TAXES	\$0					\$0		\$0	\$0		
61		DEFERRED INCOME TAXES											
62	0.000	Deferred Income Taxes - Def. Inc. Tax.	\$0	See note (1)	See note (1)	E-62	See note (1)	\$0	100.00%	\$0	\$0	See note (1)	See note (1)
63	0.000	Amortization of Deferred ITC	\$0			E-63		\$0	100.00%	\$0	\$0		
64	0.000	Deferred Income Tax - Test Line	\$0			E-64		\$0	100.00%	\$0	\$0		
65		TOTAL DEFERRED INCOME TAXES	\$0					\$0		\$0	\$0		
66		NET OPERATING INCOME	\$7,506					-\$2,090		-\$4,779	-\$6,869		

(1) Labor and Non Labor Detail not applicable to Revenue & Taxes

Large Water Company
Case No. WR-2013-0326
Title Line
Test Year Ending 12-31-2012
Adjustments to Income Statement Detail

A Income Adj. Number	B Income Adjustment Description	C Account Number	D Company Adjustment Labor	E Company Adjustment Non Labor	F Company Adjustments Total	G Jurisdictional Adjustment Labor	H Jurisdictional Adjustment Non Labor	I Jurisdictional Adjustments Total
Rev-2	Residential	461.100	\$0	\$0	\$0	\$0	-\$61	-\$61
	1. To Annualize Residential Revenue		\$0	\$0		\$0	-\$61	
Rev-9	Other Water Revenue - Oper. Rev.	474.000	\$0	\$0	\$0	\$0	\$2,188	\$2,188
	1. To Annualize Other Water Revenue - Oper. Rev.		\$0	\$0		\$0	\$2,188	
	2. No Adjustment		\$0	\$0		\$0	\$0	
E-2	Plant Operation and Maintenance Expense	401.000	\$0	-\$1,143	-\$1,143	\$0	\$0	\$0
	1. To reclassify Plant Operations and Maintenance Expense to an expense account 640.1		\$0	-\$1,143		\$0	\$0	
E-3	Salaries and Wages	600.000	\$1,521	\$0	\$1,521	\$0	\$0	\$0
	1. To include an annualized level of Salary for part time help		\$321	\$0		\$0	\$0	
	2. To include salary for back up operator reclassified from other expense accounts.		\$1,200	\$0		\$0	\$0	
E-6	Fuel or Power Purchased for Pumping	620.000	\$0	-\$190	-\$190	\$0	\$0	\$0
	1. To include an annualized level of Plant Utilities expense.		\$0	-\$190		\$0	\$0	
E-7	Repairs of Water Pump-Pump repairs	650.100	\$0	\$512	\$512	\$0	\$0	\$0
	1. To include an annualized level of Maintenance of Water Pump repairs.		\$0	\$512		\$0	\$0	
E-11	Maint. Of Water Plant	650.000	\$0	\$207	\$207	\$0	\$0	\$0
	1. To include an annualized level of Maintenance of Water Plant expense.		\$0	\$207		\$0	\$0	
E-14	Repairs of WP- Water Line Repair	650.300	\$0	-\$631	-\$631	\$0	\$0	\$0
	1. To include an annualized level of Maintenance of Water line repair.		\$0	-\$631		\$0	\$0	
E-23	Admin. & General Salaries	680.000	\$13,808	\$0	\$13,808	\$0	\$0	\$0
	1. To include an annualized level of salary for owner/operator less compensation already included in 666 pension & benefits		\$13,808	\$0		\$0	\$0	
E-24	Office Supplies & Expenses	681.000	\$0	-\$1,467	-\$1,467	\$0	\$0	\$0
	1. To include an annualized level of Office Supplies.		\$0	-\$1,744		\$0	\$0	
	2. To include ink purchases in Office expense		\$0	\$242		\$0	\$0	
	3. To include interest expense on Customer deposits.		\$0	\$35		\$0	\$0	
E-25	Office Supplies and Expense- Billing and Postage Expense	681.100	\$0	-\$1,501	-\$1,501	\$0	\$0	\$0

Large Water Company
Case No. WR-2013-0326
Title Line
Test Year Ending 12-31-2012
Adjustments to Income Statement Detail

A Income Adj. Number	B Income Adjustment Description	C Account Number	D Company Adjustment Labor	E Company Adjustment Non Labor	F Company Adjustments Total	G Jurisdictional Adjustment Labor	H Jurisdictional Adjustment Non Labor	I Jurisdictional Adjustments Total
	1. To include an annualized level of billing and postage		\$0	-\$1,501		\$0	\$0	
E-26	Office Supplies & Expenses-Dues and Subscriptions	681.200	\$0	\$350	\$350	\$0	\$0	\$0
	1. To include an annualized level of Due and Subscriptions		\$0	\$350		\$0	\$0	
E-27	Office Supplies & Expenses-DNR fees	681.300	\$0	\$200	\$200	\$0	\$0	\$0
	1. To include an annualized level of DNR fees.		\$0	\$200		\$0	\$0	
E-28	Outside Services Employed-Attorney	682.000	\$0	-\$1,979	-\$1,979	\$0	\$0	\$0
	1. To remove legal costs from complaint case to be amortized over 5 years.		\$0	-\$2,474		\$0	\$0	
	2. To set up 5 year amortization of legal fees.		\$0	\$495		\$0	\$0	
E-29	Insurance Expense	684.000	\$0	\$18	\$18	\$0	\$0	\$0
	1. To include an annualized level of Insurance Expense.		\$0	\$18		\$0	\$0	
E-31	Regulatory Commission Expenses	688.000	\$0	-\$248	-\$248	\$0	\$0	\$0
	1. To remove charges no associated with Regulatory Commission expense		\$0	-\$248		\$0	\$0	
E-33	Misc General Expenses- Missouri One Call	689.000	\$0	\$56	\$56	\$0	\$0	\$0
	1. To include an annualized level of Missouri One Call expense.		\$0	\$56		\$0	\$0	
E-34	Misc. General Expenses- Storage	689.100	\$0	-\$400	-\$400	\$0	\$0	\$0
	1. To remove storage fees allocated to other entities		\$0	-\$400		\$0	\$0	
E-35	Supplies and Expense	640.000	\$0	-\$667	-\$667	\$0	\$0	\$0
	1. To include a normalized level of Supplies and Expense.		\$0	-\$667		\$0	\$0	
E-36	Supplies and Expense- Operations and Maintenance	640.100	\$0	\$579	\$579	\$0	\$0	\$0
	1. To reclassify Operations and Maintenance Expense from a revenue account 401 to the proper expense account 640.1		\$0	\$1,143		\$0	\$0	
	2. To include an annualized level of Operations and Maintenance expense.		\$0	-\$564		\$0	\$0	
E-37	Supplies and Expenses-Rent	640.200	\$0	\$66	\$66	\$0	\$0	\$0
	1. To include an annualized level of rent expense.		\$0	\$66		\$0	\$0	
E-38	Supplies and Expenses- Cell Phone	640.300	\$0	\$505	\$505	\$0	\$0	\$0

Large Water Company
Case No. WR-2013-0326
Title Line
Test Year Ending 12-31-2012
Adjustments to Income Statement Detail

A Income Adj. Number	B Income Adjustment Description	C Account Number	D Company Adjustment Labor	E Company Adjustment Non Labor	F Company Adjustments Total	G Jurisdictional Adjustment Labor	H Jurisdictional Adjustment Non Labor	I Jurisdictional Adjustments Total
	1. To Include Cell phone charges allocated to Woodland.		\$0	\$505		\$0	\$0	
E-41	Depreciation Expense, Dep. Exp.		\$0	\$0	\$0	\$0	\$6,906	\$6,906
	To Annualize Depreciation Expense		\$0	\$0		\$0	\$9,811	
	1. To offset depreciation expense associated with CIAC.		\$0	\$0		\$0	-\$2,905	
Total Operating Revenues			\$0	\$0	\$0	\$0	\$2,127	\$2,127
Total Operating & Maint. Expense			\$15,329	-\$5,733	\$9,596	\$0	\$6,906	\$6,906

Large Water Company
Case No. WR-2013-0326
Title Line
Test Year Ending 12-31-2012
Income Tax Calculation

Line Number	A Description	B Percentage Rate	C Test Year	D 8.02% Return	E 8.02% Return	F 8.02% Return
1	TOTAL NET INCOME BEFORE TAXES		-\$6,869	\$17,272	\$17,272	\$17,272
2	ADD TO NET INCOME BEFORE TAXES					
3	Book Depreciation Expense		\$6,906	\$6,906	\$6,906	\$6,906
4	Test		\$0	\$0	\$0	\$0
5	TOTAL ADD TO NET INCOME BEFORE TAXES		\$6,906	\$6,906	\$6,906	\$6,906
6	SUBT. FROM NET INC. BEFORE TAXES					
7	Interest Expense calculated at the Rate of	0.0000%	\$0	\$0	\$0	\$0
8	Tax Straight-Line Depreciation		\$6,906	\$6,906	\$6,906	\$6,906
9	Excess Tax Depreciation		\$0	\$0	\$0	\$0
10	TOTAL SUBT. FROM NET INC. BEFORE TAXES		\$6,906	\$6,906	\$6,906	\$6,906
11	NET TAXABLE INCOME		-\$6,869	\$17,272	\$17,272	\$17,272
12	PROVISION FOR FED. INCOME TAX					
13	Net Taxable Inc. - Fed. Inc. Tax		\$0	\$17,272	\$17,272	\$17,272
14	Deduct Missouri Income Tax at the Rate of	100.000%	\$0	\$995	\$995	\$995
15	Deduct City Inc Tax - Fed. Inc. Tax		\$0	\$139	\$139	\$139
16	Federal Taxable Income - Fed. Inc. Tax		\$0	\$16,138	\$16,138	\$16,138
17	Federal Income Tax at the Rate of	See Tax Table	\$0	\$2,421	\$2,421	\$2,421
18	Subtract Federal Income Tax Credits					
19	Credits - Solar		\$0	\$0	\$0	\$0
20	Net Federal Income Tax		\$0	\$2,421	\$2,421	\$2,421
21	PROVISION FOR MO. INCOME TAX					
22	Net Taxable Income - MO. Inc. Tax		\$0	\$17,272	\$17,272	\$17,272
23	Deduct Federal Income Tax at the Rate of	50.000%	\$0	\$1,211	\$1,211	\$1,211
24	Deduct City Income Tax - MO. Inc. Tax		\$0	\$139	\$139	\$139
25	Missouri Taxable Income - MO. Inc. Tax		\$0	\$15,922	\$15,922	\$15,922
26	Missouri Income Tax at the Rate of	6.250%	\$0	\$995	\$995	\$995
27	PROVISION FOR CITY INCOME TAX					
28	Net Taxable Income - City Inc. Tax		\$0	\$17,272	\$17,272	\$17,272
29	Deduct Federal Income Tax - City Inc. Tax		\$0	\$2,421	\$2,421	\$2,421
30	Deduct Missouri Income Tax - City Inc. Tax		\$0	\$995	\$995	\$995
31	City Taxable Income		\$0	\$13,856	\$13,856	\$13,856
32	City Income Tax at the Rate of	1.000%	\$0	\$139	\$139	\$139
33	SUMMARY OF CURRENT INCOME TAX					
34	Federal Income Tax		\$0	\$2,421	\$2,421	\$2,421
35	State Income Tax		\$0	\$995	\$995	\$995
36	City Income Tax		\$0	\$139	\$139	\$139
37	TOTAL SUMMARY OF CURRENT INCOME TAX		\$0	\$3,555	\$3,555	\$3,555
38	DEFERRED INCOME TAXES					
39	Deferred Income Taxes - Def. Inc. Tax.		\$0	\$0	\$0	\$0
40	Amortization of Deferred ITC		\$0	\$0	\$0	\$0
41	Deferred Income Tax - Test Line		\$0	\$0	\$0	\$0
42	TOTAL DEFERRED INCOME TAXES		\$0	\$0	\$0	\$0
43	TOTAL INCOME TAX		\$0	\$3,555	\$3,555	\$3,555

Large Water Company
Case No. WR-2013-0326
Title Line
Test Year Ending 12-31-2012
Income Tax Calculation

Line Number	A Description	B Percentage Rate	C Test Year	D 8.02% Return	E 8.02% Return	F 8.02% Return
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Federal Tax Table					
Federal Income Taxes		\$0	\$16,138	\$16,138	\$16,138
15% on first \$50,000		\$0	\$2,421	\$2,421	\$2,421
25% on next \$25,000		\$0	\$0	\$0	\$0
34% > \$75,000 < \$100,001		\$0	\$0	\$0	\$0
39% > \$100,000 < \$335,001		\$0	\$0	\$0	\$0
34% > \$335,000 < \$10,000,001		\$0	\$0	\$0	\$0
35% > \$10MM < \$15,000,001		\$0	\$0	\$0	\$0
38% > \$15MM < \$18,333,334		\$0	\$0	\$0	\$0
35% > \$18,333,333		\$0	\$0	\$0	\$0
Total Federal Income Taxes		\$0	\$2,421	\$2,421	\$2,421

Large Water Company
Case No. WR-2013-0326
Title Line
Test Year Ending 12-31-2012
Capital Structure Schedule

Line Number	A Description	B Dollar Amount	C Percentage of Total Capital Structure	D Embedded Cost of Capital	E Weighted Cost of Capital 8.02%	F Weighted Cost of Capital 8.02%	G Weighted Cost of Capital 8.02%
1	Common Stock	\$171,039	100.00%		8.020%	8.020%	8.020%
2	Other Security Tax Deductible	\$0	0.00%	0.00%	0.000%	0.000%	0.000%
3	Preferred Stock	\$0	0.00%	0.00%	0.000%	0.000%	0.000%
4	Long Term Debt	\$0	0.00%	0.00%	0.000%	0.000%	0.000%
5	Short Term Debt	\$0	0.00%	0.00%	0.000%	0.000%	0.000%
6	Other Security-Non Tax Deductible	\$0	0.00%	0.00%	0.000%	0.000%	0.000%
7	TOTAL CAPITALIZATION	\$171,039	100.00%		8.020%	8.020%	8.020%
8	PreTax Cost of Capital				0.000%	0.000%	0.000%

Large Water Company
Case No. WR-2013-0326
Title Line
Test Year Ending 12-31-2012
Executive Case Summary

<u>A</u>		<u>B</u>
Line Number	Description	Amount
1	Annualized Missouri Retail Revenues	\$43,136
2	Annualized Customer Numbers	164
3	Annualized Customer Usage	9,204
4	Profit (Return on Equity)	\$13,717
5	Interest Expense	\$0
6	Annualized Payroll	\$28,471
7	Utility Employees	0
8	Depreciation	\$9,811
9	Net Investment Plant	\$253,124
10	Pensions	\$0

Agreement Attachment C

Rate Base Worksheet

Large Water Company
Case No. WR-2013-0326
Title Line
Test Year Ending 12-31-2012
RATE BASE SCHEDULE

Line Number	A Rate Base Description	B Percentage Rate	C Dollar Amount
1	Plant In Service		\$333,423
2	Less Accumulated Depreciation Reserve		\$80,299
3	Net Plant In Service		\$253,124
4	ADD TO NET PLANT IN SERVICE		
5	Cash Working Capital		\$0
6	Materials & Supplies		\$0
7	Prepayments		\$0
8	Meter Rerouting Project		\$0
9	TOTAL ADD TO NET PLANT IN SERVICE		\$0
10	SUBTRACT FROM NET PLANT		
11	Federal Tax Offset	0.0000%	\$0
12	State Tax Offset	0.0000%	\$0
13	City Tax Offset	0.0000%	\$0
14	Interest Expense Offset	0.0000%	\$0
15	CIAC		\$108,148
16	CIAC Amortization		-\$26,896
17	Customer Deposits		\$833
18	Deferred Income Taxes		\$0
19	Accrued Pension Liability		\$0
20	TOTAL SUBTRACT FROM NET PLANT		\$82,085
21	Total Rate Base		\$171,039

Agreement Attachment D

Schedule of Depreciation Rates

Woodland Manor Water Company
SCHEDULE of DEPRECIATION RATES dated 4/1/2013
(WATER Class D)
WR-2013-0326

USOA

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	DEPRECIATION RATE	AVERAGE SERVICE LIFE (YEARS)	NET SALVAGE
Source of Supply				
311	Structures & Improvements	2.5%	44	-10%
314	Wells & Springs	2.0%	55	-8%
Pumping Plant				
321	Structures & Improvements	2.5%	44	-10%
325	Electric Pumping Equip. (Plus Generator)	6.7%	15	0%
328	Other Pumping Equipment	5.0%	20	0%
WaterTreatment Plant				
332	Water Treatment Equipment	2.9%	35	\$0
Transmission and Distribution				
342	Distribution Reservoirs & Standpipes	2.5%	42	-5%
343	Transmission & Distribution Mains	2.0%	50	0%
345	Customer Services	2.9%	35	0%
346.1	Customer Meters (Installed after 2012)*	10.0%	10	0%
346.2	Bronze Meters and Installs prior 2013	3.3%	30	0%
347	Meter Installations (Meter Pits after 2012)	2.5%	40	0%
348	Hydrants	2.5%	40	0%
349	Other Transmission & Distribution Plant	3.3%	30	0%
General Plant				
372	Office Equipment & Furniture	5.0%	20	0%
372.1	Office Electronic Equipment	14.3%	7	0%
373	Transportation Equipment	13.0%	7	9%
379	Other General Equipment	6.7%	13	13%

Customer Meters (Installed after 2012)* Plus 18 plastic meters installed in 2007

The above recommended depreciation rates are based on Staff's review of the Company's operation and records.

Agreement Attachment E

Example Tariff Sheets

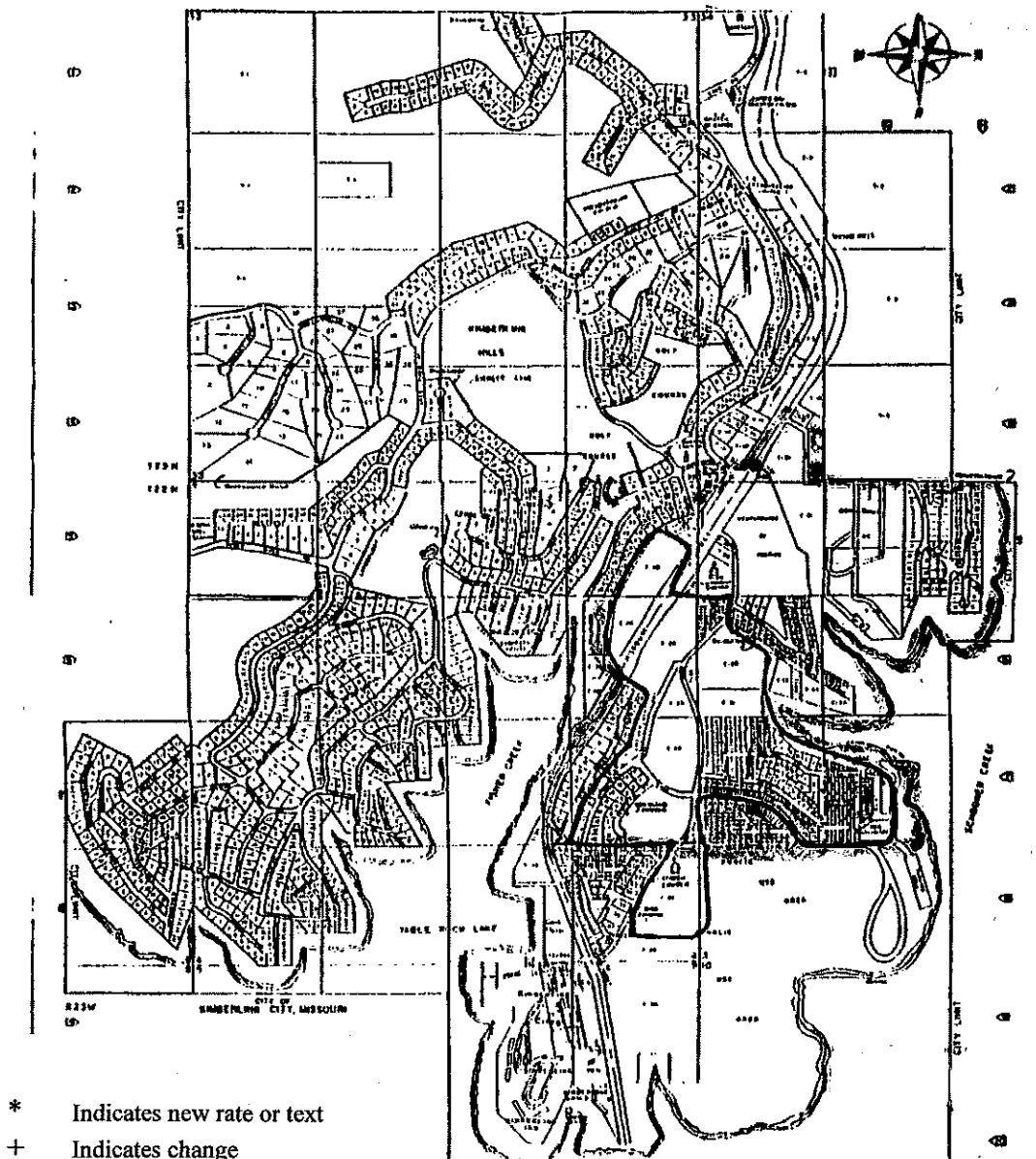
Rules & Regulations Governing Rendering of Water Service		
<u>INDEX</u>		
Sheet No.		
1	Index	
2	Map of Service Area	
3	Legal Description of Service Area	
4	Schedule of Rates	
5	Schedule of Service Charges	
	Rule No.	Rule Title
6	1.	Definitions
9	2.	General Rules and Regulations
10	3.	Company Employees and Customer Relations
11	4.	Applications for Service
12	5.	Inside Piping and Water Service Lines
16	6.	Improper or Excessive Use
17	7.	Discontinuance of Service by Company
20	8.	Termination of Water Service at Customer's Request
21	9.	Interruptions in Service
22	10.	Bills for Service
26	11.	Meters and Meter Installations
29	12.	Meter Tests and Test Fees
30	13.	Bill Adjustments Based on Meter Tests
31	14.	Extension of Water Mains
<p>* Indicates new rate or text</p> <p>+ Indicates change</p>		

ISSUED BY: Stephen T. & Mona L. Fennema, Proprietors 590 Nature Trail Rd. Blue Eye, MO 65611

Name of Utility: Woodland Manor Water Company, LLC
Service Area: Kimberling City, MO

Rules & Regulations Governing Rendering of
Water Service

Map of Service Area



DATE OF ISSUE May 13, 2013
Month Day Year

DATE EFFECTIVE June 28, 2013
Month Day Year

ISSUED BY: Stephen T. & Mona L. Fennema, Proprietors 590 Nature Trail Rd. Blue Eye, MO 65611
name of officers title address

Name of Utility: Woodland Manor Water Company, LLC
Service Area: Kimberling City, MO

Rules & Regulations Governing Rendering of Water Service

Legal Description of Service Area

The North 1/2 of Sec 3, T22N, R23W and the N 1/2 of the SW 1/4 of said Sec 3 which lies to the west of Schooner Creek Cove of Table Rock Lake, and lies to the east of a line 200' west of and parallel to Wildwood Land, also known as Old MO Hwy 13.

The E 1/2 of Sec 4, T22N, R23W which lies to the east of MO Hwy 13, and the NE 1/4 of said Sec 4 which lies to the west of MO Hwy 13, and lies east of a line 200' west of and parallel to Wildwood Lane, also known as Old MO Hwy 13.

The SW 1/4 of the SW 1/4 of Sec 34, T23N, R23W which lies to the east of MO Hwy 13, and lies west of a line 200' east of and parallel to Oak Drive.

* Indicates new rate or text
+ Indicates change

DATE OF ISSUE May 13, 2013
Month Day Year

DATE EFFECTIVE June 28, 2013
Month Day Year

ISSUED BY: Stephen T. & Mona L. Fennema, Proprietors 590 Nature Trail Rd. Blue Eye, MO 65611

Rules & Regulations Governing Rendering of Water Service															
<p style="text-align: center;"><u>Schedule of Rates</u></p> <p>The following monthly water service charges will be in effect for Customers in the Woodland Manor Water Company service area and immediate surrounding area.</p> <p>The following minimum monthly service charge must be paid. This charge is applicable whether there is any water usage or not.</p> <p><u>Monthly Rates and Charges</u> (includes 2,000 gallons)</p> <table> <tr> <th><u>Meter Size</u></th><th><u>Customer Charge</u></th></tr> <tr> <td>3/4" or less</td><td>\$19.11 per month</td></tr> <tr> <td>1"</td><td>\$36.93 per month</td></tr> <tr> <td>1 1/2"</td><td>\$66.63 per month</td></tr> <tr> <td>2"</td><td>\$102.27 per month</td></tr> <tr> <td>Commodity Charge (per 1,000 gallons over 2,000 gallons)</td><td>\$ 3.62</td></tr> <tr> <td>Unmetered Charge</td><td>\$ 19.11 per month</td></tr> </table> <p>Taxes: Any applicable Federal, State, or local taxes computed on billing basis shall be added as separate items in rendering each bill.</p> <p>* Indicates new rate or text + Indicates change</p>		<u>Meter Size</u>	<u>Customer Charge</u>	3/4" or less	\$19.11 per month	1"	\$36.93 per month	1 1/2"	\$66.63 per month	2"	\$102.27 per month	Commodity Charge (per 1,000 gallons over 2,000 gallons)	\$ 3.62	Unmetered Charge	\$ 19.11 per month
<u>Meter Size</u>	<u>Customer Charge</u>														
3/4" or less	\$19.11 per month														
1"	\$36.93 per month														
1 1/2"	\$66.63 per month														
2"	\$102.27 per month														
Commodity Charge (per 1,000 gallons over 2,000 gallons)	\$ 3.62														
Unmetered Charge	\$ 19.11 per month														

ISSUED BY: Stephen T. & Mona L. Fennema, Proprietors 590 Nature Trail Rd. Blue Eye, MO 65611

Rules & Regulations Governing Rendering of Water Service	
<u>Schedule of Service Charges</u>	
The following Miscellaneous Charges apply as authorized and Described elsewhere in the Company's filed Rule and Regulations:	
New Service Connection Fee	Actual Cost
Consists of the costs incurred by the Company for construction including parts, material, labor and equipment, but excluding the cost of the meter. See Rule 5 B. 1. and 5 B. 3.	
Service Connection Inspection Fee	\$25
See Rule 5 B. 2 and 5 B. 3.	
Water Service Line Inspection Fee	\$25
See Rule 5 C.	
Turn-On Fee	\$15
Turn-Off Fee	\$15
Meter Test Fee	\$25
Late Charges	\$5 or 3%
The late charge is calculated monthly with the greater amount above being added to the delinquent bill	
Returned Check Charges	\$25
Service Calls for Damages caused by Customer	Actual cost but not less than \$40
Providing water meter data to city for sewer bills	Negotiated rate by contract
Reading subtraction meter at Customer request	\$1 per subtraction meter per month
* Indicates new rate or text	
+ Indicates change	

ISSUED BY: Stephen T. & Mona L. Fennema, Proprietors 590 Nature Trail Rd. Blue Eye, MO 65611
name of officers title address

Name of Utility: Woodland Manor Water Company, LLC
Service Area: Kimberling City, MO

Rules & Regulations Governing Rendering of Water Service

Rule 1 DEFINITIONS

- A. An "APPLICANT" is a person, firm, corporation, governmental body, or other entity which has applied for service; two or more APPLICANTS may make one application for a main extension.
- B. The "COMPANY" is Woodland Manor Water, LLC, acting through its officers, managers, or other duly authorized employees or agents.
- C. The "CURB STOP" is a valve on the Service Connection, located at or near the Customer's property line, and used to shut off water service to the premises. The Curb Stop is owned and maintained by the Company.
- D. A "CUSTOMER" is any person, firm, corporation or governmental body which has contracted with the Company for water service or is receiving service from Company, or whose facilities are connected for utilizing such service.
- E. The "DATE OF CONNECTION" shall be the date of the permit for installation and connection issued by the Company. In the event no permit is taken and a connection is made, the date of connection may be the date of commencement of construction of the building upon the property.
- F. A "DEVELOPER" is any person, firm, corporation, partnership or any entity that, directly or indirectly, holds title to, or sells or leases, or offers to sell or lease, or advertises for sale or lease, any lots in a subdivision.
- G. "DISCONTINUANCE OF SERVICE" is the intentional cessation of service by the Company not requested by the Customer.
- H. The "MAIN" is a pipeline which is owned and maintained by the Company, located on public property or private easements, and used to transport water throughout the Company's service area.

* Indicates new rate or text
+ Indicates change

DATE OF ISSUE May 13, 2013
Month Day Year

DATE EFFECTIVE June 28, 2013
Month Day Year

ISSUED BY: Stephen T. & Mona L. Fennema, Proprietors 590 Nature Trail Rd. Blue Eye, MO 65611

Name of Utility: Woodland Manor Water Company, LLC
Service Area: Kimberling City, MO

Rules & Regulations Governing Rendering of
Water Service

Rule 1 continued

- I. The "METER" is a device, owned by the Company, used to measure and record the quantity of water that flows through the service line, and is installed in the outdoor meter setting, or inside the Customer's building where the water service line enters through a foundation wall.
- J. The "METER SETTING" is a place either in the service connection or building plumbing for a water meter to be installed. An outdoor meter setting is located at or near the property line, and includes the meter box, meter yoke, lid, and appurtenances, all of which shall be owned and maintained by the Company. Indoor meter settings are located inside the Customer's premises where the water service line enters the foundation wall either installed directly in the piping or in a meter yoke.
- K. A "RETURNED CHECK" is a check that is returned to the Company from any bank unpaid for any reason.
- L. A "SEASONAL CUSTOMER" is a Customer who is absent from the premises and may turn off, or request the Company turn off, water service temporarily. All Rates, Rules and Regulations within this tariff continue to apply to "Seasonal Customers" during periods of seasonal absence or turn-off.
- M. The "SERVICE CONNECTION" is the pipeline connecting the main to the Customer's water service line and includes the curb stop, or outdoor meter setting and all necessary appurtenances located at or near the property line. This service connection shall be owned and maintained by the Company. If the property line is in a street, and if the curb stop or meter setting is not located near the edge of the street abutting the Customer's property, the said service connection shall be deemed to end at the edge of the street abutting the Customer's property.
- N. A "SUBDIVISION" is any land in the state of Missouri which is divided or proposed to be divided into two or more lots or other divisions of land, whether contiguous or not, or uniform in size or not, for the purpose of sale or lease, and

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Rules & Regulations Governing Rendering of Water Service	
<p>Rule 1 continued</p> <p>includes resubdivision thereof.</p> <p>O. A "SUBTRACTION METER" is a meter purchased, installed, and maintained by the Customer for the purpose of registering water used in irrigation that is not discharged into a sanitary sewer subtracting that usage from the Customer's usage as registered by the Company-owned meter, for net usage used to calculate the sewer bill by the sewer provider. The subtraction meter can be read by the Customer or it can be read by the Company for a fee.</p> <p>P. "TERMINATION OF SERVICE" is cessation of service requested by the Customer.</p> <p>Q. "TURN-OFF" is the act of turning water service off by physically turning a valve such that water is unavailable to a Customer's premises.</p> <p>R. "TURN-ON" is the act of turning water service on by physically turning a valve to allow water to be available to a Customer's premises.</p> <p>S. The word "UNIT" or "LIVING UNIT" shall be used herein to define the premises or property of a single water consumer, whether or not that consumer is the Customer. It shall pertain to any building whether multi-tenant or single occupancy, residential or commercial, or owned or leased. Each mobile home in a mobile home park and each rental unit of a multi-tenant rental property are considered as separate units for each single family or firm occupying same as a residence or place of business.</p> <p>T. The "WATER SERVICE LINE" is a pipe with appurtenances installed, owned and maintained by the Customer, used to conduct water to the Customer's unit from the property line, curb stop or outdoor meter setting, including the connection to the curb stop or meter setting. If the property line is in a street, then the water service line shall be deemed to begin at the edge of the street abutting the Customer's property.</p> <p>* Indicates new rate or text</p> <p>+ Indicates change</p>	

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Name of Utility: Woodland Manor Water Company, LLC
Service Area: Kimberling City, MO

Rules & Regulations Governing Rendering of
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Rule 2 GENERAL RULES & REGULATIONS

- A. Every applicant, upon signing an application for any water service rendered by the Company, or any Customer upon taking of water service, shall be considered to have expressed consent to be bound by these Rates, Rules and Regulations.
- B. The Company's Rules and Regulations governing rendering of service are set forth in these numbered sheets. The rates applicable to appropriate water service or service in particular service areas are set forth in rate schedules and constitute a part of these Rules and Regulations.
- C. The Company reserves the right, subject to authority of the Missouri Public Service Commission, to prescribe additional Rates, Rules or Regulations or to alter existing Rates, Rules or Regulations as it may from time to time deem necessary and proper.
- D. After the effective date of these Rules and Regulations, all new facilities, construction contracts, and written agreements shall conform to these Rules and Regulations, and in accordance with the statutes of the state of Missouri and the Rules and Regulations of the Missouri Public Service Commission. Pre-existing facilities that do not comply with applicable Rules and Regulations may remain, provided that their existence does not constitute a service problem or improper use, and reconstruction is not practical.

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Rules & Regulations Governing Rendering of
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Rule 3 COMPANY EMPLOYEES AND CUSTOMER RELATIONS

- A. Employees or agents of the Company are expressly forbidden to demand or accept any compensation for any services rendered to its Customers except as covered in the Company's Rules and Regulations.
- B. No employee or agent of the Company shall have the right or authority to bind it by any promise, agreement or representation contrary to the intent of these Rules and Regulations.

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Rules & Regulations Governing Rendering of
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Rule 4 APPLICATIONS FOR SERVICE

- A. A written application for service, signed by the Customer, stating the type of service required and accompanied by any other pertinent information, will be required from each Customer before service is provided to any unit. Every Customer, upon signing an application for any service rendered by the Company, or upon taking of service, shall be considered to have expressed consent to the Company's Rates, Rules and Regulations.
- B. If service is requested at a point not already served by a main of adequate capacity, a main of adequate size shall be extended as may be necessary in accordance with Rule 14.
- C. When, in order to provide the service requested, a main extension or other construction or equipment expense is required, the Company may require a written contract. Said contract may include, but not be limited to, the obligations upon the Company and the applicant, and shall specify a reasonable period of time necessary to provide such service.

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Rule 5 INSIDE PIPING AND WATER SERVICE LINES

- A. The Company will provide water service at the outdoor meter, at the curb stop if an indoor meter setting is utilized, or at the property line if neither an outdoor meter nor a curb stop exists at or near the property line. Separate buildings that are not on one lot that cannot be subdivided shall be served through separate water service lines.
- B. The service connection from the water main to the Customer's property line shall be owned and maintained by the Company. Construction of the service connection, outdoor meter setting and curb stop shall be accomplished in one of the following ways at the Customer's option:
1. The Company will construct the service connection, outdoor meter setting and curb stop, as necessary, and make the connection to the main, within three (3) business days of an application for service, or within the time period specified in an application for service (See Rule 4). The Customer shall be responsible for payment of the New Service Connection Fee, as specified by or provided for in the Schedule of Service Charges; or,
 2. The Customer may install, or have installed by a professional contractor or plumber, the service connection from the water main to the meter setting, and make the connection to the main, subject to prior approval of the Company; or,
 3. The Customer may install, or have installed by a professional contractor or plumber, the service connection from the water main to the meter setting, and the Company will tap the main and connect the service connection. The Customer shall be responsible for payment of a New Service Connection Fee as specified by or provided for in the Schedule of Service Charges.

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Rule 5 continued

- C. A service connection installation constructed by the Customer as provided for in 5 B. 2. or 5 B. 3., above, is subject to inspection by the Company. The Service Connection Inspection Fee as specified in the Schedule of Service Charges shall apply if the Company must make a trip solely to conduct an inspection of a service connection constructed by the Customer, and shall not apply if the inspection of a service connection is accomplished at the same time as a tap is made for the Customer, or the same time as an inspection of the water service line as provided for in 5 D., below, or if the Company installs the service connection as provided in 5 B. 1., above.
- D. Water service line construction and maintenance from the property line, curb stop or meter setting, including the connection to the curb stop or meter setting, to the building shall be the responsibility of the Customer, and is subject to inspection by the Company. The Customer shall be responsible for any applicable fees as listed in the Schedule of Service Charges. Customers shall be responsible for the cost of repairing any damage to the Company's mains, curb stops, valve boxes, meters, and meter installations caused by the Customer, Customer's agent, or tenant.
- E. Existing water service lines and service connections may be used in connecting with new buildings only when they are found by examination and testing not to constitute a hazard to the health and safety of any Customer or the Company's facilities.
- F. The water service line shall be brought to the unit at a depth of not less than thirty-six inches (36") and have a minimum inside diameter of three-quarters inch (3/4"). The Customer is responsible for the determination of whether or not a larger size is needed to provide adequate flow to the unit. A valve must be installed in the service line where it enters the unit. This valve must be kept in good repair in order to shut off the water supply and drain the inside plumbing, if necessary.
- G. Water service lines and inside piping shall be of material conforming to recognized standards for potable water service and shall have a pressure rating of

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Rule 5 continued

at least one hundred sixty (160) psi working pressure.

- H. The Company will install a service connection to a vacant lot.
- I. Any change in the location of an existing service connection requested by the Customer shall be made by the Company or with the Company's approval, at the Customer's expense.
- J. The Company shall have the right to enter the Customer's premises for the purposes of inspection to ensure compliance with these Rules and Regulations. Company personnel shall identify themselves and make these inspections only at reasonable hours.
- K. Neither water service lines nor service connections may be extended along public streets or roadways or through property of others in connecting with the Company's mains. The service connection may, however, extend through the water main easement and roadway easement as necessary in order to be connected to a main located across and adjacent to a street in front of the Customer's living unit. The service connection and service line must be laid in a straight line and at right angles to the main and the face of the structure or as nearly so as possible. Any deviation from this because of physical obstruction will be at the discretion of the Company.
- L. Any Customer having a plumbing arrangement, or a water-using device that could allow backsiphonage of any chemical, petroleum, process water, water from a questionable supply, or other substance that could create a health hazard or damage to the water system; or, any Customer's plumbing classified as an actual or potential backflow hazard in the Regulations of the Missouri Department of Natural Resources shall be required to install and maintain a backflow prevention device. This rule may also apply to Customers on whose premises it is impossible or impractical for the Company to perform a cross connection survey. The device, installation, location and maintenance program shall be approved by the Company.

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Rule 6 IMPROPER OR EXCESSIVE USE

- A. No Customer shall be wasteful of the water supplied to the unit by the Customer's willful action or inaction. It shall be the responsibility and duty of each Customer to maintain all piping and fixtures at the unit in a good and efficient state of repair at all times.
- B. No Customer shall make or cause to be made a cross connection between the potable water supply and any source of chemical or bacterial contamination or any other water supply. The Company shall deny or discontinue service where Customer's water service line or inside piping may, in the opinion of the Company, cause a cross-connection with non-potable water or otherwise jeopardize the health and safety of other Customer's or the Company's facilities.
- C. The Customer shall not make or cause to be made a connection to a device that will result in excessive water demand or excessive shock, such as water-hammer, to the Company's mains.
- D. The Customer shall not tamper with, remove, or willfully damage a water meter or attempt to operate the shutoff cock on the meter yoke, or allow any such action.
- E. The Customer shall not attempt to take unmetered water from the Company mains either by an unauthorized tap or direct connection to service connection nor by connection to a fire hydrant.
- F. Customers will not be permitted to supply water in any way to premises other than the service address, nor to permit others to use their hose or attachments, nor leave them exposed to use by others without permission from the Company.

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Rule 7 DISCONTINUANCE OF SERVICE BY COMPANY

- A. The Company may discontinue service for any of the following reasons:
1. Non-payment of a delinquent account not in dispute; or
 2. Failure to post a security deposit or guarantee acceptable to the utility; or
 3. Unauthorized interference, diversion or use of the utility service situated or delivered on or about the Customer's premises; or
 4. Enclosing or obstructing any meter so as to make reading or repairs unreasonably difficult, or
 5. Failure to comply with the terms and conditions of a settlement agreement.
 6. Refusal to grant access at reasonable times to equipment installed upon the premises of the Customer for the purpose of inspection, meter reading, maintenance or replacement; or
 7. Violation of any of these Rules and Regulations on file with and approved by the Missouri Public Service Commission, or for any condition which adversely affects the safety of the Customer or other persons, or the integrity of the utility's delivery system; or
 8. Non-payment of a sewer bill issued by the Company or by a sewer utility requesting discontinuance of water service by an agreement between the Company and such sewer utility. When water service is discontinued for non-payment of a sewer bill and if the sewer bill is not issued by the Company, any service charges for turn on/off or disconnection/reconnection within these Rules and Regulations shall not apply, and notice to the Customer shall be provided by rules and procedure applicable to the Customer's sewer service in lieu of notification required by these Rules and Regulations.

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Rule 7 continued

- B. The Company may discontinue service after 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. If written notice is hand delivered to the Customer, it shall be done at least ninety-six (96) hours prior to discontinuance. If the Company intends to discontinue service to a multi-tenant dwelling, a notice shall also be conspicuously posted in the building ten (10) days prior to the proposed discontinuance. Discontinuance shall not occur more than eleven (11) business days after the date given as the discontinuance date.
- C. The Company shall make reasonable efforts to contact the Customer, at least twenty-four (24) hours prior to any discontinuance, regarding the reason(s) for discontinuance of service, and the resolution. If discontinuance of service would affect an occupant who is not the Company's Customer, or is not responsible for payment of the bill, then the Company shall make reasonable efforts to inform such occupant(s).
- D. The Company shall postpone the discontinuance if personnel will not be available to restore service the same day, or if personnel will not be available to restore service the following day. The Company also shall postpone discontinuance if a medical emergency exists on the premises, however the postponement may be limited to twenty-one (21) days, and the Company may require proof of a medical emergency.
- E. The Company shall have the right to enter the Customer's premises for purposes of discontinuance of service in compliance with these Rules and Regulations. Discontinuance of service will be made during reasonable hours. Company personnel shall identify themselves and announce the intention to discontinue service, or leave a conspicuous notice of the discontinuance.
- F. The provisions of paragraphs C. and E. above may be waived if safety of Company personnel while at the premises is a consideration.

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Rules & Regulations Governing Rendering of
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Rule 7 continued

- G. Discontinuance of service to a unit for any reason shall not prevent the Company from pursuing any lawful remedy by action at law or otherwise for the collection of monies due from the Customer.
- H. In case the Company discontinues its service for any violation of these Rules and Regulations, then any monies due the Company shall become immediately due and payable.
- I. The Company has the right to refuse or to discontinue service to any unit to protect itself against fraud or abuse.
- J. The Company shall deal with Customers and handle Customer accounts in accordance with the Missouri Public Service Commission's Utility Billing Practices.
- K. Turn-off and turn-on charges are specified in the Schedule of Service Charges.

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Rule 8 TERMINATION OF WATER SERVICE AT CUSTOMER'S REQUEST

- A. Service will be terminated at the Customer's request, by giving not less than twenty-four (24) hours notice to the Company during its regular office hours. The Company shall, on the requested day, read the Customer's meter and charge for water service rendered up to and including the time of termination shall be computed and will become due and payable immediately.
- B. A Customer may request temporary turn-off by the Company for the Customer's own convenience; however, the Customer shall still be charged for service at the appropriate rate as specified in the Schedule of Rates during the time the service is turned off.
- C. Turn-off and turn-on charges shall apply, and are specified in the Schedule of Service Charges.
- D. A Customer who requests termination of service, but returns to the premises and requests water service within nine (9) months of such termination, at the Company's discretion may be deemed to have been a seasonal customer, and applicable charges incurred during the period of absence may apply.

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Rules & Regulations Governing Rendering of Water Service	
<p>Rule 9 <u>INTERRUPTIONS IN SERVICE</u></p> <p>A. The Company reserves the right to discontinue water in its mains at any time, without notice, for making emergency repairs to the water system. Notice will be provided when it is practicable.</p> <p>B. Whenever service is interrupted for repairs, all Customers affected by such interruptions will be notified in advance whenever it is possible to do so. Every effort will be made to minimize interruption of service.</p> <p>C. No refunds of charges for water service will be made for interruptions of service unless due to willful misconduct of the Company.</p> <p>D. In order to avoid service problems when extraordinary conditions exist, the Company reserves the right, at all times, to determine the limit of and regulate water usage in a reasonable and non-discriminatory manner, and where practical, the maximum amounts of water drawn from the Company mains.</p>	
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Rules & Regulations Governing Rendering of
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Rule 10 BILLS FOR SERVICE

- A. The charges for water service shall be at the rates specified in the Schedule of Rates on file with the Missouri Public Service Commission. Other service charges, such as for turn-off or turn-on, are set forth in the Schedule of Service Charges in these Rules and Regulations.
- B. A Customer who has made application for, or is receiving the benefit of, water service to a unit shall be responsible for payment for all water service provided to the Customer at said unit from the date of connection until the date requested by the Customer by proper notification to the Company to terminate service.
- C. Each Customer is responsible for furnishing the Company with the correct address. Failure to receive bills will not be considered an excuse for non-payment nor reason to permit an extension of the date when the account would be considered delinquent. Bills and notices relating to the Company or its business will be mailed or delivered to the mailing address entered in the Customer's application unless the Company is notified in writing by the Customer of a change of address.
- D. Payments shall be made at the office of the Company or at such other places conveniently located as may be designated by the Company or by ordinary mail. However, payment must be received by the close of business on the date due.
- E. Neither the Company nor the Customer will be bound by bills rendered under mistake of fact as to the quantity of service rendered or as a result of clerical error. Customers will be held responsible for charges based on service provided.
- F. A separate bill shall be rendered for each Customer with itemization of all water service charges. All bills for service shall state the due date. The Company shall render bills monthly.

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Rule 10 continued

- G. Bills shall be due twenty-one (21) calendar days from the date of rendition, unless such due date falls on a Sunday, a legal holiday, or other day when the office is closed, in which case the due date shall be extended to the next business day. Bills unpaid after the stated due date will be delinquent and the Company shall have the right to discontinue service in accordance with Rule 7. The Company shall not be required to restore or connect any new service for such delinquent Customers until the unpaid account due the Company under these Rules and Regulations has been paid in full or arrangements satisfactory to the Company have been made to pay said account.
- H. When bills are rendered for a period of less than a complete billing period due to the connection or termination of service, the billing shall be the monthly minimum plus an amount based on the water used at the commodity (water usage) rate or one-half (1/2) of the flat rate if applicable.
- I. The Company may require a security deposit or other guarantee as a condition of new service if the Customer:
1. Still has an unpaid account with a utility providing the same type of service accrued within the last five (5) years; or,
 2. Has diverted or interfered with the same type of service in an unauthorized manner within the last five (5) years; or,
 3. Is unable to establish a credit rating with the Company. Adequate credit rating for a residential Customer shall be established if the Customer:
 - a. Owns or is purchasing a home; or,
 - b. Is and has been regularly employed full time for at least one (1) year; or,
 - c. Has an adequate and regular source of income; or

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Rules & Regulations Governing Rendering of
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Rule 10 continued

- d. Can provide credit references from a commercial credit source.
- J. The Company may require a security deposit or other guarantee of payment as a condition of continued service if:
1. The water service of the Customer has been discontinued for non-payment of a delinquent account not in dispute; or,
 2. The utility service to the unit has been diverted or interfered with in an unauthorized manner; or,
 3. The Customer has failed to pay undisputed bills before the delinquency date for five (5) billing periods out of twelve (12) consecutive monthly billing periods.
- K. The amount of a security deposit shall not exceed utility charges applicable to one (1) billing period plus thirty (30) days, computed on estimated or actual annual usage.
- L. Interest shall be payable annually on all deposits, but shall not accrue after the utility has made reasonable effort to return the deposit. Interest will be paid at a per annum rate equal to the prime bank lending rate, as published in the *Wall Street Journal* for the last business day of the preceding calendar year, plus one (1) percentage point. Interest may be credited to the Customer's account.
- M. After a Customer has paid proper and undisputed utility bills by the due dates, for a period not to exceed one (1) year, credit shall be established or re-established, and the deposit and any interest due shall be refunded. The utility may withhold full refund of the deposit pending resolution of a disputed matter.
- N. The utility shall give a receipt for deposits received, but shall also keep accurate records of deposits, including Customer name, service address, amounts, interest, attempts to refund and dates of every activity regarding the deposit.

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Rules & Regulations Governing Rendering of Water Service	
<p>Rule 10 continued</p> <p>O. All billing matters shall be handled in accordance with the Missouri Public Service Commission's Rules and Regulations regarding Utility Billing Practices.</p>	
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name of officers	title	address
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Service Area: Kimberling City, MO

Rules & Regulations Governing Rendering of
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Rule 11 METERS AND METER INSTALLATIONS

- A. All permanent service connections shall be metered. The Company shall furnish and install a suitable meter for each Customer, and the Company's installed meter shall be the standard for measuring water used to determine the bill.
- B. All meters and meter installations shall be furnished, installed, maintained and removed by the Company and shall remain its property.
- C. The Company shall have the right to determine on the basis of the Customer's flow requirements the type and size of meter to be installed and location of same. If flow requirements increase or decrease subsequent to installation and a larger or smaller meter is requested by the Customer, the cost of installing such meter shall be paid by the Customer.
- D. Domestic water service to any one Customer at a single premises shall be furnished through a single service connection. Individual units of a multi-unit building may have separate connections and meter installations only if each unit has separate plumbing, ground-level space, an individual service connection and meter installation location, and frontage to a Company-owned main. For multi-unit buildings with one service connection and meter installation, the inside piping may be rearranged at the Customer's own expense so as to separate the units and meter tenants, then divide the bill accordingly.
- E. The owners of premises wherein meters are located shall be held responsible for the safekeeping of the Company's meters and metering appurtenances, and are required to keep meters located within their property accessible to the Company for reading and for meter changeouts. If a Customer limits accessibility, or fails to protect a meter against damage, the Company may discontinue service and/or refuse to supply water until accessibility is restored and the Company is paid for any such damage. The amount of the charge shall be the cost of the necessary replacement parts and the labor cost necessary to make the repair.

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Water Service

Rule 11 continued

- F. If the Company determines that no suitable outdoor location is available, then the meter may be installed inside the Customer's premises where the water service line enters the building and just downstream of the inside shutoff valve. The Company shall install a curb stop within the service connection at or near the property line as practical. When the meter is installed inside the Customer's premises, the Customer will either provide a meter yoke to accept installation of the Company's meter, or provide proper fittings for the house plumbing pipe to allow for direct installation of the Company's meter, along with a proper grounding strap installed around the meter to prevent electric charge build-up on either side of the meter or while a meter is removed. If installation in a special setting is necessary, the excess cost of installation shall be paid by the Customer.
- G. If an existing basement meter location is determined inadequate or inaccessible by the Company, the Customer must provide for the installation of a meter to be located at or near the Customer's property line. The Customer shall obtain from the Company, or furnish the necessary meter installation appurtenances conforming to the Company's specifications, and said appurtenances and labor shall be paid by the Customer.
- H. Approved meter installation locations in dry basements, sufficiently heated to keep the meter from freezing, may remain provided the meter is readily accessible, at the Company's and Customer's convenience as determined by the Company, for servicing and reading and the meter space provided is located where the service line enters the building. The Company may, at its discretion, require the Customer to install a remote reading device at an approved location, for the purpose of reading the meter. It is the responsibility of the Customer and/or the owner of the premises to provide a location for the water meter which, in the event of water discharge as a result of leakage from the meter or couplings, will not result in damage. The Company's liability for damages to any and all property caused by such leakage shall in no event exceed the price of water service to the affected premises for one average billing period in the preceding year. Where damage is caused by the negligence of Company personnel at the premises, this

- * Indicates new rate or text
+ Indicates change

DATE OF ISSUE May 13, 2013
Month Day Year

DATE EFFECTIVE June 28, 2013
Month Day Year

ISSUED BY: Stephen T. & Mona L. Fennema, Proprietors 590 Nature Trail Rd. Blue Eye, MO 65611
name of officers title address

Rules & Regulations Governing Rendering of Water Service	
<p>Rule 11 continued</p> <p>limitation will not apply. If a Customer refuses to provide an accessible location for a meter as determined by the Company, the Company will notify the Staff of the Water and Sewer Unit of the Missouri Public Service Commission before ultimately refusing service or proceeding to discontinue service.</p> <p>I. The Customer shall promptly notify the Company of any defect in, or damage to, the meter setting.</p> <p>J. Any change in the location of any existing meter or meter setting at the request of the Customer shall be made at the expense of the Customer, and with the approval of the Company.</p>	
<p>* Indicates new rate or text</p> <p>+ Indicates change</p>	

ISSUED BY: Stephen T. & Mona L. Fennema, Proprietors 590 Nature Trail Rd. Blue Eye, MO 65611
name of officers title address

Name of Utility: Woodland Manor Water Company, LLC
Service Area: Kimberling City, MO

Rules & Regulations Governing Rendering of
Water Service

Rule 12 METER TESTS AND TEST FEES

- A. Any Customer may request the Company to make a special test of the accuracy of the meter through which water is supplied to the Customer. This test will be made in accordance with water industry test procedures, and to check for accuracy as required by Regulations of the Missouri Public Service Commission.
- B. The Company reserves the right to remove and test a meter at any time and to substitute another in its place. In case of a dispute involving a question as to the accuracy of the meter, a test will be made by the Company upon the request of the Customer without charge if the meter has not been tested within twelve (12) months preceding the requested test; otherwise, an approved charge will be made if the test indicates meter accuracy within five percent (5%).
- C. A meter test requested by the Customer may be witnessed by the Customer or the Customer's duly authorized representative, except for tests of meters larger than two inch (2") inlet, which will be conducted by the water meter manufacturer or a contract meter testing form. A certified copy of the test report will be provided to the Customer.
- D. If a test shows an average error of more than five percent (5%), billings shall be adjusted in accordance with Rule 13.

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Service Area: Kimberling City, MO

Rules & Regulations Governing Rendering of
Water Service

Rule 13 BILL ADJUSTMENTS BASED ON METER TESTS

- A. Whenever any test by the Company of a meter while in service or upon its removal from service shall show such meter to have an average error of more than five percent (5%) on the test streams prescribed by the Missouri Public Service Commission, the Company shall adjust the Customer's bills by the amount of the actual average error of the meter and not the difference between the allowable error and the error as found. The period of adjustment on account of the under-registration or over-registration shall be determined as follows:
1. Where the period of error can be shown, the adjustment shall be made for such period; or
 2. Where the period of error cannot be shown, the error found shall be considered to have existed for three (3) months preceding the test.
- B. If the meter is found on any such test to under-register, the Company may render a bill to the Customer for the estimated consumption not covered by bills previously rendered during the period of inaccuracy as above outlined. Such action shall be taken only when the Company was not at fault for allowing the inaccurate meter to remain in service.
- C. If the meter is found on any such test to over-register, the Company shall refund to the Customer any overcharge caused during the period of inaccuracy as above defined. The refund shall be paid within a reasonable time and may be in the form of a bill credit.

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Rules & Regulations Governing Rendering of Water Service	
<p>Rule 14 <u>EXTENSION OF WATER MAINS</u></p> <p>A. This rule shall govern the extension of mains by the Company within its certified area where there are no water mains.</p> <p>B. Upon receipt of a written application for a main extension, the Company will provide the applicant(s) an itemized estimate of the cost of the proposed extension. Said estimate shall include the cost of all labor and materials required, including valves, fire hydrants, booster stations, storage facilities, reconstruction of existing mains (if necessary), and the direct costs associated with supervision, engineering, permits, and bookkeeping. The estimate will not include unanticipated costs such as rock excavation.</p> <p>C. Applicant(s) shall enter into a contract with the Company for the installation of said extension and shall tender to the Company a contribution in aid of construction equal to the amount determined in paragraph B. above, plus any applicable Customer connection fee. The contract may allow the Customer to contract with an independent contractor for the installation and supply of material, except that mains of twelve inches (12”) or greater diameter must be installed by the Company, and the reconstruction of existing facilities must be done by the Company.</p> <p>D. The cost to single-family residential applicant(s) connecting to a main extension contributed by other applicant(s) shall be as follows:</p> <ol style="list-style-type: none"> 1. For single-family residential applicant(s) applying for service in a platted subdivision, the Company shall divide the actual cost of the extension by the number of lots abutting said extension to determine the per lot extension cost. When counting lots, corner lots which abut existing mains shall be excluded. 2. For single-family residential applicant(s) applying for service in areas that are unplatted in subdivision lots, an applicant(s) cost shall be equal to the total cost of the main extension divided by the total length of the main extension in feet times one hundred (100) feet. <p>* Indicates new rate or text + Indicates change</p>	

ISSUED BY: Stephen T. & Mona L. Fennema, Proprietors 590 Nature Trail Rd. Blue Eye, MO 65611

Name of Utility: Woodland Manor Water Company, LLC
Service Area: Kimberling City, MO

Rules & Regulations Governing Rendering of
Water Service

Rule 14 continued

3. For industrial, commercial, or multifamily residential applicants, the cost will be equal to the amount calculated for a single-family residence in paragraphs D.1. or D.2. above, multiplied by the flow factors of the applicants' meter. The flow factors of the various sizes of meters are as follows:

<u>Meter Size</u>	<u>Flow Factor</u>
5/8"	1
1"	2.5
1 1/2"	5
2"	8
3"	15
4"	25

E. Refunds of contributions shall be made to applicant(s) as follows:

1. Should the actual cost of the extension be less than the estimated cost, the Company shall refund the difference to the applicant(s) as soon as the actual cost has been ascertained.
2. During the first ten (10) years after the main extension is completed, the Company will refund to the applicant(s) who paid for the extension the money collected from applicant(s) in accordance with paragraph D. above. The refund shall be paid within a reasonable time after the money is collected.
3. The sum of all refunds to any applicant shall not exceed the total contribution which the applicant(s) has paid.

F. Extensions made under this rule shall be and remain the property of the Company.

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Name of Utility: Woodland Manor Water Company, LLC
Service Area: Kimberling City, MO

Rules & Regulations Governing Rendering of Water Service

Rule 14 continued

- G. The Company reserves the right to further extend the main and to connect mains on intersecting streets and easements. Connecting new Customers to such further extensions shall not entitle the applicant(s) paying for the original extension to a refund for the connection of such Customers.
- H. Extensions made under this rule shall be of Company-approved pipe sized to meet water service requirements. If the Company chooses to size the extension larger in order to meet the Company's overall system requirements, the additional cost caused by the larger size of pipe shall be borne by the Company.
- I. No interest will be paid by the Company of payments for the extension made by the applicant(s).
- J. If extensions are required on private roads, streets, through private property, or on private property adjacent to public right-of-way, a proper deed of easement must be furnished to the Company without cost to the Company, before the extension will be made.

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Agreement Attachment F

Billing Comparison Worksheet

WOODLAND MANOR WATER COMPANY LLC

Residential Customer Bill Comparison-Water

Rates for 5/8" Meter

<u>Current Base Customer Charge</u>	<u>Proposed Base Customer Charge</u>	<u>Current Usage Rate</u>	<u>Proposed Usage Rate</u>
\$16.13	\$19.11	\$2.45	\$3.62

current service charge is monthly charge including 5,000 gallons

proposed service charge is monthly charge including 2,000 gallons

usage rate is per 1,000 gallons used

MONTHLY BILL COMPARISON

6,000 gallons/month usage

Current Rates

Customer Charge	\$ 16.13
Usage Charge	\$ 2.45
Total Bill	\$ 18.58

Proposed Rates

Customer Charge	\$ 19.11
Usage Charge	\$ 14.47
Total Bill	\$ 33.58

INCREASES

Customer Charge

\$ Increase	\$2.98
% Increase	18.49%

Usage Charge

\$ Increase	\$12.02
% Increase	490.45%

Total Bill

\$ Increase	\$15.00
% Increase	80.73%

Agreement Attachment G

Water & Sewer Unit Memorandum

REPORT OF WATER AND SEWER UNIT
FIELD OPERATIONS AND TARIFF REVIEW

Water and Sewer Unit
File No. WR-2013-0326
Woodland Manor Water Company
David Spratt/James Russo

Introduction

Woodland Manor Water Company (Woodland Manor or Company) received a certificate of public convenience and necessity from the Missouri Public Service Commission (Commission) in December 1992. Woodland Manor was purchased by Steve and Mona Fennema, husband and wife, in February 1999. Mona and Steve are both licensed operators but Mona performs the day to day operations, keeps the records, handles the billing, and coordinates any repairs that need to be made to the system. The Company provides water service to approximately one hundred sixty-three (163) customers in the Kimberling Cove subdivision in Kimberling City, Missouri, in Stone County of which twenty-eight (28) connections are commercial customers. On December 5, 2012, the Company filed a *Request for Increase in Annual Water System Operation Revenues* with the Commission seeking a \$20,000 rate increase. This matter was assigned File No. WR-2013-0326. This is the Company's first rate request.

The Commission's Water and Sewer Unit Staff's (Staff) investigation included two visits to review the Company's field operations and to examine upgrades the Company has made to the water system. The system is currently operating very well.

This Report was prepared jointly by Staff members David Spratt and James Russo. The Staff member responsible for each section is denoted at the end of each section.

Distribution System

Staff performed Woodland Manor's annual inspection on June 14, 2012. During the inspection, the layout of the subdivision and distribution system were examined. The subdivision begins at the top of a hill and slopes downhill all the way to a cove. The distribution system consists of 8,475 feet of main of varying materials and sizes. The majority of the distribution system is two-inch (2") main. Over fifty percent (50%) of the system, 4,770 feet, is two-inch (2") galvanized steel pipe. Over twenty-five percent (25%) of the system, 2,235 feet, is two-inch (2") plastic pipe. The remainder of the system is also plastic pipe of which 950 feet is six-inch (6") and 520 feet is four-inch (4"). The Company has about twenty percent (20%) lost water in the system. Company personnel walk the system routinely looking for water leaks and repair them when they are found.

Prior to the rate request, Staff investigated one low pressure complaint from Joann Schmitz in the summer of 2012. Mrs. Schmitz had contacted the Department of Natural Resources (DNR) the previous winter stating that since the Port of Kimberling hotel was built that the pressure in her home has been greatly reduced during periods of the day. In December 2011, DNR placed a pressure recorder inside the home of Mrs. Schmitz to investigate her low pressure complaint. DNR stated its observations of the pressure recordings were that pressure ranged from 93 to 26 pounds per square inch (psi) but the pressure never dropped below the DNR required 20 psi. Staff made three site visits to perform a pressure investigation but at no time was pressure observed to fall below 20 psi.

Port of Kimberling Hotel submitted a public comment in the file. The public comment stated that the hotel has pressure issues due to an alleged insufficient amount of water provided by the utility. The hotel stated that it was told by the Company that the hotel could not drill its own well in the Company's certificated area. , The hotel also claimed that the Company told indicated that the hotel would have adequate water to supply. The Company stated that it believes the hotel would have sufficient water if the hotel would use the water properly as had been discussed before the hotel was built and not fill its private storage tank at peak times. The Company states that when the hotel fills the storage tank the Company observes water flow as if a two-inch main is broken and flowing full, and deprives the rest of the system of a substantial amount of water. The hotel is debating whether or not it should install its own well however the Company is attempting to discourage such action. (Spratt)

Facilities

The Company has two wells. One well is at the highest point in the distribution system and one is near the lowest elevation. The upper well was drilled in 1998 to a total depth of 775 feet and cased with 400 feet of eight-inch steel casing. This well consistently produces 130 gallons per minute. There are three ground storage tanks at the upper well, each with a usable volume of 9,400 gallons. The lower well was drilled in 1961 to a total depth of 661 feet and cased with 450 feet of six-inch steel casing. The submersible pump is set at 400 feet and the well produces about 30 gallons per minute. Because this well was drilled before October 1, 1979 it is a "grandfathered" well that does not require state approval under DNR regulations. DNR reports that "the well does not meet state standards for depth of casing, minimum weight and thickness of casing, and grouting requirements, and is therefore susceptible to shallow ground water contamination." DNR allows "grandfathered" wells to remain in service as long as they continue to produce safe water. If that well begins to produce unsafe water then alternatives may need to be considered, which could include constructing a new state approved well and permanently removing the old well from service and plugged. The lower well has one ground storage tank with a usable volume of 9,400 gallons. Each of the well houses contain three 119

gallon hydropneumatic tanks and two five-horsepower high service pumps to provide and maintain distribution system pressure. Although the wells and high service pumps are on a single distribution system, they each operate by localized controls and operation is not interconnected.

Each well has its own well house, which contains the master water meter, electric control panel, and chlorinator among other things. DNR recommends that all water systems have a generator for emergency backup and it is essential for City Hall to have water because of its service to the community. The upper well house has a generator on site for emergency electric generation in case of a power outage. Woodland Manor supplies water to Kimberling City's (City's) City Hall, which is used as a shelter in the event of bad weather and a cooling station in summer. The upper well house is also used for storage of materials and supplies including fittings used in making repairs to the distribution system. Both well houses are in good condition and are secured with padlocks. DNR encourages adequate security fencing for well houses and storage tanks for protection but it is often cost prohibitive for small regulated utilities. (Spratt)

Operations

While at the well houses, Staff observed the standard practices of the Operator and examined the parts of the system inside the well house. Readings were taken of the master water meter by Staff to determine the amount of water that had been pumped since the inspection conducted during the previous year. A reading was also taken of the electric meter by Staff to determine how much electricity had been used to pump the water from the well since the previous inspection. Serial numbers were checked on both meters to ensure that the meters had not been changed in the past twelve months. The meter at the upper well had been replaced because it had stopped working.

The well pumps were turned on so Staff could make its own observation of the number of gallons pumped in one minute. While the well is pumping water, the chlorinator can also be examined to ensure it is working properly. The well heads were inspected to make sure they were sealed and the vents were screened to prevent any contamination of the wells. The piping of the systems located inside the well houses were checked for corrosion, leaks, and other possible concerns.

Staff reviewed records for system improvements, leak repairs, customer complaints, chlorine level measurement records, meter testing, safety programs, and annual report data. Staff also reviewed the Company's Consumer Confidence Reports (CCR). A CCR is a report that companies create to fulfill a DNR requirement, and discloses the results of tests submitted to DNR to ensure the safety of the water the residents of the area are consuming and to show any violations that DNR may have reported with regard to samples not meeting requirements.

Presently not all dead end mains have flush valves on them, installation of additional flush valves would be an improvement for flushing after main breaks or to address discoloration problems. The Company has not installed flush valves due to limited capital availability.

The Commission requires that all regulated companies test or replace meters in their system periodically, every ten years for residential-size meters. Woodland Manor changes out meters in accordance with this requirement. (Spratt)

Treatment

Woodland Manor disinfects the water from its wells with liquid chlorine. (Spratt)

Storage Tanks

The upper well consists of three 10,000 gallon ground storage tanks located at the highest point in the system. When the tanks are full they hold approximately 9,400 gallons of water each. The storage tanks provide water in the event of a power outage, can supplement water flow during peak use times, and provide contact time for the chlorine to mix and disinfect the water. Each of the tanks is piped separately so any one of them can be taken off line for repairs at any time without disrupting normal system operations.

The lower well consists of one 10,000 gallon ground storage tank located at the lower part of the system. The storage tank here is also used if the well production is out, for peak use flow, and contact time for the chlorine to mix and disinfect the water. The lower weld on the storage tank is showing some signs of leaking.

The average daily use for the year is 27,695 gallons, so the system has adequate storage for a full day of use using auxiliary electric power at the upper well for the high service pumps. However, the max daily use in 2011 was 56,500 gallons and summer usage is considerably higher because of vacationers and part-timers that are there more often. Summer use can average up to 39,000 gallons of water per day, so if an electric outage were to occur on a peak day the Company would need to implement water conservation measures.

DNR recommends that the tanks should be inspected every three to five years but few systems have the money to do that, and presently rates are not established to allow for tank inspections and cleaning. Both storage tanks need to have the inside of the tanks inspected to examine the condition of the paint and tank structure, and look for sediment in the water. Corrosion inside the tank could lead to discoloration as well as reduced service life of the tanks. (Spratt)

Tariff Review

Staff routinely updates water and sewer tariffs using a tariff template that is modified for specific operations of the individual companies as they file rate cases with the Commission. Woodland Manor's current tariff was originally filed and became effective when the Company was certificated in 1992. In the process of updating the current tariff Staff has discussed proposed tariff changes with the Company on several occasions which has brought forth additional language to be included in the tariff which allows the Company to collect late payment charges and charge fees for service line inspections. Staff also included new charges for returned check charges and updated certain miscellaneous service charges to reflect actual costs to the Company. Staff has also included language in the tariff, which will allow Woodland Manor to enter into a contract with the City for discontinuance of water service to customers that are City sewer customers who have not paid their sewer bills. The Company will also provide water usage to the City for sewer billing, so language has also been included which will allow for the Company to charge one dollar per month for reading customer-owned water meters that are used to subtract water usage used for irrigation systems from ordinary domestic water usage that is discharged to the sewer system, which will help some customers to reduce sewer bills. These changes will allow the Company to recover the costs related to these items used in its operation. The new and updated tariff for Woodland Manor will be filed by the Company as part of this current rate case proceeding. The current PSC MO Number 1 tariff will be cancelled and replaced by PSC MO Number 2 tariff. (Russo)

Rate Design

Staff also reviewed the current rate design. After discussion with the Company about the current rate design, the Company and Staff agreed to reduce the number of gallons included in the monthly customer charge from 5,000 gallons to 2,000 gallons. The reduction of gallons included in the monthly customer charge is a benefit to those residents on a fixed income with low usage. This change also encourages more customers to conserve water. This is the only change Staff recommends that relates to the design of the Company's rates. (Russo)

Conclusion

Staff recognizes that Woodland Manor has made improvements to the system since purchasing the system in 1999. However, Staff found some items that raise concerns regarding the ability to continue providing safe and adequate service. The current ground storage tank at the lower well is in need of repair. Due to pressure issues near the lower well Staff will recommend the Company to look at alternatives to maintain pressure in

the system without the fluctuations of high and low pressure, such as distribution system improvements or additional source of supply.

A valve exercising program and flushing program have been discussed in the past. Staff recommends Woodland Manor map all of the valves and investigate installing flush valves on the dead ends or looping the water system where possible to prevent sediment from building up at dead ends. Current records show that there are only six flush hydrants on the system of the dead end mains, so it may be necessary for the Company to install flush valves on the remaining system dead ends to properly clean the sediment out of the mains. DNR has recommended removing fire hydrants since the system is not designed to provide fire protection. Flush valves should be installed in their place, or the hydrants should be equipped to restrict the flow to prevent them from being opened fully and possibly dropping the pressure of the entire system below 20psi. Staff is willing to help develop the flushing program and calculate the amount of time needed to properly flush the system.

Woodland Manor's current tariff will be updated in this rate case proceeding. In addition, rate design will be changed reducing the minimum water included in the existing Customer charge.

WATER AND SEWER UNIT STAFF RECOMMENDATIONS:

- 1) The Commission order Woodland Manor to provide a list of alternative methods and an implementation plan to keep pressure up in the distribution system without large fluctuations and to submit a report to the Manager of the Water and Sewer Unit of the Commission 180 days after the effective date of the order approving the Disposition Agreement in this proceeding to demonstrate compliance with this recommendation. It has been suggested by DNR that a pressure sustaining device be installed to maintain pressure upstream.
- 2) The Commission order Woodland Manor to arrange for an independent company to perform an inspection and provide a written report regarding the condition of the storage tanks and estimates for any needed painting, repairs, or modifications and to submit a report to the Manager of the Water and Sewer Unit of the Commission 180 days after the effective date of the order approving the Disposition Agreement in this proceeding to demonstrate compliance with this recommendation.
- 3) The Commission cancel the existing PSC MO No1 tariff and approve the PSC MO No 2 tariff filed by the company.

- 4) The Commission approves Staff's rate design reducing the amount of water included in the monthly customer charge from the current 5,000 gallons to 2,000 gallons.

Agreement Attachment H

Auditing Unit Recommendation Memorandum

***AUDITING, DEPRECIATION and FINANCIAL ANALYSIS UNITS’
RECOMMENDATION MEMORANDUM***

FROM: Patricia Gaskins, Staff, Auditing Unit

THROUGH: Cary Featherstone, Co-Case Coordinator, Auditing Unit
Bill Harris, Lead Staff, Auditing Unit

TO: Jim Russo, Case Coordinator, Water and Sewer Unit

CC: Amy Moore, Lead Attorney, Staff Counsel
Kevin Thompson, Attorney, Staff Counsel

SUBJECT: Auditing, Depreciation and Financial Analysis Units’ Findings and the Recommended Cost of Service for Woodland Manor Water, LLC in File No. WR-2013-0326

DATE: March 1, 2013

EXECUTIVE SUMMARY

In response to Woodland Manor Water, LLC’s (“Woodland” or “the Company”) December 5, 2012 request for a rate increase, the Auditing Unit Staff of the Missouri Public Service Commission (“Staff”) conducted an audit of the Company using a 12-month test year ended December 31, 2012, and updated through the known and measurable period ended February 28, 2013. As further explained throughout this memorandum, Staff is recommending an increase of \$24,141 or 55.96% in the Company’s annual water system operating revenues.

BACKGROUND

On October 29, 1991, Bob Connell (the former owner and operator of Woodland) filed an Application for a Certificate of Convenience and Necessity (“CCN”) to provide water service to the public as a public utility in Kimberling City located in Stone County, Missouri. Prior to Woodland being granted a certificate, it had existed as an unregulated entity since approximately

1962. By an order effective October 27, 1992, the Commission granted Woodland the CCN in Case No. WA-92-83.

On September 28, 1998, Mr. Connell filed an Application seeking approval to sell the Woodland water system assets to Stephen T. Fennema and Mona L. Fennema, husband and wife. The Commission approved the sale on February 17, 1999, in Case No. WM-99-119.

On December 6, 2012, Woodland filed a letter with the Secretary of the Missouri Public Service Commission ("Commission") in accordance with the provisions of Commission Rule 4 CSR 240-3.050, Small Utility Rate Case Procedure ("Small Company Procedure"), requesting a rate increase of \$20,000 or 62.0% (per the Company's letter, Staff calculated the proposed \$20,000 increase would be 48.84%) in its total annual water service operating revenues for the affected service areas. In its request letter, the Company 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 Staff's review of the revenue increase request, and could thus be the subject of Staff recommendations. The Company provides service to approximately 163 metered residential and commercial customers and one unmetered commercial customer in the affected service areas.

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. (Hereafter, these activities are collectively referred to as Staff's "investigation" of the Company's Request.)

Upon completion of its investigation and report, Staff will provide the Company and the Office of the Public Counsel ("Public Counsel") various information regarding the results of the investigation, as well as its initial recommendations for resolution of the Company's request.

CAPITAL STRUCTURE AND RATE OF RETURN

The Company's capital structure consisted of \$171,039 total capital (Rate Base) amount. The existing commercial credit card balance (\$7,765.29) reflected on the Company's December 31, 2012 balance sheet was viewed as personal debt and was, consequently, treated as equity. This resulted in a capital structure of 100 percent equity. Staff member Zephania Marevangeo of the Commission's Financial Analysis Unit estimated a return on equity of 8.02 percent resulting in a total overall rate of return of 8.02 percent.

RATE BASE

Staff has determined the Rate Base for Woodland as of December 31, 2012, is as follows:

Woodland Manor Water, LLC Rate Case No. WR-2013-0326		
Plant in Service	\$333,423	
Less: Depreciation Reserve	\$80,299	
Net Plant (Add to Rate Base)		\$253,124
Contributions in Aid of Construction	\$108,148	
Less: CIAC Depreciation Offset	\$26896	
Net CIAC (Subtract from Rate Base)		\$(81,252)
Customer Deposits (Subtract from Rate Base)		\$(833)
Woodland Manor Rate Base as of		\$171,039
December 31, 2012		

Source: Attachment B-- Exhibit Modeling System—Schedule 2

Plant in Service

Woodland's water plant in service consists primarily of two wells with chlorination equipment, six pressure tanks, four pressure pumps, four ten thousand (10,000) gallon standpipes and approximately 8,475 feet of transmission and distribution mains.

Depreciation (Reserve and Expense)

In the Company's 1992 CCN Case, Staff proposed (and the Commission subsequently approved) depreciation rates on an account number and account description that were not in accordance with the National Association of Regulatory Utility Commissioners (NARUC) Uniform System of Accounts (USOA) approved and adopted by the Commission. The CCN case included Account Number 347, Meters - Plastic, with an approved depreciation rate of 10.0%. However, the USOA defines Account Number 347 as Meter Installations. Woodland only had bronze meters at the time and recorded meters plus meter installations in Account Number 346, Meters - Bronze, with an assigned depreciated rate of 2.7%. Subsequent to the 1992 CCN case, Woodland has recorded all meters (including eighteen plastic meters placed in service in 2007) and meter installations in USOA Account 346, but Woodland has recorded depreciation on the meters at 10.0% . For the determination of the proper rate base to include for the purpose of setting rates in this case, Staff has removed the plastic meters from Account 346, placed them in Account 347 and re-calculated the depreciation on both accounts.

Woodland has initiated a water meter testing/change-out program, as required by Commission Rule 4 CSR 240-10.030(38). This rule requires Woodland to conduct a calibration test or new replacement to each typical customer water meter every 10 years. Engineering Management and Services Unit (EMSU) Staff expert Arthur Rice recommends changes to the Woodland depreciation rates effective with this rate case as follows:

- Account 346.1, Customer Meters (Installed after 2012), plus plastic meters installed in 2007, at 10.0%
- Account 346.2, Customer Meters and Meter Installations prior to 2013 (except for the 18 plastic meters in 2007), at 3.3%
- Account 347, Meter Installations (Meter Pits installed after 2012), at 2.5%
- And adding Account 372.1, Office Electronic Equipment, at 14.3%.

Contributions-in-Aid-of-Construction and Depreciation Offset

The 1992 CCN Case approved a meter installation charge of \$250 for existing customers and a connection charge of \$325 (plus extra actual cost for rock excavation) for new service connection customers. In 2005, construction began on the Cottage Hills development (a government project to provide senior housing). The developer of the project, Kimberling City Housing LLC, subsequently contributed its investment in water plant to Woodland.

Woodland has appropriately accounted for these charges as contributions in aid of construction (CIAC). Since the above plant investments (and related depreciation) were contributed and are not investments by Woodland, Staff has adjusted rate base to account for these contributions as offsets to plant in service and depreciation reserve.

REVENUES

Woodland's revenues are based on tariffs established in the 1992 CCN Case, adopted by the current owners in the 1999 sale of assets case and currently in effect. Woodland collects revenues from the following 164 customers: 135 metered residential, 28 metered commercial and one unmetered commercial. Staff annualized revenues through December 31, 2012, by analyzing per customer usage by month for the period of 2010-2012. Revenues were based primarily on customer usage for 2012. However, if usage was considered unusually low or high for any given month and not typical for that customer, then an average of 2010-2011 usage for that customer for that month was used in place of that month's reading. Woodland Manor serves both residential and commercial properties. Several of the residential properties are rentals and summer homes with erratic usage for any given year. Some of the commercial properties also are office buildings with different types of businesses in and out. This volatility of usage is why Staff chose to look at 2010-2012 usage to normalize revenues.

Woodland provides the City of Kimberling with the water meter readings for its customers for the City of Kimberling to bill for sewer service. Woodland is paid \$1.00 per meter for this service. The City of Kimberling also has a program that allows for its residents to install a subtraction meter. The subtraction meter essentially tracks water usage that is for outside the home, lawn and garden watering or for filling a swimming pool for example. Water usage outside the home does not require sewer service, so that amount is "subtracted" from the sewer

bill every month. Woodland charges \$1.00 per subtraction meter to read usage for the customers who choose to participate. The city meter reading and the subtraction meter reading revenues were included as miscellaneous revenues in this case.

EXPENSES

Staff reviewed the level of expenses by each account for Woodland for calendar year 2012. Each account was normalized and annualized on an individual basis, and Staff made adjustments to include the most appropriate level of expenses for the revenue requirement calculation. The most significant expenses are discussed briefly below.

Attached as Appendix A to this Memorandum, is a table that identifies the adjustments made to the expenses, by account, that are reflected in the revenue requirement calculation that Staff is including in this case.

Salaries and Wages

Woodland has two owner/operators (a married couple), a backup operator, and a part time employee. The primary owner/operator works almost full time on Woodland operations. She is the chief operator, accountant, bookkeeper, secretary, and customer service representative. She also is the operator for a small housing development called Turner Estates with 36 customers. She handles billing and minor maintenance for them. Turner Estates is not regulated by the Commission and, for purposes of this case, is treated as a non-regulated utility.

Woodland does not maintain timesheets (see audit recommendation No.1) for time split between Woodland and Turner Estates. In order to calculate the allocated salaries, Staff obtained from the Company a list of duties performed on behalf of Woodland and the amount of time spent completing these duties. Despite not having a detailed time reporting of the work-related activities from the Commission-regulated Woodland and the non-regulated Turner Estates, Staff used that information along with the entry level and mean wage rates to develop the payroll costs to operate Woodland. The wage rates were obtained for the Ozark Region of Missouri according to the Missouri Economic Research and Information Center (MERIC) website. Staff applied the

mean wage rate for the various duties performed by the primary owner to develop an annual salary for her.

The backup operator has a contract that provides for \$100.00 a month, which includes \$50.00 to collect samples for monthly testing and \$50.00 to be available to cover if the primary operator were unavailable and to offer advice and expertise when emergencies arise. The backup operator salary has been included at the contracted rate in this case.

Woodland also pays a part time employee to read meters, mow grass, and help with various other tasks as needed. Staff applied the MERIC entry wage rate to his list of duties to develop an annualized salary to be included in this case.

To substantiate the MERIC wage rates and provide further support for the payroll costs, Staff also reviewed salary levels at similarly sized water and wastewater utilities in Missouri and found the rates Staff included in this case are just and reasonable.

Utilities

Field

The chief operator carries a cell phone that is used for both Woodland and Turner Estate customers, as well as personal use. The cell phone number is the emergency number printed on the bills for 24/7 customer service. Staff allocated the base line first between work and personal use at a rate of 50% work and 50% personal due to the fact that the operator does not have a personal cell phone and does use this phone for personal calls. Staff then allocated the work portion of the bill between Woodland and Turner Estate based on customer numbers of 164 for Woodland and 36 for Turner. Staff excluded the extra lines used for non-utility activities included in the total telephone bill before allocating. Woodland's portion of the base cell phone costs is included in this case.

Woodland also pays for the electricity to operate its water plant. Staff has included a five year average of utility bills because of the volatility of the electric usage. Staff made an adjustment to the test year amount to include this normalized level.

Office

Woodland does not pay anything for the utilities it consumes for its office building. These costs are essentially included in the rent discussed in the next section. Since Woodland does not have to pay for these expenses, no electricity costs for the office have been included in this case.

Office Rent

Woodland rents office space in a building within its service area from Dan's Marina. There is a private entrance to Woodland's office for its customers to pay bills or for general inquiries. Woodland does not pay rent for this office space but instead trades use of the building for use of the water to four meters on the property. Staff looked at the usage for these four meters from 2010-2012 and determined the value of the water traded for office space averages \$66 a month. This amount has been included on Schedule 2 for rent expense.

AUDITING RECOMMENDATIONS

1. Staff recommends the Company develop and utilize time sheets to record work assignments and the time associated with each work assignment. The time reporting must be sufficiently detailed to identify time spent between the regulated Woodland utility and non-regulated operations. Staff will work with the Company to develop such time reporting mechanism. This recommendation should be completed within ninety (90) days of the effective date of any Commission order issued in this case, WR-2013-0326.
2. Staff recommends the Commission order Woodland to implement the use of a vehicle log ninety (90) days after the effective date of this order.
3. Staff recommends the Commission order Woodland to maintain its utility plant, customer account and financial records in accordance with the Uniform System of Accounts (USOA) as described in this Memorandum.
4. Staff recommends the Company correct its books and records to reflect the adjusted plant, depreciation reserve, and contributions in aid of construction balances reflected in the Staff Accounting Schedules, Appendix B attached herein, within ninety (90) days of the effective date of any Commission order issued in this case, WR-2013-0326.
5. Staff recommends the Commission approve an increase in the Company's annual water operating revenues of \$26,418, or 64.52%.

ENGINEERING AND MANAGEMENT SERVICES UNIT RECOMMENDATIONS

1. Staff recommends Woodland use the schedule of depreciation rates set out in Attachment D to this Memorandum from the Commission-ordered effective date of this rate case forward until changed by any future order of the Commission.
2. Staff recommends Woodland file a notice tariff sheet and revised title page and index sheets as a 30-day tariff filing.
3. Staff recommends Woodland initiate or resume a program of meter testing or change-outs per Commission Rule 4 CSR 240-10.030(38) within 90 days of the effective date of this rate case.

Appendix A

Expense Adjustment Table

Company Account Number	Account Name	Adjustment Number	Dollar Amount	Reason for Adjustment
401	Plant Operations and Maintenance	E-2.1	\$-1,143	To reclassify from a revenue account of 401 to an expense account 640.1
600.00	Salaries and Wages	E-3.1	321	To include an annualized level of Salary for part time employee
600.00	Salaries and Wages	E-3.2	\$1,200	To include salary for back up operator reclassified from acct. 640.0/640.1
620.0	Fuel or Power Purchased for Pumping	E-6.1	\$-190	To include a normalized level of Power Purchased for pumping
650.1	Repairs of Water Pump-Pump repairs	E-7.1	\$512	To include a normalized level of Maintenance of Water Pump repairs
650.0	Maintenance of Water Plant	E-11.1	207	To include an annualized level of maintenance to water plant

650.300	Repairs of Water Plant-Water Line Repair	E-14.1	\$-631	To include a normalized level of maintenance to water lines
680.00	Admin. & General Salaries	E-23.1	\$13,808	To include an annualized level of salaries for the owner/operator less compensation already included in 686-pensions and benefits
681.000	Office Supplies & Expense	E-24.1	\$-1,744	To include an annualized level of office supplies
681.000	Office Supplies & Expense	E-24.2	\$242	To include ink purchases reclassified from billing & postage
681.000	Office Supplies & Expense	E-24.3	\$35	To include interest expense on customer deposits
681.1	Office Supplies & Expense-Billing & Postage	E-25.1	\$-1,501	To include an annualized level of billing & postage expenses
681.2	Office Supplies & Expense-Dues and Donations	E-26.1	\$350	To include a normalized level of dues & donations
681.3	Office Supplies & Expense-DNR fees	E-27.1	\$200	To include an annualized level of DNR fees

682.000	Outside Services Employed- Attorney	E-28.1	\$-2,474	To remove legal costs associated to a complaint case to be amortized over 5 years
682.000	Outside Services Employed- Attorney	E-28.2	\$495	To set up 5 year amortization of attorney fees
684.000	Insurance Expense	E-29.1	\$18	To include an annualized level of insurance
688.000	Regulatory Commission Expense	E-31.1	\$-248	To include an annualized level of PSC assesment
689.000	Misc. General Expenses- Missouri One Call	E-33.1	\$56	To include an annualized level of Missouri One Call expense
689.100	Misc. General Expenses- Storage	E-34.1	\$-400	To remove storage fees allocated to other entities
640.0	Supplies and Expense	E-35.1	\$-667	To include a normalized level of Supplies and Expense
640.1	Supplies & Expense- Operations and Maintenance Expense	E-36.1	\$1,143	To reclassify from a revenue account 401 to an expense account 640.1
640.1	Supplies & Expense- Operations and Maintenance Expense	E-36.2	\$-564	To include a normalized level of Operations and Maintenance Expense

640.200	Supplies & Expense Rent	E-37.1	\$66	To include an annualized level of rent expense
640.300	Supplies & Expense Cell Phone	E-38.1	\$505	To include cell phone expense allocated to Woodland To offset depreciation expense
	Depreciation Expense	E-41.1	\$-2905	associated with CIAC

Agreement Attachment I

EMSU Report

REPORT OF CUSTOMER SERVICE AND BUSINESS OPERATIONS REVIEW

Engineering and Management Services Unit

Small Company Rate Increase Request

File No. WR-2013-0326

Woodland Manor Water Company, LLC

Gary Bangert

The Engineering and Management Services Unit (EMSU) staff of the Missouri Public Service Commission (“Commission”) initiated an informal review of the customer service and business processes, procedures, and practices of Woodland Manor Water Company, LLC, (“Woodland Manor” or “Company”) in Kimberling City, Missouri, in December 2012. The review was performed in response to the Company’s request for a rate increase in File No. WR-2013-0326, which was filed on November 2, 2012. The Company is requesting an increase of \$20,000 in its annual water system operating revenues. This request represents an increase of approximately 62.00% in the Company’s annual water operating revenues.

The EMSU staff examined the Company’s tariffs, annual reports, Commission complaint and inquiry records, and other documentation related to the Company’s customer service and business operations. In preparation of this report, the EMSU staff submitted data requests to the Company and conducted interviews with Company personnel. The EMSU staff’s review of the Company resulted in the following five recommendations:

THE EMSU STAFF RECOMMENDS THAT COMPANY MANAGEMENT:

1. Develop and utilize a written vehicle log to maintain information regarding vehicle usage. The log should include information regarding the vehicle type, date, description and location of the task, and the miles attributable to the task. This recommendation should be completed within ninety (90) days of the effective date of any Commission order issued in this case, WR-2013-0326.
2. Store all customer payments and other important business documents in a locked, fireproof cabinet. This recommendation should be completed within ninety (90) days of the effective date of any Commission order issued in this case, WR-2013-0326.
3. Use the credit evaluation criteria included in Commission Rule 4 CSR 240-13.030(1)(C) in order to determine which customers must remit a deposit prior to establishing service.

This recommendation should be completed within thirty (30) days of the effective date of any Commission order issued in this case, WR-2013-0326.

4. *Perform a monthly evaluation of the payment history on all accounts where customers have paid a deposit when applying for service. Refund the deposits plus accrued interest on all accounts with a satisfactory payment history as defined in Commission Rule 4 CSR 240-13.030(4)(D). This recommendation should be completed within thirty (30) days of the effective date of any Commission order issued in this case, WR-2013-0326.*
5. *Incorporate required information about the Missouri Public Service Commission and the Office of the Public Counsel in the written information provided to utility customers pursuant to 4 CSR 240-13.040(3). This recommendation should be completed within thirty (30) days of the effective date of any Commission order issued in this case, WR-2013-0326.*

The purpose of the EMSU is to promote and encourage efficient and effective utility management. These objectives contribute to the Commission's overall mission to ensure that customers receive safe and adequate service at reasonable rates while providing utilities the opportunity to earn a fair return on their investment.

The objectives of this review are 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 will also provide the Commission with information regarding the Company's customer service and business operations.

The scope of this review focuses 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 EMSU staff's review.

Overview

Woodland Manor was acquired by Stephen and Mona Fennema and was certificated by the Commission to provide water service in Stone County, Missouri, in February 1999. The Company provides water service to approximately 163 customers in the Vista Haven and Woodland Subdivisions in Kimberling City, Missouri. Fifty-two (52) of the 135 residential customers are renters. There has been minimal change in the number of customers over the past three years and little growth is anticipated. The business office for Woodland Manor is located in Kimberling City. Business office hours are 9:00 a.m. to 4:00 p.m., Monday through Friday. Emergency and business office telephone numbers are provided on customer bills, which give customers 24-hour, 7-day-a-week access to contact Company personnel.

Mrs. Fennema is the only full-time Company employee. She performs all business office functions and has primary responsibility for outside plant operations. Business office functions include taking new written service applications, entering meter readings, preparing and mailing customer bills, maintaining customer account records, receiving and posting customer bill payments, making bank deposits, paying bills, and responding to customer inquiries and complaints. Outside plant responsibilities include plant operation, daily system checks, chlorination, routine maintenance, construction activity, and responding to customer emergency calls. A part-time individual reads meters and performs routine maintenance at the well houses. In addition, the Company contracts with an outside back-up operator who acquires the monthly water samples for testing. Mrs. Fennema tracks the time she spends on Company activities with a cell phone application called Time Recorder. She has the ability to print out summary time reports. The part-time individual tracks his time on a paper report. There are no Company vehicles and records are not kept on personal vehicles used for Company business.

Meter Reading

The part-time employee attempts to read all of the Company's water meters, active and inactive, between the 19th and 25th days of each month. The meter readings are subsequently entered into the Company computer's database. Upon visual examination, any meter readings that appear unusual result in a reread. Meters readings have been estimated approximately three times over the past seven years. Inclement weather is the primary reason that could cause meter readings to be estimated. Estimates are based on the last three months of actual usage and the

same month in the previous year. Mrs. Fennema recalls only one instance of theft of water service where an individual attempted to tamper with a flush valve. The Company has tested the use of a hand held reader and looked at smart phone and tablet applications, but has no current plans to change the way it records meter readings.

Customer Billing

The Company's tariffs provide the rates for water service. Customers' water bills are based on a monthly minimum customer charge of \$16.13 and a usage charge of \$2.45 per 1,000 gallons over 5,000 gallons of usage.

Woodland Manor uses the Alpha Five database application for billing and to maintain customer records. Meter reading data is imported into the database program which calculates and prints the customers' bills. Woodland Manor verifies the accuracy of bills through visual inspection when the bills are produced. Company management represented that customer account information is backed up daily and the backup files are stored off-site. Other hard-copy customer information is stored in unlocked business office files. Customer bills are mailed by the 5th of the month and considered due on the 26th of each month. There is no late payment fee in the current Company tariff.

Payment Remittance

Customer payment options include cash, check, and money order. Most customers mail their payments to the Woodland Manor business office. However, customers may also remit payments in person at the business office or at the business office drop box. Of the mailed payments, Company management indicates that approximately 10 – 15 customer payments per month are electronically initiated through some online bill payment service. Bill payments are processed and recorded daily in Alpha Five. Company management asserts that bank deposits are usually made about eight times a month. Customer payments and other important business documents are not kept in locked, fireproof storage.

Credit and Collections

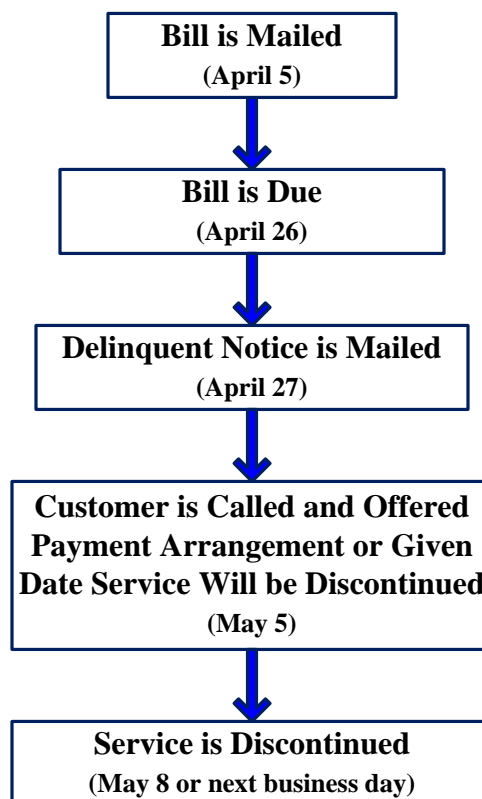
Customers requesting service are required to complete a written application. Company management asserted they collect a \$33 security deposit from all new customers as a condition for providing water service unless a customer is not new to the water system. Deposits from

renters are returned with 6% interest when they move. Deposits from homeowners are reviewed annually and returned with 6% interest if the customer has been delinquent five or less times in the past year. The Company's tariff provides for deposits to be returned with 6% interest following 12 months of payments by the due date.

Woodland Manor management asserted that returned checks are an infrequent problem. There have been no returned checks since 2010. There is no provision for a returned check fee in the Company's tariff.

The Company has an established procedure for handling delinquent accounts. The following illustration shows the actions that the Company would take on an account that remains unpaid if the bill was mailed to the customer on April 5th.

Delinquent Account Actions



Source: Woodland Manor Management Interview Information

Company reports indicate that an average of 15 to 20 customers is delinquent each month. Woodland Manor management represented that these delinquent customers generally pay prior to discontinuance of service for nonpayment. One customer in 2010 and one customer in 2012 were discontinued for nonpayment. If a customer's service was discontinued for nonpayment, then the Company's tariff provides for a \$15.00 turn-off fee and a \$15.00 turn-on fee to have service restored. The Company does not use a collection agency to pursue the collection of amounts owed to Woodland Manor. Based on the Company's 2010 Annual Report, no water utility accounts were written off. The Company's 2011 Annual Report indicated that a water utility account totaling \$.04 was written off.

Complaints and Inquiries

Customers with questions or concerns may call the Woodland Manor contact number, which appears on their bill. An emergency contact cell telephone number is also provided on customer bills. Emergency calls are immediately routed to Mrs. Fennema, who carries a phone with her 24/7. A complaint log is kept consisting of a file of forms that describe the nature of complaints and the follow-up action that was taken. A review of Commission complaint/inquiry records since 2010 showed two (2) complaints and zero (0) inquiries from water customers. The complaint in 2011 was about a water leak and the complaint in 2012 related to low water pressure.

Customer Communication

Customer bills are the primary means of communicating with customers. The billing statements provide limited space to include information for customers. Customer letters are used to provide notice of rate increase requests, applications for service, and information about rights and responsibilities of the Company and its customers. The information outlining the rights and responsibilities of the Company and its customers does not include contact information for the Missouri Public Service Commission or the Office of the Public Counsel.

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 five issues that require the Company management's attention:

- Vehicle Logs
- Storage of Customer Payments and Documents
- Customer Deposit Requirement
- Customer Deposit Refunds
- Rights and Responsibilities Documentation

Vehicle Logs

Company employees do not log the mileage associated with Company business while using personal vehicles. Although the Company owns no vehicles, this lack of written documentation makes it difficult to determine the utilization of personal vehicles for Company-related activities. An appropriate vehicle log would provide useful information including the vehicle type, date, a general description and location of the task, and the miles driven attributable to the task. This information could be helpful in making Company business decisions.

THE EMSU STAFF RECOMMENDS THAT COMPANY MANAGEMENT:

Develop and utilize a written vehicle log to maintain information regarding vehicle usage. The log should include information regarding the vehicle type, date, description and location of the task, and the miles attributable to the task. This recommendation should be completed within ninety (90) days of the effective date of any Commission order issued in this case, WR-2013-0326.

Storage of Customer Payments and Documents

Customers' payments and important business documents are not kept in locked, fireproof storage. The Company's current practice is to keep customer payments in unlocked files until a bank deposit is made, an event which occurs approximately eight times a month. Other important business documents are kept in ordinary files.

The lack of fireproof storage has several potential detrimental effects. In the event of a disaster, the customer payments and other important documents maintained in the office could be

lost or destroyed. It could be difficult and time consuming to replace customer payments and to re-create important records.

Securing the Company's critical documents, such as customer payments, customer applications for service, and other important Company business documents in fireproof storage would minimize the risk of loss and the labor-intensive process required to re-create customer data should a disaster occur.

THE EMSU STAFF RECOMMENDS THAT COMPANY MANAGEMENT:

Store all customer payments and other important business documents in a locked fireproof cabinet. This recommendation should be completed within ninety (90) days of the effective date of any Commission order issued in this case, WR-2013-0326.

Customer Deposit Requirements

The Company does not determine whether new customers applying for service meet specific credit history criteria before charging a deposit. The Company collects a \$33 deposit from every new customer that applies for service unless the customer is not new to the water system. The Company's tariff and Commission Rule 4 CSR 240-13.030(1)(C) allow for a deposit, but only if the customer is unable to establish an acceptable credit rating. Commission Rule 4 CSR 240-13.030(1)(C) states that a customer has established an acceptable credit rating if they meet any of the following criteria:

1. Owns or is purchasing a home;
2. Is and has been regularly employed on a full-time basis for at least one (1) year;
3. Has an adequate regular source of income; or
4. Can provide adequate credit references from a commercial credit source.

THE EMSU STAFF RECOMMENDS THAT COMPANY MANAGEMENT:

Use the credit evaluation criteria included in Commission Rule 4 CSR 240-13.030(1)(C) in order to determine which customers must remit a deposit prior to establishing service. This recommendation should be completed within thirty (30) days of the effective date of any Commission order issued in this case, WR-2013-0326.

Customer Deposit Refunds

The Company does not conduct a monthly evaluation of renter accounts in order to determine whether customers qualify to receive a refund of their deposit plus interest. Company personnel stated that they perform an annual review of homeowner accounts with deposits in order to evaluate which deposits may be returned with accrued interest, but renter deposits are not returned until they move. Commission Rule 4 CSR 240-13.030(4)(D) provides the following direction, in part, on when customer deposits must be refunded:

Upon satisfactory payment of all undisputed utility charges during the last twelve (12) billing months, it shall be promptly refunded or credited, with accrued interest, against charges stated on subsequent bills. Payment of a charge is satisfactory if received prior to the date upon which the charge becomes delinquent provided it is not in dispute.

THE EMSU STAFF RECOMMENDS THAT COMPANY MANAGEMENT:

Perform a monthly evaluation of the payment history on all accounts where customers have paid a deposit when applying for service. Refund the deposits plus accrued interest on all accounts with a satisfactory payment history as defined in Commission Rule 4 CSR 240-13.030(4)(D). This recommendation should be completed within thirty (30) days of the effective date of any Commission order issued in this case, WR-2013-0326.

Rights and Responsibilities Documentation

The Company's written information documenting the rights and responsibilities of the Company and its customers does not include contact information about the Commission and the Office of the Public Counsel. This information is required by Commission Rule 4 CSR 240-13.040(3) which states the Company shall include:

(J) The telephone number and address of a customer services office of the Missouri Public Service Commission, the commission's 800 telephone number, and the statement that the company is regulated by the Missouri Public Service Commission;

(K) The address and telephone number of the Office of the Public Counsel and a statement of the function of that office;

The availability of comprehensive written information would provide useful facts relating to the Commission and Office of the Public Counsel in addition to the information currently provided about billing procedures, payment requirements, customer deposits, discontinuance of

service, inquiries and complaints, and access to the Company. Written information would be a valuable educational resource for new and existing customers.

THE EMSU STAFF RECOMMENDS THAT COMPANY MANAGEMENT:

Incorporate required information about the Missouri Public Service Commission and the Office of the Public Counsel in the written information provided to utility customers pursuant to 4 CSR 240-13.040(3). This recommendation should be completed within thirty (30) days of the effective date of any Commission order issued in this case, WR-2013-0326.

Implementation Review

The EMSU staff will conduct a review of the Company's progress regarding the implementation of the five recommendations made in this report.

Agreement Attachment J

Summary of Case Events

Woodland Manor Water Company, LLC
Case WR-2013-0326
Summary of Case Events

Date Filed	December 6, 2012
Day 150	May 6, 2013
Extension?	No
If yes, why?	N/A
Amount Requested	\$20,000
Amount Agreed Upon	\$24,141
Item(s)/Dollar(s) Driving Rate Increase	First rate case since Company was certificated in 1992.
Number of Customers	164
Rate of Return	8.02%
Return on Equity	8.02%
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

Staff Participant Affidavits

James M. Russo – Water & Sewer Department

David Spratt – Water & Sewer Department

V. William Harris-Auditing Department

Patricia Gaskins-Auditing Department

Arthur Rice – Engineering & Management Services Department

Gary Bangert – Engineering & Management Services Department

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

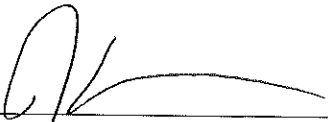
AFFIDAVIT OF JAMES M. RUSSO

In the Matter of the Small Company Rate)
Increase for Woodland Manor Water)
Company, LLC)

File No. WR-2013-0326

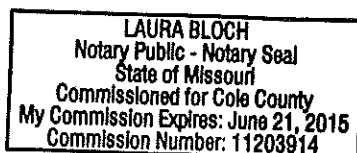
STATE OF MISSOURI)
) SS
COUNTY OF COLE)

COMES NOW James M. Russo, being of lawful age, and on his oath states the following: (1) that he is a Rate & Tariff Examination Supervisor in the Missouri Public Service Commission's Water and Sewer Unit ; (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 A, E, F, G, and J to the Disposition Agreement; (5) that he has knowledge of the matters set forth in Attachment A, E, F, G, and J to the Disposition Agreement; and (6) that the matters set forth in Attachment A, E, F, G, and J to the Disposition Agreement are true and correct to the best of his knowledge, information, and belief.



James M. Russo
Rate & Tariff Examination Supervisor
Water & Sewer Unit

Subscribed and sworn to before me this 1st day of May, 2013.





Notary Public

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

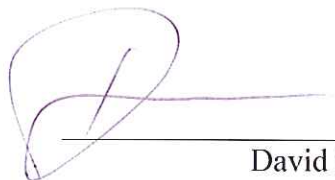
AFFIDAVIT OF DAVID SPRATT

In the Matter of the Small Company Rate)
Increase for Woodland Manor Water)
Company, LLC)

File No. WR-2013-0326

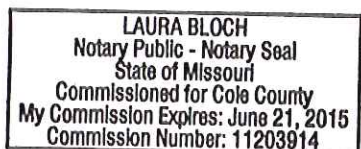
STATE OF MISSOURI)
) SS
COUNTY OF COLE)

COMES NOW David Spratt, being of lawful age, and on his oath states the following: (1) that he is a Utilities Operation Specialist in the Missouri Public Service Commission's Water and Sewer Unit ; (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 G to the Disposition Agreement; (5) that he has knowledge of the matters set forth in Attachment G to the Disposition Agreement; and (6) that the matters set forth in Attachment G to the Disposition Agreement are true and correct to the best of his knowledge, information, and belief.



David Spratt
Utilities Operations Technical Specialist
Water & Sewer Unit

Subscribed and sworn to before me this 15th day of May, 2013.




Notary Public

BEFORE THE PUBLIC SERVICE COMMISSION

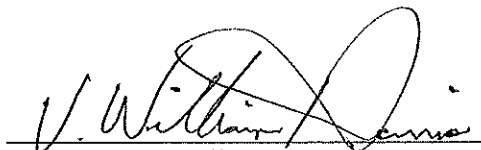
OF THE STATE OF MISSOURI

AFFIDAVIT OF V. WILLIAM HARRIS

In the Matter of the Small Company Rate)
Increase for Woodland Manor Water) File No. WR-2013-0326
Company, LLC)

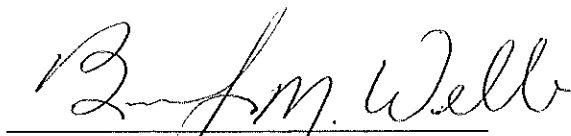
STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW V. WILLIAM HARRIS, being of lawful age, and on his oath states the following: (1) that he is a Utility Regulatory Auditor III in the Missouri Public Service Commission's Auditing Unit; (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 Attachments B, C and H to the Disposition Agreement; (5) that he has knowledge of the matters set forth in Attachments B, C and H to the Disposition Agreement; and (6) that the matters set forth in Attachments B, C and H to the Disposition Agreement are true and correct to the best of his knowledge, information, and belief.



V. William Harris
Utility Regulatory Auditor III
Auditing Unit

Subscribed and sworn to before me this 3rd day of May, 2013.



Notary Public



BEVERLY M. WEBB
My Commission Expires
April 14, 2016
Clay County
Commission #12464070

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

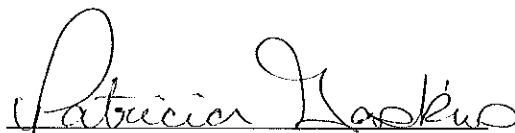
AFFIDAVIT OF PATRICIA GASKINS

In the Matter of the Small Company Rate)
Increase for Woodland Manor Water)
Company, LLC)

File No. WR-2013-0326

STATE OF MISSOURI)
)
COUNTY OF _____) ss.

COMES NOW PATRICIA GASKINS, being of lawful age, and on her oath states the following: (1) that she is a Utility Regulatory Auditor III in the Missouri Public Service Commission's Auditing Unit; (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, C and H to the Disposition Agreement; (5) that she has knowledge of the matters set forth in Attachments B, C and H to the Disposition Agreement; and (6) that the matters set forth in Attachments B, C and H to the Disposition Agreement are true and correct to the best of her knowledge, information, and belief.

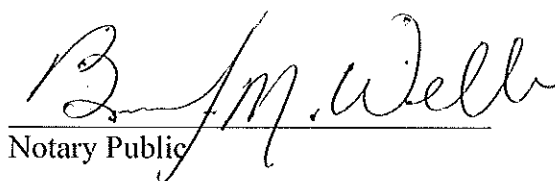


Patricia Gaskins
Utility Regulatory Auditor III
Auditing Unit

Subscribed and sworn to before me this 3rd day of May, 2013.



BEVERLY M. WEBB
My Commission Expires
April 14, 2016
Clay County
Commission #12464070


Notary Public

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI


AFFIDAVIT OF ARTHUR W. RICE, P.E.

In the Matter of the Small Company Rate)
Increase for Woodland Manor Water)
Company, LLC)

File No. WR-2013-0326

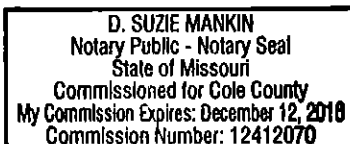
STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

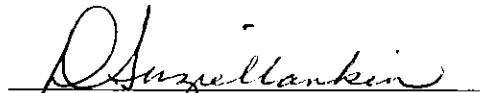
COMES NOW ARTHUR W. RICE, being of lawful age, and on his oath states the following: (1) that he is a Utility Regulatory Engineer I in the Missouri Public Service Commission's Engineering & Management Services Unit; (2) that he participated in the Staff's investigation of the small company rate increase 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 D to the Disposition Agreement; (5) that he has knowledge of the matters set forth in Attachment D to the Disposition Agreement; and (6) that the matters set forth in Attachment D to the Disposition Agreement are true and correct to the best of his knowledge, information, and belief.



Arthur W. Rice, P.E.
Utility Regulatory Engineer I
Engineering & Management
Services Unit

Subscribed and sworn to before me this 3rd day of May, 2013.




Notary Public

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

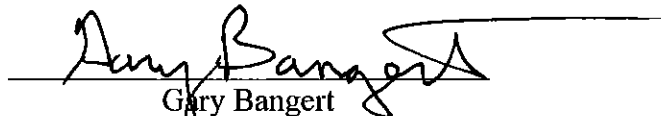
AFFIDAVIT OF GARY BANGERT

In the Matter of the Small Company Rate)
Increase for Woodland Manor Water)
Company, LLC)

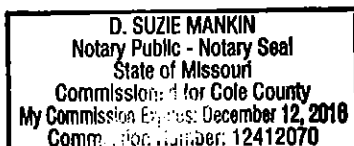
File No. WR-2013-0326

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW GARY BANGERT, being of lawful age, and on his oath states the following: (1) that he is a Utility Management Analyst III in the Missouri Public Service Commission's Engineering & Management Services Unit; (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 I to the Disposition Agreement; (5) that he has knowledge of the matters set forth in Attachment I to the Disposition Agreement; and (6) that the matters set forth in Attachment I to the Disposition Agreement are true and correct to the best of his knowledge, information, and belief.


Gary Bangert
Utility Management Analyst III
Engineering & Management
Services Unit

Subscribed and sworn to before me this 3rd day of May, 2013.




Notary Public