

TANEYCOMO HIGHLANDS INC.

HC-2 BOX 2086

SHELL KNOB, MO. 65747

417-858-2254

*RECEIVED*

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November 1, 2005  
Secretary of the Commission  
Missouri Public Service Commission  
**Attn: Data Center**  
P.O. Box 360  
Jefferson City, MO 65102

*Records  
Public Service Commission*

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

Dear Secretary:

Taneycomo Highlands, Inc. (the Company) holds a certificate of public convenience and necessity granted by the Missouri Public Service Commission (the Commission), under which the Company provides sewer collection and treatment services in Taney County, Missouri. The Commission first authorized the Company to provide regulated sewer utility service in April of 1996. The Company currently provides service to approximately 20 sewer customers within its certificated service area under the provisions of its Commission-approved tariffs. The Company's customer rates for sewer service are currently the same as those established when the Commission first authorized the Company to provide its regulated utility service.

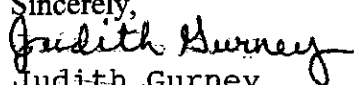
Pursuant to 4 CSR 240-3.330, the Commission's rule pertaining to rate increase requests made by small sewer utilities, the Company is hereby requesting an increase of \$9,250 in its annual sewer system operating revenues. Based upon current customer rates and customer numbers, this increase represents a change of approximately 212.44% in the Company's annual sewer system operating revenues. The Company understands that the design of its customer rates, its service charges, its customer service practices, its general business practices and its general tariff provisions will also be reviewed during the Commission Staff's review of the rate increase request, and may thus be the subject of Staff recommendations at the conclusion of the rate increase process.

The specific reasons for the requested increase in the Company's annual operating revenues include: increases in operation and maintenance expenses; increases in the Commission's annual utility assessments; and increases in the Department of Natural Resources' annual sewer discharge permit fees; increased incidence of misuse, Higher Chemical Demand, due to increased phosphorous levels.

Lastly, I wish to advise you that the Company is current on the payment of its Commission annual assessments (all past and current assessments have been paid in full) and the filing of its Commission annual reports. Additionally, the Company will remain current on these items during this small company rate increase procedure.

November 1, 2005  
Missouri Public Service Commission  
Re: Increase in Operating Revenues

Thank you for your attention to this important matter. Please contact me at your convenience if you need additional information regarding this request.

Sincerely,  
  
Judith Gurney  
Vice President

Copies: Jim Russo – Commission Staff  
Lewis Mills – Office of the Public Counsel