



ELM HILLS
Utility Operating Company
A CSWR Managed Utility

March 6, 2020

Morris L. Woodruff, Secretary
Missouri Public Service Commission
200 Madison Street, P.O. Box 360
Jefferson City, MO 65102-0360

RE: Notice of Staff-Assisted Rate Case Filing (Water and Sewer)

Dear Mr. Woodruff:

Under authority of, and in accordance with, 20 CSR 4240-10.075, Elm Hills Utility Operating Company, Inc. (“Elm Hills” or “the Company”) gives notice of its intent to increase rates for water and sewer services provided to customers in the Company’s Missouri service area. Rates Elm Hills proposes would increase overall annual operating revenues for water service by approximately \$135,745 and for sewer service by approximately \$393,919. These rate increase requests – the first since the Commission approved the Company’s acquisition of the affected systems – reflect cost increases Elm Hills will incur to fulfill its commitment to improve and operate those systems in a manner that ensures customers receive safe and reliable service that fully complies with all Commission and Missouri Department of Natural Resources regulations.

The requested increases are necessary to recognize, among other things, increases in the Company’s operations and maintenance, customer service, administrative and general, and insurance expenses. The increases also seek a fair return on the Company’s rate base, which must be reset to reflect the remaining net book value of the acquired systems, reasonable costs incurred for acquisition of those systems, initial investments made for system improvements, and the appraised value of real estate devoted to the public service.

To mitigate possible rate shock, Elm Hills also seeks approval of a single tariff reflecting consolidated rates and service rules for its water and sewer customers.

Elm Hills qualifies for the Staff-assisted rate increase procedure because the Company is a corporation in good standing with the Missouri Secretary of State, is not delinquent in payment of its Commission assessments or in its annual report filings, and is a “small utility” as that term is defined by 20 CSR 4240-10.75(1)(A).

The Company looks forward to working with the Commission Staff to quickly complete all steps required by the Staff-assisted rate case procedure rule.

Sincerely,

Josiah Cox
President