

# SK&M Water & Sewer Co., Inc.

P.O. Box 212 Perryville, MO 63775

For 24 Hour Emergency Service Call - 517-3097

Billing Questions Call - 547-4475

## INITIAL CUSTOMER NOTICE

December 6, 2018

Dear Customer:

On November 27, 2018, S. K. & M. Water and Sewer Company (Company) submitted a request for increases in its annual water and sewer operating revenues to the Missouri Public Service Commission (Commission). The reason for the increases is to cover increases in expenses, unforeseen costs due to equipment and system neglect, and investments in the Company's facilities.

By its request, the Company is seeking changes to its customer rates intended to generate an increase in its annual sewer operating revenues of \$100,000 (approximately 277%) and an increase in its annual water operating revenues of \$200,000 (approximately 240%), respectively. At the end of this notice is a table that compares the Company's current residential customer rates and the proposed residential rates.

Because there has not been a rate increase in over eight years, and due to the reasons noted above, the current rates are not sufficient to cover monthly expenses for the company. We therefore filed for a temporary emergency rate increase for both water (\$11.55) and sewer (\$5.24), to cover a portion of the expenses and ensure the continued provision of safe and adequate service. If this temporary emergency rate is approved by the Commission, this emergency rate would appear as a separate line item on your bill. The emergency rate will last until the conclusion of the rate case, may be subject to refund, and may be replaced by an increase in rates if the Commission approves our request. All of the Company's records and expenses will be audited as part of the rate case. We believe the emergency rate is less than what will eventually be approved by the Commission, but if during the rate case it is determined the temporary emergency rate was too high, any over collection would be subject to refund to our customers as a credit on your bill.

To provide comments regarding the Company's revenue increase request, or comments regarding service-related problems, please contact the Commission Staff and/or the Office of the Public Counsel (Public Counsel) *within 30 days of the date of this notice*. Your comments should include a reference to case numbers SR-2019-0157 and/or WR-2019-0158. The Commission Staff and the Public Counsel will review all customer comments submitted in response to this notice. All comments will be filed in the official case file for review by the Commissioners.

To submit your comments in writing:

Public Service Commission

Attn: Water/Sewer Dept.

P.O. Box 360

Jefferson City, MO 65102

Phone: 800-392-4211

Fax: 573-751-1847

E-Mail: [watersewercomments@psc.mo.gov](mailto:watersewercomments@psc.mo.gov)

Office of the Public Counsel

Attn: Water/Sewer Dept.

P.O. Box 2230

Jefferson City, MO 65102

Phone: 866-922-2959

Fax: 573-751-5562

E-Mail: [mopco@ded.mo.gov](mailto:mopco@ded.mo.gov)


To submit your comments via the Commission's Website:

- (1) Go to <http://www.psc.mo.gov>;
- (2) Click on the Submit Comments box under the "How Do I..." heading on the right top of the page.
- (3) From this page click on the "submit comment" link found under "Submit Comments in Writing"; and
- (4) Fill out and submit the Public Comments form, including the case number shown above. If you want to attach a document, before clicking the "Submit" button, click the "Attach" button. There are instructions on that page for attaching the document and returning to the previous screen.
- (5) Click the "Submit" button at the bottom of the page.

Lastly, please be advised that all currently available information regarding the Company's rate increase request may be obtained via the Public Service Commission's Website as follows, and please also note that this information will be updated as the case moves forward.

- \* Go to <http://www.psc.mo.gov>
- \* In the menu column on the right side of the page click on "Access EFIS ".
- \* Scroll down to "View Information on a Specific Case" and click on the "Docket Sheet" link.
- \* From the Docket Sheet page, enter SR-2019-0157 or WR-2019-0158 in the Case Number Field. and press the Enter key on your keyboard (this will bring up a page that contains all of the documents that have been filed in the case to date).
- \* To view a particular document, click on the item number in the left column.
- \* A second window will open. Click on the document link to view the document.

If you have any questions about this notice, or about anything else with which we may be of assistance, please feel free to contact us at 573-517-3097.

Sincerely,  
  
 Rodney & Susan LaRose  
 Owners

**Temporary Emergency Rates, which if approved will be in effect until the rate case is completed, but no later than August 27, 2019:**

<u>Emergency Rates</u>	<u>Water</u>	<u>Sewer</u>
Current Average Bill*	\$17.55	\$29.36
Added Emergency Rate	\$11.55	\$5.24
New Temporary Total Monthly Bill*	\$29.10	\$34.60

\*Example for a customer using 4,000 gallons per month

**Company's Requested Regular Rate Increase:**

<u>Water</u>	<u>Current Rates</u>	<u>Proposed Rates</u>	<u>Proposed Amount of Rate Change</u>
Monthly Minimum Charge 5/8" meter	\$6.55	\$15.72	\$9.17
Usage per 1,000 gallons	\$2.75	\$6.60	\$3.85
Total Monthly Bill*	\$17.55	\$42.12	\$24.57

\*Example for a customer using 4,000 gallons per month

<u>Sewer</u>	<u>Current Rates</u>	<u>Proposed Rates</u>	<u>Proposed Amount of Rate Change</u>
Monthly Minimum Charge Single Family Home	\$29.36	\$81.33	\$51.96