

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

Missouri Public  
Service Commission

**In the Matter of Osage Water Company's            )**  
**Request for a Rate Increase for Sewer Service    )**            **Case No. SR-2000-556**  
**Pursuant to the Public Service Commission's    )**  
**Small Company Rate Increase Procedure.        )**

**MOTION TO COMPEL COMPLETION OF STAFF INVESTIGATION AND REPORT  
AND FOR APPROVAL OF INTERIM RATE INCREASE**

COMES NOW Osage Water Company ("OWC") and moves the Commission for its Order directing and compelling the Staff of the Missouri Public Service Commission to complete its investigation and report herein, and for approval of an interim rate increase, and in support of said Motion states:

1. On August 8, 2000, OWC filed herein a Motion to Compel Completion of Staff Investigation and Report, and simultaneously filed with the Commission proposed tariff sheets to implement an interim rate increase.
2. On August 23, 2000, Staff filed a response stating that it could not complete its investigation and report because it lacked certain specified financial data from OWC.
3. On September 5, 2000, the Commission entered its Order herein rejecting said proposed tariff sheets and scheduling a prehearing conference for September 14, 2000 to determine what information, if any, the Commission's Staff required to complete its investigation and report herein. The Commission did not rule on OWC's request for a motion to compel, but rather stated that it would not rule on that motion until after the prehearing conference.
4. OWC, Staff, and the Office of Public Counsel appeared at the prehearing conference on September 14, 2000. On the record, Staff advised the hearing officer that it had all of the information required from OWC to complete its report and investigation herein. OWC had

not furnished any information to Staff between August 23, 2000 and September 14, 2000.

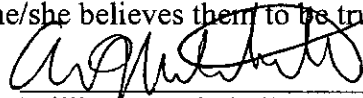
Off the record, Staff agreed to furnish OWC with its recommended revenue requirement and proposed rate design on or before September 21, 2000.

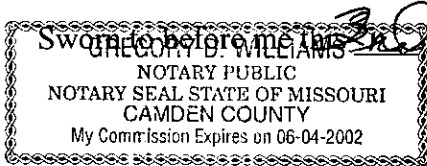
5. OWC has not, as of October 2, 2000, received a recommendation or report from Staff that contains a recommended revenue requirement or a proposed rate design. OWC has had telephone communications with Staff in which Staff has indicated that it is contemplating a recommendation of a total revenue requirement of \$155,857, which is an approximately 50% increase over OWC's current annualized revenue.
6. Approximately 1 year has elapsed since OWC filed its request for a Small Company Rate Case.
7. Staff's delay in completing its investigation and report herein threatens the financial integrity of OWC, such that OWC is delinquent in the payment of its indebtedness to Hancock Construcion Co., is delinquent in the payment of its Missouri Withholding Tax, and lacks sufficient revenue to pay its regular operating expenses or to compensate its officers, or to provide any return to its shareholders on their investment in the company. Documentation regarding said revenue deficiency is attached hereto.
8. In the absence of interim rate relief, OWC will have to discharge its operating employees, liquidate the equipment utilized for maintenance and repair of its water and sewer utility systems, and, quite probably, commence a liquidation or reorganization proceeding in bankruptcy.
9. The tariff pages previously tendered by OWC to the Commission would provide a reasonable interim rate relief to OWC under the circumstances.

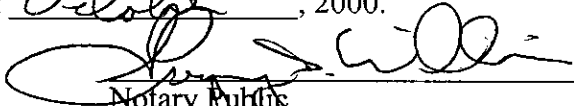
WHEREFORE, Osage Water Company prays for an Order of the Commission directing and compelling the Staff of the Missouri Public Service Commission to complete its investigation and audit, and file its report and recommendation herein, and approving an interim rate increase in accordance with the tariff pages filed by OWC on August 8, 2000.

STATE OF MISSOURI        )  
                                  )        ss.  
COUNTY OF CAMDEN      )

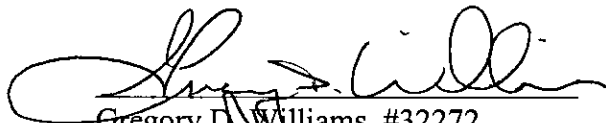
William P. Mitchell, being duly sworn, deposes and says that he is the Vice President of Osage Water Company, that he/she has read the foregoing Motion and knows the contents thereof, and that the same is true of his own knowledge, except as to matters therein stated to be alleged on information and belief, and as to those matters he/she believes them to be true.

  
\_\_\_\_\_  
William P. Mitchell



day of October, 2000.  
  
\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_


  
\_\_\_\_\_  
Gregory D. Williams #32272  
Highway 5 at Lake Road 5-32  
P.O. Box 431  
Sunrise Beach, MO 65079  
(573) 374-8761

Attorney for Osage Water Company

CERTIFICATE OF SERVICE

I, Gregory D. Williams, do hereby certify that a true copy of the foregoing was on this 30 day of October, 2000, mailed, postage prepaid, to the following:

Office of the Public Counsel, P.O. Box 7800, Jefferson City, MO 65102; General Counsel, Missouri Public Service Commission, P.O. Box 360, Jefferson City, MO 65102.

  
\_\_\_\_\_  
Gregory D. Williams

From: JACKSON ENG

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P. 04

**MCDORMAN & HAYDEN L.L.C.**

ATTORNEYS AND COUNSELORS AT LAW

LEGAL ASSISTANTS

**MICHAEL L. McDORMAN**  
mcdorman@mcdorman-hayden.com**KENNETH M. HAYDEN**  
hayden@mcdorman-hayden.comGOODMAN BUILDING  
119 SOUTH MONROE  
POST OFFICE BOX 311  
VERSAILLES, MISSOURI 65084  
573-378-4622  
FAX 573-378-5846**LORI L. MOON**  
moon@mcdorman-hayden.com**NANCY J. ROTH**  
roth@mcdorman-hayden.com

August 17, 2000

OSAGE WATER COMPANY  
P. O. BOX 777  
CAMDENTON, MO 65020Re: \$240,000.00 Debenture/Default in Payment  
Our File No. 1195 251

Gentlemen:

This letter will serve as notice to you on behalf of Hancock Construction Company, the holder of the \$240,000.00 debenture that was issued by Osage Water Company, that you are now in default under the terms of said debenture. According to the records of Hancock Construction Company, you are seven months in arrears of the \$1,000.00 required monthly payments. In addition thereto, Hancock Construction Company received only \$6.00 for one month's payment after you deducted the amount of a disputed water bill allegedly owed by Dave Hancock in the amount of \$994.00. That check, number 2664, is being returned to you herewith. There is nothing under the terms of the debenture or any other agreement which allows you the right of a set-off for any amounts you claim are due and owing by David Hancock. As I am sure you are aware, Hancock Construction Company is a duly authorized corporation in good standing in the state of Missouri and is the real party in interest with respect to the debenture. Hancock Construction Company has never given you authorization to offset Mr. Hancock's bill against the amount that it is owed by Osage Water Company.

Irrespective of the disputed water bill referred to hereinabove, you are currently in default in an amount not less than \$7,000.00. My client's records indicate that the last check received, No. 2730 on March 20, 2000, was applied to the payment due in December of 1999. Please be advised that if this amount is not paid on or before August 30, 2000, Hancock Construction will exercise its option to have the accounts of Minor Mike's Adventure Zone, Lake Tirc, Great Southern Savings Bank, Tres Hombres, Holiday Inn Hotel and Ramada Inn assigned to it until such sums are paid in full. Further, please be advised that this letter shall also serve as notice to Osage Water Company that if the entire sum is not brought current, including any payments that will accrue hereafter, in the next 120 days, Hancock Construction will also exercise its option to

From:

JACKSON ENG

5733460040

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OSAGE WATER COMPANY

August 17, 2000

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declare the entire balance due and payable in accordance with the terms of the debenture.

If you have any questions with respect to the matters contained herein, please feel free to contact my office.

Sincerely,



Michael L. McDorman

MLM/clb

Enclosure

C: Dave Hancock  
Hancock Construction Company



MISSOURI DEPARTMENT OF REVENUE  
DIVISION OF TAXATION AND COLLECTION  
P.O. BOX 3375  
JEFFERSON CITY, MO 65105-3375

FORM <b>4636</b> <small>(Rev 09-96)</small>	Date <b>SEPTEMBER 29, 2000</b>
	PHONE (573) 751-7200 FAX (573) 522-1721

**CERTIFICATE OF TAX LIEN NOTICE - WITHHOLDING TAX**

<p>OSAGE WATER COMPANY PO BOX 431 SUNRISE BEACH MO 65079</p>	Page: 1
	MO Tax ID Number: 13546821
	SSN or FEIN: 431462300
	Lien No: 2000266 641 00498 001
	Total Amount Due: 564.55
	Effective date: 07-29-2000

Pursuant to Section 143.902, RSMo, a tax lien has been placed upon all of your real and personal property for failure to pay your Missouri employer withholding tax, interest, additions to tax and penalties as set forth below for the following tax period:

1999 09


Said lien is filed with the Recorder of Deeds in the following county(s):

CAMDEN

The lien will not be released until the tax liability for the period in the amount shown above is satisfied in full. Interest continues to accrue as provided by Section 32.065, RSMo, until the full amount of the tax liability is paid.

To avoid delay in resolving your account, pay the outstanding balance with a cashier's check, certified check or money order. If paying with a personal check, please allow four to six weeks for processing. If you have questions, you may contact the Department of Revenue at the above address or telephone number.

**DIRECTOR OF REVENUE OR DELEGATE  
STATE OF MISSOURI**

BY:   
Administrator

(0123YL)

DETACH AND RETURN THIS PORTION OF THIS NOTICE WITH YOUR PAYMENT



MISSOURI DEPARTMENT OF REVENUE  
DIVISION OF TAXATION AND COLLECTION  
P.O. BOX 3375  
JEFFERSON CITY, MO 65105-3375

**Certificate of Tax Lien Notice - Withholding Tax**

<p>FORM <b>4636</b> <small>(Rev 09-96)</small></p>	Notice Date: 09 29 2000
	Tax Period: 1999 09
	Lien No: 2000266 641 00498001
	Tax: 422.40
	Interest to Date: 32.05
	Additions to Tax: 105.60
	Penalty: 0.00
	Lien Fee: 4.50
	Bad check penalty: 0.00
	Total Amount Due: 564.55
DOR USE ONLY	
DOR USE ONLY	

**PAYE**

<p>OSAGE WATER COMPANY PO BOX 431 SUNRISE BEACH MO 65079</p>
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MO 560-2753 (5/97) (0123YL)

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