

May 6, 2016

NOTICE OF PROPOSED RATE INCREASE AND LOCAL PUBLIC HEARING

Based upon a request by the Office of the Public Counsel (OPC), a state agency responsible for representing the interests of consumers before the Missouri Public Service Commission (Commission), the Commission will be holding a local public hearing regarding proposed changes to the customer rates and charges of Roy L Utilities, Inc. (Company). The purpose of this local public hearing is to receive customer comments about the proposed changes to the Company's rate and charges, and to bring recent service-related problems to the Commission's attention.

The local public hearing will be held May 23, 2016 at Montgomery City Public Library, 224 North Allen Street, Montgomery City. The night's activities will begin with an informal question-and-answer session starting at 5:30 p.m. – with the local public hearing starting at 6:00 p.m. The facility at which this local public hearing is being held meets the accessibility standards required by the Americans With Disabilities Act. Any person who needs additional accommodations to participate in the local public hearing should call the Commission's Hotline at 1-800-392-4211 (voice), or Relay Missouri at 711, no later than the end of business on May 20th.

As the Company notified you by a letter dated December 9, 2015, the Company requested increases of \$6,000 and \$3,000 in its annual water and sewer operating revenues, respectively. Subsequent to the Company submitting its request, the Staff of the Public Service Commission (Commission Staff) conducted a thorough audit of the Company's books and records and the operations of the Company. Based upon that audit, the Commission Staff has concluded that increases of \$10,858 and \$8,574 in the Company's annual water and sewer operating revenues, respectively, are warranted, and that changes to the design of the Company's customer rates are warranted.

The Company has reviewed the Commission Staff's recommendations related to its audit findings, has agreed to the Staff's recommendations and will be filing tariff revisions with the Commission to implement those recommendations. A table summarizing the Company's proposed revisions to its rates and charges, and including a monthly customer bill comparison for a residential customer using 5,500 gallons of water, is set out at the end of this notice.

Any customer that has questions about the local public hearing, that has comments about the Company's proposed revisions to its rates and charges, or that has comments regarding service-related problems should contact the Commission Staff and/or the Public Counsel no later than the end of business on May 20th. To do so, please use the telephone numbers, fax numbers or e-mail addresses shown below, and please include a reference to Commission Case No. WR-2016-0109 or SR-2016-0110.

Public Service Commission
Phone: 800/392-4211
Fax: 573/751-1847 (Attn: Water/Sewer Dept)
Dept.)
E-Mail: water.sewer@psc.mo.gov

Office of the Public Counsel
Phone: 573/751-4857
Fax: 573/751-5562 (Attn: Water/Sewer
E-Mail: mopco@ded.mo.gov

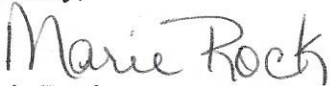
Lastly, please be advised that all currently available information regarding the Company's rate increase request may be obtained via the Public Service Commission's Website as follows.

Go to <http://www.psc.mo.gov>

- * In the menu column on the right side of the page click on "Access EFIS Without Login".
- * Scroll down to "View Information on a Specific Case" and click on the "Docket Sheet" link.
- * From the Docket Sheet page, enter WR-2016-0109 for the water case or SR-2016-0110 for the sewer case 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 I may be of assistance, please feel free to contact me at (636) 358-6150.

Sincerely,



Marie Rock
Manager, Roy L Utilities, Inc.

<u>Type Of Charge – Water Customers Without A Meter</u>	<u>Current Rates</u>	Proposed Rates	Proposed Amount of Rate Change
Monthly Minimum Charge, Full Time Unmetered Customer	\$30.59	\$50.16	\$19.57
Monthly Minimum Charge, Part Time Unmetered Customer	\$23.60	\$32.99	\$9.39

<u>Type of Charge – Water Customers With Meters</u>	<u>Current Rates</u>	Proposed Rates	Proposed Amount of Rate Change
Monthly Minimum Charge, Full Time Metered Customer	\$19.49	\$33.24	\$13.75
Monthly Minimum Charge, Part Time Metered Customer	\$15.04	\$29.92	\$14.88
Usage Charge gallons (per 1,000 gallons)	\$1.95	\$3.08	\$1.13
Total Monthly Bill, Full Time Metered Customer *	\$30.22	\$50.16	\$19.94
Total Monthly Bill, Part Time Metered Customer **	\$16.80	\$32.69	\$15.89

* Example based on 5,500 gallons used per month. Individual bills will depend on actual water usage.

** Example based on 250 gallons used per month. Individual bills will depend on actual water usage.

<u>Type of Charge-Sewer</u>	<u>Current Rates</u>	Proposed Rates	Proposed Amount of Rate Change
Sewer Monthly Charge, Full Time Customer	\$22.39	\$36.04	\$13.65
Sewer Monthly Charge, Part Time Customer	\$20.24	\$32.58	\$12.34