North Oak Sewer District, Inc.

1801 W. N. Service Road Wright City, MO 63390 (636) 456-2411



FEB 03 2003

Records **Public** Service Commission

January 30, 2003

Secretary to the Commission Missouri Public Service Commission P.O. Box 360 Jefferson City, MO 65102

To Whom It May Concern:

Attached please find a copy of the "Initial Customer Notice" that was mailed to our customers on January 30, 2003.

Sincerely,

James Vaccaro

President

NORTH OAK SEWER DISTRICT, INC.

JV:dw

Attachment

cc: Office of the Public Counsel, Attn: Ruth O'Neill

Missouri Public Service Commission, Attn: Wendell Hubbs

QS-2003-0019

NORTH OAK SEWER DISTRICT, INC.

1801 W. N. Service Road . Wright City, MO 63390 Phone (636) 456-2411

January 30, 2003

Dear Customer:

On December 16, 2002, North Oak Sewer District, Inc. (Company) submitted a request for permanent increase in its current sewer rates, under the Missouri Public Service Commission's (Commission) small company rate increase procedure.

By its request, the Company is seeking an increase in its annual operating sewer service revenues of \$8,000 (an approximate 39.7% increase). The Company believes these increases in its operating revenues are necessary to allow it to meet current operating expenses. Additionally, the Staff will review the adequacy of the Company's "miscellaneous service charges".

The example bill shown below set out a comparison of the Company's current residential customer rates for sewer service as if they were increased by the requested percentage increases. No taxes or other charges are included in examples below.

020.00
\$30.00
39.7%
<u>\$41.90</u>
<u>\$11.90</u>
\$26.00
39.7%
<u>\$36.32</u>
\$10.32

Beginning sometime soon, the Staff of the Public Service Commission (Commission Staff) will conduct an independent investigation of the books, records and operations of the Company. Based upon that investigation, the Commission Staff will then makes its recommendations regarding the Company's rate increase requests, and necessary changes to system operations, to the Commission for its consideration.

The Office of the Public Counsel (Public Counsel), a state agency responsible for representing the interests of the consumer before the Commission, may conduct its own investigation, but at a minimum will review the results of the Commission Staff's investigation. The Public Counsel will

then make its own recommendations regarding the Company's rate increase requests, and necessary changes to system operations, to the Commission for its consideration.

Any customer who has questions or comments regarding the Company's rate increase requests, or who has experienced recent service problems, should contact the Commission Staff and the Public Counsel within 30 days of the date of this notice. To do so, please use the addresses, telephone numbers or fax numbers shown below. The Commission Staff and/or the Public Counsel will respond to all such customer contacts, during the course of their investigations.

Missouri Public Service Commission Water and Sewer Department P.O. Box 360 Jefferson City, MO 65102

Phone: 573/751-3437 or 800/392-4211

Fax: 573/751-1847

Office of the Public Counsel Attention: Ruth O'Neill P.O. Box 7800

Jefferson City, MO 65102

Phone: 573/751-1304 Fax: 573/751-5562

Upon completion of the Commission Staff's and the Public Counsel's investigations, the Company may be requested to send out a second customer notice regarding the results of the investigations. Additionally, the Public Counsel may request that the Commission hold a local public hearing.

However, neither a second customer notice nor a local public hearing will happen automatically. Therefore, please take the time now to express your views about the Company's rate increase requests, and the operation of its system, to the Commission Staff and the Public Counsel.

Regardless of whether the Company sends out a second customer notice, or whether a local public hearing is eventually held, no increase in rates will take effect without the approval of the Public Service Commission.

Sincerely,

James Vaccaró

President

NORTH OAK SEWER DISTRICT, INC.