

Missouri Public Service Commission
Public Comments Report
Aqua Missouri, Inc. C/U
WR-2010-0027

Unique Comments **11**
Duplicate Comments **1**
Total Comments Received **12**

Date : 9/21/2009

Item	First Name	Last Name	City	State	Public Comments	Office	Staff	Resolution
P201003441	Dee	Allan	Eugene	MO	8/31/09 Dear Public Service Commission, We have received a letter from Aqua mo requesting a increase inour water rates again. I would like to know what upgrades they have done the last year and what improvements are planned in the next few years? My impression the lagoons was at the maximum and a additional system would be needed to allow any more development in Lake Carmel. We are concerned about increasing the rates if you're on a fixed	PSC	JMR	Letter mailed September 1, 2009.
P201003442	Dee	Allan	Eugene	MO	8/31/09 Dear Public Service Commission, We have received a letter from Aqua mo requesting a increase inour water rates again. I would like to know what upgrades they have done the last year and what improvements are planned in the next few years? My impression the lagoons was at the maximum and a additional system would be needed to allow any more development in Lake Carmel. We are concerned about increasing the rates if you're on a fixed budget. Thank you .	PSC	JMR	Letter mailed September 1, 2009.
P201003366	Gerald	Bader	Jefferson City	MO	I feel this request for an increase in rates is unfair. We have no other choice in who services us, yet we are required to pay for an increase that will not benefit us. This money is to increase/expand services to others, no to improve current systems. We must pay more so they can have services. Will our payments go down after this, no, the company will ask for additional monies to go to upper management who will ask for additional money. UNFAIR !	PSC	JMR	Unable to contact.
P201004376	Cynthia	Benward	Eugene	MO	see attached	Both	DS	Discussed with customer at their residence.

P201003371	Brian	Deschu	Eugene	MO	Please see attached document. I am strongly opposed to the amount of this rate increase request. I hope you are able to ensure our community is treated fairly and if you have questions please contact me. This is regarding both case numbers WR-2010-0027, and SR-2010-0026 with AQUA MO, INC.	PSC	JMR	Letter mailed September 15, 2009.
P201003372	Brian	Deschu	Eugene	MO	Please see my second letter attached. I am strongly opposed to the amount of this rate increase request. I hope you are able to ensure our community is treated fairly and if you have questions please contact me. This is regarding both case numbers WR-2010-0027, and SR-2010-0026 with AQUA MO, INC.	PSC	JMR	Letter mailed September 15, 2009.
P201004069	Ronald	Eiken	Eugene	MO	See Attached	Both	JMR	Letter mailed September 10, 2009.
P201004068	Gerald	Ferrin	Eugene	MO	See Attached	PSC	JMR	Letter mailed September 10, 2009.
P201003439	Ashley	Kempker	Eugene	MO	See Attached	PSC	JMR	Letter mailed September 1, 2009.
P201004066	James	Lea	Eugene	MO	See Attached	PSC	JMR	Letter mailed September 10, 2009.
P201001594	David	Pleues	Jefferson City	MO	Aqua MO doesn't take care of their business and shouldn't be granted another increase. The last increase was over 60% and they had another increase a couple of years ago. They are very difficult to deal with when you talk to them.	PSC	GB	Have not been able to contact the customer.
P201003645	Michael	Singer	Eugene	MO	see attached	PSC	JMR	Letter mailed September 1, 2009.

PUBLIC COMMENTS RECEIVED

BY

STAFF

REFERENCE: Case Numbers WR-2010-0027 and SR-2010-0026 AQUA

Here we go again – AQUA filed for another rate increase in its annual water and sewer operating revenues for Lake Carmel – all because of THEIR declining revenues over the past two years? Our last major upgrade for Lake Carmel was in 2004.

According to AQUA they have spent \$200,000 in system upgrades including main replacements; installed new meters and fencing; installed wastewater treatment equipment, and the addition of chlorination/dechlorination equipment to ensure environmental compliance.

Has AQUA published these upgrades by exact location to its customers? No.

Did AQUA not plan well from the “get-go”? Which agency is monitoring these upgrades to verify AQUA has actually accomplished them for Lake Carmel residents? Is it NE Office, DNR representative Everett Baker?

Has the same form letter been sent out to other Cole County AQUA customers – and not just Lake Carmel residents? Will the rate increase benefit only my fellow Lake Carmel residents? Who gets what with this pending rate increase? My gut tells me that it won't be Lake Carmel residents who will receive the upgrades. True or False?

If AQUA is soliciting to raise our rates to upgrade the system, I don't believe that as Lake Carmel residents that it is our goal to support and increase the size of their business. We are current customers and should be paying for the service and the systems standard, required upkeep. Any long term repairs (such as replacing main lines and work on the well house) should have come from setting aside funds over previous years.

In 2005 AQUA approached the PSC asking over 200% in increased rates just for the water. Lake Carmel residents already pay higher rates than other communities in the area. The towns of Eldon, Russellville, Jefferson City, Wardsville and St. Martins are paying monthly fixed costs of about \$18-30 a month for sewer/ water. This increase will make our fixed cost about double these others in the area.

- My billing statement for the 21st of August 2006 was \$7.25 for Water and \$22.53 for Sewer. My August 10, 2009 billing statement was \$10.16 and \$44.79 for Sewer.
- Other residents were paying \$10.20 in 2006 and now they are paying \$17.72.

CYNTHIA N. BENWARD
Lake Carmel Estates
8704 North Shore Drive

Eugene, MO 65032-2073



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September 4, 2009

Public Service Commission
Attn: Water/Sewer Dept
P.O. Box 360
Jefferson City, MO 65102

RE: Case Number SR-2010-0026

Please accept this letter as a protest to the requested increase from Aqua Missouri, LLC, Case#SR-2010-0026.

I am the developer for Autumn Woods Estates, LLC in Cole County, MO. One of the property owners of the subdivision alerted me of this request. Since my personal residence is not served by Aqua Missouri, I was not informed of this or the previous request made last fall.

It concerns me greatly that the excessive request last year was allowed! How can it be justified to raise any utility 62% at one time? Now within 12 months another request is made. How can another request even be allowed in this short of a period, much less considered?

I have two major reasons for protesting this increase. The first is the drastic increase to the residents of my subdivision. These families are being unfairly affected to pay increases to cover "upgrades and maintenance". The Autumn Woods systems have only been installed in the last few years. Several of these families have been customers for less than two years and now being told their rates are increasing by 108% even though they are served by a brand new plant! In addition, each homeowner has installed their own septic tank for solid waste. Aqua Missouri is charging only for treating the gray water!

My second reason for protesting this increase is for development reasons. We did not start this subdivision with the intention to have a central waste treatment system. Once it became necessary to install one, I was informed by the Department of Natural Resources that Aqua Missouri had the contract for the area and we would have to comply with their requirements and they would maintain it for the customers.

I was required to have two waste water treatment plants engineered, built, and deeded to Aqua Missouri. Not only did I have to bear the cost of over \$160,000 but I had to give them two tracts of land totaling over ½ acre.

My only consolation was that I was told this utility company was regulated by the Missouri Public Service Commission. It provided me the peace of mind that any ongoing costs would be controlled and any necessary increases appropriate and justified.

Since the treatment plants are still new, we have only 7 homes built that are part of the 16 possible connections. This means that as a developer, I have been able to reclaim less than one half of my investment. Furthermore, the monthly rate for potential buyers is potentially jumping from \$27.75 to \$57.87. This does not help my chances of marketing the rest of the development!

My career involves owning a local office products business. We are all experiencing a downturn in business and rising costs. As a small business owner, I have to cut costs and be more efficient. It would be preposterous for me to try to raise prices on the customers that have been loyal to me when the others go away. How can a utility company get by with it!

Finally, last night I was speaking to another well established small business owner about stopping this increase. He joked, "All the PSC will do is be a speed bump"!

Please be willing to put a stop to this ridiculous request, and be more than a speed bump to Aqua Missouri!



Daniel Eiken
Autumn Woods Estates
5306 Zion Road
Jefferson City, MO 65109
dane@checksamco.com
(573) 619-5630

cc: Office of Public Counsel

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Missouri Public Service Commission
Public Comments

SEP 09 2009

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Public Service Commission
Missouri Public Service

Your comments are appreciated and will be placed in an official file of the Missouri Public Service Commission.

Public Comments

LAKE CARMEI

(The above comment field allows only 500 characters. Please attach a separate file, if needed.)

Phone numbers, fax numbers, street addresses, and email addresses will be kept private.

First Name	GERALD
Middle Initial	R
Last Name	FERRIN
Street Address	10331 SOUTH SHOE DR
Mailing Address (If different from above)	N/A
City	EUGENE
State	Missouri
Zip	65032 - 5032
County	
Phone	N/A
E-Mail	GSRRF@AOL.COM
Utility Type	Sewer
Utility Company Name	Aqua Missouri, Inc. (Development)-(Sewer)
Case/Tracking No.	WR-2010-0027A

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SEP 02 2009

UTILITY OPERATIONS
DIVISION

Public Service Commission
Attn: Water/Sewer Dept.
P.O. Box 360
Jefferson City, MO 65102

August 31, 2009

Dear Public Service Commission:

As a member of Lake Carmel Estates Association Inc. I have several concerns about the request made by AQUA Missouri Inc.

I would like to start by expressing my concerns about how AQUA MO has conducted business with our community. The sewer system and additional property alongside the lagoons were provided free of charge to AQUA MO by the developer. It was not a decision made by the community, and so we have been stuck with this company. It has been our understanding that the two parties were going to work together to make further developments. Now it seems neither were on the same page and we the customers are left to pay for items that should have been handled by other means.

AQUA MO did add the water tower in 2004. This is greatly appreciated and I feel we are paying for that appropriately with this last years increase. Also that increase should have made it possible for regular maintenance. This years request for an increase in charges cannot be justified with the reasons provided in their letter.

If Aqua MO had declining revenue it would only have been from lost customers across the state or country that were able to find another company that could replace them. As for the Lake Carmel community they have had four new homes added to the system since the last rate increase. This is a direct increase to revenue.

Increased operating expenses would not seem feasible since they have maintained only one employee for our area and the billing system is automated. The only operating expenses were routine maintenance. After speaking with a DNR employee I learned that we already have chlorination and dechlorination systems, however it is not a top of the line system. It does seem to be a functional system that likely did not cost a huge sum of money.

The addition of any wastewater treatment equipment would be expensive I agree, however there are some fundamental political and social challenges with this being charged in increased fees to us in this way. We have the system that handles our needs. If the DNR is forcing the changes then I guess we need to address this more openly. It should be right out there in the letter. If it is to make improvements to handle more homes then we have a very different situation. The increase in cost should be handled by the new customers.

I believe if this is a business they are entitled to expand and make a profit. However we should not be targeted to provide them the capital to grow their business. That is for stockholders or banks to provide. This is as bad as the electric company trying to get everyone else to pay them in advance for developments in their system. I would think like most people/businesses they should get stockholders, banks to provide a loan, government grant, or a bond issue that they could pay back with new customer's charges.

If AQUA MO had wanted to increase customers they would have had time many years ago to expand the size of the lagoons. Because they chose not to do this now they are likely restricted by DNR to more costly treatment options. This also caused them to restrict the developer's ability to add new homes that could be developed at the lake. We should not be the source of money for them to develop a larger system.

Hopefully you are also considering the following issue in your decision. We are being asked to meet rather high fixed costs when we look at other communities in the area. Lake Carmel homeowners already pay higher rates than other communities in the area. The towns of Eldon, Russellville, Jefferson City, Wardsville and St. Martins are paying monthly fixed costs of about \$18-30 a month for sewer/ water. This increase will make our fixed cost about double these others in the area. We are already paying \$65 a month when you include water charges.

A final question is why they addressed the two letters as they did. One notes in heading "Jefferson City initial customer notice" and the second "Lake Carmel initial customer notice". Are these increases not taking place across the entire AQUA MO customer base? If so, why wouldn't they address it "AQUA MO customer"? The increase in rates would never generate the revenue they are quoting since we only have 40-50 full use accounts at most at the Lake. If they are just trying to raise our rates to upgrade the system then again I reiterate it is not our job to support and increase the size of their business. We are current customers and should be paying for the service and the systems standard, required upkeep. Any long term repairs (such as replacing main lines and work on the well house) should have come from setting aside funds over previous years.

Thank you for your time and consideration,
Gerald & Shirley Ferrin
10331 South Shore DR
Eugene, MO 65032

Public Service Commission
Attn: Water/Sewer Dept.
P.O. Box 360
Jefferson City, MO 65102

Dear Public Service Commission:

As a home owner of Lake Carmel Estates. I have several concerns about the rate request made by AQUA Missouri Inc.

It has now come to my attention that other communities in the area are receiving these letters. So who is going to be getting exactly what from this increase? It would be nice to see a professional analysis sheet of where they plan to spend this money. Unfortunately, it seems we are just supposed to assume someone somewhere is getting improvements. Since this seems to be more of a cooperative effort than a business venture, I would like to know exactly what we are getting from the increase.

We cannot be dealing in generalities with these letters since so much money is being requested. How will we know if they ever spend the money evenly among all parties involved? If this were a cooperative I could see everyone pooling their resources, however I do not believe this to be the case. I thought this was a business designed to serve multiple communities (even if it is dealing with restricted income due to set rates) by using excess funds to make routine repairs and upgrades?

It seems AQUA MO has run into a similar problem that rental companies and apartment renters encounter. They may not have saved enough or made enough maintenance steps along the way to handle the ever changing and degrading properties they own. I would like to point out that this is exactly why everyone can't afford to be in that business either. Sure it makes money if you are not concerned about raising your prices or can get out of the business before you have to put money back into the property. Neither of these choices should be an option for this company. They should be allowed the cost of inflation and that is all.

This appears to show that AQUA MO did not plan well at the start and likely is not able to handle as many customers as they originally projected. I just hope you can look at their books and assure us the customers that they have been spending fairly and saving for rainy days in a judicious manner. Also hopefully the money is being spread evenly between all concerned parties. Our last major upgrade was in 2004.

If they have been doing all they can to scrape by then I guess all we can do is ask them to keep scrapping by since we really cannot afford these cost increases. Just a reminder that since 2005 when they first approached the PSC they wanted over 200% in increased rates just for the water. It looks to me that they are going to just keep coming at you until they get what they want. Today we are paying \$17.72 for 5000 gallons and in 2006 we were paying \$10.20. That is getting rather close to a 100% increase or double our water bill in less than 4 years. I wish I had the sewer bills to compare but I think I would be even more upset.

Thank you for your time and consideration,
Ashley Kempker

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Public Service Commission*

**James Robert Lea
8610 North Shore Drive
Eugene, Missouri 65032
Telephone (573) 496-3615**

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SEP 02 2009

August 31, 2009

**UTILITY OPERATIONS
DIVISION**

Case Numbers: SR-2010-0026 and WR-2010-0027

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

Dear Commissioners:

This letter is in reference to Aqua Missouri, Inc.'s request before the Commission to increase both water and sewer rates at Lake Carmel Estates, located in southern Cole County.

First I was quite disturbed to receive a notice addressed to "Jefferson City Initial Customer Notice" requesting an increase in the sewer rates and the next day receiving another notice addressed to "Lake Carmel Initial Customer Notice" requesting an increase in both sewer and water rates (both dated August 11, 2009). This should be an indication of how the management of this company operates their business.

Below is a table of information taken from my actual water/sewer bills over the past ten years. Although the water/sewer company operating at Lake Carmel Estates has been sold twice in the past ten years, rates have increased dramatically since 2005.

Year/Company	Sewer Rate	Water Rate	Customer Charge
1999/Capitol Utilit.	\$22.53/month	\$1.87/1,000 gal.	
2000/AquaSource	\$22.53/month	\$1.87/1,000 gal.	
2001/AquaSource	\$22.53/month	\$1.87/1,000 gal.	
2002/Aqua Source	\$22.53/month	\$1.45/1,000 gal.	\$2.95/month
2003/Aqua Source	\$22.53/month	\$1.45/1,000 gal.	\$2.95/month
2004/AquaMissouri	\$22.53/month	\$1.45/1,000 gal.	\$2.95/month
2005/AquaMissouri	\$22.53/month	\$1.45/1,000 gal.	\$2.95/month
2006/AquaMissouri	\$27.75/month	\$2.27/1,000 gal.	\$4.61/month
2007/AquaMissouri	\$27.75/month	\$2.27/1,000 gal.	\$4.61/month
2008/AquaMissouri	\$44.79/month	\$2.52/1,000 gal.	\$5.12/month
2009/AquaMissouri	\$44.79/month	\$2.52/1,000 gal.	\$5.12/month

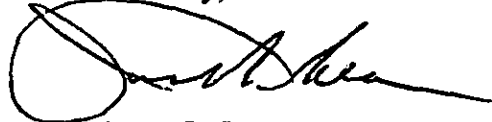
Missouri Public Service Commission
August 31, 2008
Page 2

AquaMissouri rates for sewer, water and the monthly customer charge has almost doubled since 2005. With the exception of the water tower that was installed I have not seen any improvements to the water and sewer system other than normal maintenance since 2004. AquaMissouri's notice to the Lake Carmel customers states the "primary reasons for the water increase are investment in upgrades to a well house, new meters and fencing, and increased expenses over the past two years". You should be asking what the upgrades were to the well house and where the new meters were installed. I have the same meter that was installed in 1987 when we moved to Lake Carmel. As for the fencing, that was a requirement of all public water systems after the 9/11 attack, why are we paying for it now? The water system already has chlorination/dechlorination equipment installed. Please find out if the equipment is working or if the Missouri Department of Natural Resources is requiring new equipment or if AquaMissouri just wants to upgrade the system so they can expand their customer base. If it is the latter, it is not the customer's obligation to increase the company's ability to service future customers, that is an opportunity for private investors.

As for the sewer system, I hope you thoroughly investigate the need for upgrades. Is it based upon regulatory considerations or is it based upon the need to expand future development. There has been an ongoing battle between AquaMissouri and the developer of Lake Carmel Estates (Becker Development) over expansion of the water and sewer system. Both parties knew the capacities and limitations of these systems when they acquired them. The current customers should not be caught in the middle of this dispute and should not have to pay for new expansions. In these tight economic times everyone has to tighten their belt. This is not the time for another bailout of a company that obviously has not invested in their own future.

Thank you for the opportunity to comment on these proposals. If you have any questions, please feel free to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "James R. Lea", with a large, stylized initial "J" and "L".

James R. Lea

cc: Office of the Public Counsel

Public Service Commission
Attn: Water/Sewer Dept.
P.O. Box 360
Jefferson City, MO 65102

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SEP 01 2009

UTILITY OPERATIONS
DIVISION

Dear Public Service Commission:

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It has now come to my attention that other communities in the area are receiving these letters. So who is going to be getting exactly what from this increase? It would be nice to see a professional analysis sheet of where they plan to spend this money. Unfortunately, it seems we are just supposed to assume someone somewhere is getting improvements. Since this seems to be more of a cooperative effort than a business venture, I would like to know exactly what we are getting from the increase.

We cannot be dealing in generalities with these letters since so much money is being requested. How will we know if they ever spend the money evenly among all parties involved? If this were a cooperative I could see everyone pooling their resources, however I do not believe this to be the case. I thought this was a business designed to serve multiple communities (even if it is dealing with restricted income due to set rates) by using excess funds to make routine repairs and upgrades?

It seems AQUA MO has run into a similar problem that rental companies and apartment renters encounter. They may not have saved enough or made enough maintenance steps along the way to handle the ever changing and degrading properties they own. I would like to point out that this is exactly why everyone can't afford to be in that business either. Sure it makes money if you are not concerned about raising your prices or can get out of the business before you have to put money back into the property. Neither of these choices should be an option for this company. They should be allowed the cost of inflation and that is all.

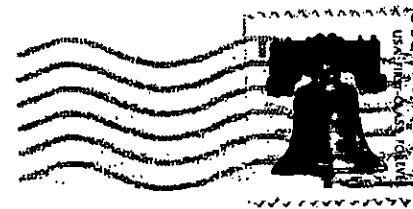
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If they have been doing all they can to scrape by, then I guess all we can do is ask them to keep scrapping by since we really cannot afford these cost increases. Just a reminder that since 2005 when they first approached the PSC they wanted over 200% in increased rates just for the water. It looks to me that they are going to just keep coming at you until they get what they want. Today we are paying \$17.72 for 5000 gallons and in 2006 we were paying \$10.20. That is getting rather close to a 100% increase or double our water bill in less than 4 years. I wish I had the sewer bills to compare but I think I would be even more upset.

Thank you for your time and consideration,
Michael and Phillis Singer

MICHAEL & PHILLIS SINGER
8515 NORTH SHORE DRIVE
EUGENE MO 65032

MID-MISSOURI PROF
MO 652 1 T
31 AUG 2008 PM



Public Service Commission
Attn: Water/Sewer Dept.
P.O. Box 360
Jefferson City, MO 65102

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STAFF'S INVESTIGATION

RESULTS

WR 2010-0027

<u>Last Name</u>	<u>First Name</u>	<u>System</u>	<u>Comments:</u>
Benward	Cynthia	Lake Carmel	Met with Ms. Benward to discuss her concerns.
Crowe	Joe	Lake Carmel	Upset with water quality - taste and chemicals. Says water tastes terrible and the laundry gets ruined if you wash it in the water because of rust and then chemicals they have to use to get rust out and then chemicals needed to remove those chemicals. Says new pipe was supposed to be installed but has not been installed yet.