

Thursday, October 24, 2002

From: W.J. Rummel, Pres.
Rogue Creek Utilities, Inc.
101 Windmill Dr.
Potosi, MO 63664

To: Mr. Dale Roberts
Mo. Public Service Commission
PO Box 360
Jefferson City, MO 65102

Case #WR-2003-0153

Dear Mr. Roberts

Enclosed are your copies, as requested by Mr. Randy Hubbs, of the notification letters sent to Rogue Creek Utility customers of the upcoming rate increase.

The letters were date May 10, 2002 and October 5, 2002.

We cannot meet the needs of our customers with the present water and sewer rates .

If there is any further information you may need, please feel free to call my office at 573-438-2486.

Sincerely


W. J. Rummel
Rogue Creek Utilities, Inc.

RECEIVED

OCT 31 2002

UTILITY OPERATIONS
DIVISION

FILED⁴

OCT 31 2002

Missouri Public
Service Commission

RECEIVED
OCT 28 2002
Adjudication Division
To: Randy Hubbs

ROGUE CREEK UTILITIES, INC.

101 Windmill Drive
Potosi, MO 63664
Phone: (573) 438-2486

May 10, 2002

Dear Customer:

On April 19, 2002, Rogue Creek Utilities, Inc. (Company) submitted a request for permanent increases in its current water and 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 **water service** revenues of \$9,500 (an approximate 104.4% increase). The Company is also requesting an increase in its annual operating **sewer service** revenues of \$15,300 (an approximate 161.5 % increase). The Company believes these increases in its operating revenues are necessary to allow it to meet current operating expenses and provide an adequate return on investments. Additionally, the Company is requesting that its "miscellaneous service charges" be updated.

The examples bills shown below set out a comparison of the Company's current residential customer rates for both water and sewer service as if they were increased by the requested percentage increases. The example water bill is presented for a customer who uses 3,000 gallons per month. No taxes or other charges are included in examples below.

Water Rates

Current Monthly Rate	\$ 3.97
Current Commodity Rate	
(usage > 1,000 gallons/mo)-\$1.39 per 1,000 gal x 2,000 gallons	<u>\$ 2.78</u>
Total Current Monthly Bill (using 3,000 gallons)	<u>\$ 6.75</u>
Proposed Increase Percentage	104.4 %
Proposed Monthly Bill (using 3,000 gallons)	<u>\$ 13.80</u>
Proposed Increase Amount	<u>\$ 7.05</u>

Sewer Rates

Current Monthly Rate	<u>\$ 9.45</u>
Proposed Increase Percentage	161.5 %
Proposed Monthly Rate	<u>\$ 24.71</u>
Proposed Monthly Increase	<u>\$ 15.26</u>

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 make 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
Attn: 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,


Bill Rummel
President
ROGUE CREEK UTILITIES, INC.

Rogue Creek Utilities, Inc.

Contact: Mr. Bill Rummel

101 Windmill Drive

Potosi, Missouri 63664

(573) 438-2486

Notes of W.R. Hubbs

4/30/2002

File Nos. QW 2002 0002 Water --- QS 2002 0003 Sewer

Water Bill Increase For a Typical Residential Customer:			
		Current Rates	Increased Rates
Monthly Charge:		\$3.97	\$8.11
Commodity Chg	\$1.39 /mgal 2 mgal	\$2.78	\$5.68
Rates premised on 3,000 gallons per month use			
1,000 gallons built into base rates		<u>\$6.75</u>	
			<u>\$13.80</u>
Increase in Water Rates:	Dollar Amount =	<u>\$7.05</u>	
	Percentage =	104.4%	104.4%

Sewer Bill Increase for a Typical Residential Customer:			
Current Rate:			
Monthly Charge:		<u>\$9.45</u>	
Proposed Rate:			
Monthly Charge:		<u>\$24.71</u>	
	Increase	<u>\$15.26</u>	161.5%
	Percentage =	161.5%	

From Arlie Smith	From Arlie Smith			
Customer Numbers	Revenues Current	Revenues Proposed	Dollar Increase	Percentage Increase
WATER				
109	\$9,100.00			
		\$18,600.00		
			<u>\$9,500.00</u>	104.4%
SEWER				
91	\$9,476.00			
		\$24,776.00		
			<u>\$15,300.00</u>	161.5%
Totals	<u>\$18,576.00</u>	<u>\$43,376.00</u>	<u>\$24,800.00</u>	
	current	proposed	increase	

ROGUE CREEK UTILITIES, INC.

101 Windmill Drive
Potosi, Missouri 63644
Phone (573) 438-2486

October 5, 2002

Dear Customer:

On April 18, 2002 Rogue Creek Utilities, Inc. (Company) submitted a request for permanent increases in its current water and sewer rates, under the Missouri Public Service Commission's (Commission) small company rate increase procedure.

By its request, the Company is seeking increases in its customer rates intended to generate an increase in the Company's annual operating revenues for water service of \$9,500 and for sewer service of \$15,300. The Company believes these increases in its operating revenues are necessary to meet current expenses, and to provide adequate earnings on investment.

As a result of the Company's request, the Staff of the Public Service Commission (Commission Staff) conducted an investigation of the Company's books and records and the Company's operations. Based upon the results of its investigation, the Commission Staff is recommending an increase in the Company's annual operating water revenues of \$8,549 (approximately 103.6%), and an increase in the Company's annual operating sewer revenues of \$6,566 (approximately 63.6%).

The following have also been agreed to by the Staff and the Company: The implementation of a Late Payment Charge; the implementation of a Bad Check Charge of \$20 per bad check; the implementation of a Door Collection Charge of \$15, to avoid disconnection; the implementation of an Emergency Call Out Charge of \$15 to shut off service where the emergency exists entirely on the customer owed facilities; the implementation of a Reconnection of Service for "Seasonal" Disconnects of \$25 plus the monthly customer charge times the number of months "off-system" (not to exceed 10 months); an increase in the Reconnection Charge after the Company has discontinued service from \$20 to \$25; an increase of the Temporary Turn-off Charge from 10:00 am to 6:30 pm (regular hours) from \$20 to \$25; an increase of the Temporary Turn-off Charge for after regular hours from \$30 to \$35; an increase of the Service Connection Fee from \$300 to \$425; that the Company agrees to start reading all meters on a monthly basis; that the Company agrees to start billing all customers on a monthly basis; and, that the Company agrees to put the date on the bill after which it will be considered delinquent on each customer's monthly billing.

The Office of the Public Counsel (Public Counsel), a state agency responsible for representing the interests of consumers before the Commission, has reviewed the results of the Commission Staff's investigation. However, the Public Counsel has not yet taken a final position regarding the Commission Staff's recommended increase in the Company's annual operating revenues.

Set out below is a comparison of the Company's current customer rates, the Company's requested customer rates and the Commission Staff's recommended customer rates, as well as the changes in the affected service charges. A monthly bill comparison, which is based upon an assumed usage of 6,000 gallons, is also shown.

Water Service:

Type of Charge	Current	PSC Staff	Percentage
Monthly Minimum Charge (Includes 1,000 gallons/Month)	\$ 3.97	\$ 11.51	
Usage Over 1,000 gallons (per 1,000 gallons)	\$ 6.95	\$ 5.95	
Total Monthly Bill (6,000 gallons usage)	\$ 10.92	\$ 17.46	59.9%

Sewer Service:

	Current	PSC Staff	Percentage
Customer Charge	\$ 9.45	\$15.46	63.6%

Any customer that has questions or comments about the Commission Staff's recommended rate increase should contact the Staff, and/or the Public Counsel, ***within 20 days of the date of this notice***. To do so, please use the addresses, telephone numbers or fax numbers shown at the bottom of this notice. Depending upon the response to this notice, the Public Counsel may request that the Public Service Commission hold a local public hearing. ***Regardless of whether a local public hearing is held, no increase in rates will take effect without the approval of the Public Service Commission.***

Sincerely,


Mr. William Rummel
President

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

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