

LAKE CARMEL INITIAL CUSTOMER NOTICE

August 11, 2009

Aqua Missouri, Inc. (Aqua) submitted a request to the Missouri Public Service Commission (Commission) on July 15, 2009 for increases in its annual water and sewer operating revenues for Lake Carmel. 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. The primary reasons for the sewer increase are \$200,000 in system upgrades including main replacements, wastewater treatment equipment, the addition of chlorination/dechlorination equipment to ensure environmental compliance, and increased operating expenses and declining revenue over the past two years.

By its request, the Company is seeking changes to its customer rates intended to generate an increase in its annual water operating revenues of \$40,900 (27.5 percent) and its sewer operating revenues of \$284,300 (approximately 29.2 percent). At the end of this notice is a table that compares the Company's current residential customer rates and the proposed residential rates.

To provide comments regarding the Company's revenue increase request, or comments regarding any recent service-related problems, please contact the Commission Staff and/or the Office of the Public Counsel (OPC) ***within 30 days of the date of this notice***. Your comments should include reference to case numbers WR-2010-0027 and SR-2010-0026. The Commission Staff and the OPC will review all customer comments submitted in response to this notice. All comments will be filed in the official case file for review by the Commissioners.

To submit your comments in writing:

Public Service Commission

Attn: Water/Sewer Dept.

P.O. Box 360

Jefferson City, MO 65102

Phone: 800.392.4211 (Missouri residents only)

Phone: 573.751.1881 (Out of State Customers)

Fax: 573.751.1847

E-Mail: water.sewer@psc.mo.gov

Office of the Public Counsel

Attn: Water/Sewer Dept.

P.O. Box 2230

Jefferson City, MO 65102

Phone: 866.922.2959

Fax: 573.751.5562

E-Mail: mopco@ded.mo.gov

To submit your comments via the Commission's Website:

(1) Go to <http://www.psc.mo.gov>;

(2) Click on "EFIS / Case Filings" on the menu bar on the left side of the page;

(3) On the next page, click on the "Public Comment" icon under Submit Public Comments; and

(4) Fill out and submit the Public Comments form, including the case number shown above.

If you have any questions about this notice, or about anything else with which the Company may be of assistance, please feel free to contact Aqua at 877.WTR.AQUA (877.987.2782).

Lake Carmel-Water

<u>Type of Charge</u>	<u>Current Rates</u>	<u>Proposed Rates</u>	<u>Amount of Rate Change</u>
Monthly Minimum Charge (includes no usage) for 5/8 inch meter	\$5.12	\$6.53	\$1.41
Residential Usage, per 1000 gallons	\$2.52	\$3.21	\$0.69
Commercial and Industrial usage, per 1,000 gallons	\$4.01	\$5.11	\$1.10
Total Residential Monthly Bill (at 4,000 gallons usage)	\$15.20	\$19.37	\$4.17

Lake Carmel-Sewer

<u>Type of Charge</u>	<u>Current Rates</u>	<u>Proposed Rates</u>	<u>Amount of Rate Change</u>
Monthly Flat Rate-Residential	\$44.79	\$57.87	\$13.08
Monthly Flat Rate-Mobile Homes within a park, and Multi-family	\$38.06	\$49.17	\$11.11
Monthly Commercial and Industrial- first 7,000 gallons	\$44.79	\$57.87	\$13.08
Commercial and Industrial-usage over 7,000 gallons, per 1,000 gallons	\$6.408	\$8.279	\$1.871