TERRE DU LAC UTILITIES, INC. 1628 S. ST. FRANCOIS ROAD BONNE TERRE, MO. 63628 (573)358-3376 INITIAL CUSTOMER NOTICE

NOVEMBER 10, 2016

Dear Customer:

On October 11, 2016, the Terre Du Lac Utilities Corporation (Company) submitted a request for increases in its annual water and sewer operating revenues to the Missouri Public Service Commission (Commission). The reason for the increases is to cover increases in expenses and/or investments in the Company's facilities.

By its request, the Company is seeking changes to its customer rates intended to generate an increase in its annual sewer operating revenues of \$8,700 (approximately 4%) and an increase in its annual water operating revenues of \$134,000 (approximately 51%), respectively. 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 service-related problems, please contact the Commission Staff and/or the Office of the Public Counsel (Public Counsel) within 30 days of the date of this notice. Your comments should include a reference to case numbers WR-2017-0110 and SR-2017-0109. The Commission Staff and the Public Counsel 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 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 the Submit Comments box under the "How Do I..." heading on the right top of the page.
- (3) From this page click on the "submit comment" link found under "Submit Comments in Writing"; and
- (4) Fill out and submit the Public Comments form, including the case number shown above. If you want to attach a document, before clicking the "Submit" button, click the "Attach" button. There are instructions on that page for attaching the document and returning to the previous screen.
- (5) Click the "Submit" button at the bottom of the page.

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, and please also note that this information will be updated as the case moves forward.

- * 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-2017-0110 or SR-2017-0109 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.

Based on a proposed 51% water rate increase, rates would increase to the amounts shown below. Additionally, based on an average customer use of 5,000 gallons per month, an average monthly bill would change as shown below.

Water Charge	Current Rates	Proposed Rates	Proposed Amount of Rate Change
Monthly Minimum Charge 3/4 inch Meter	\$11.41	\$17.23	\$5.82
Usage over 1,000 gallons (per 1,000 gallons)	\$1.38	\$2.08	\$0.70
Total Monthly Water Bill*	\$18.31	\$27.63	\$9.32

^{*5,000} gallons of usage per month is an example only. Your bill will vary depending on your usage.

Based on a proposed 4% sewer rate increase, rates would increase to the amounts shown below.

Sewer Charge	Current Rates	Proposed Rates	Proposed Amount of Rate Change
Monthly Minimum Charge		\$20.19	\$0.78

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 573-358-3376.

Sincerely,

Michael Tilley President