NOTICE RE: LOCAL PUBLIC HEARING

June 13, 2014

NOTICE OF LOCAL PUBLIC HEARING REGARDING PROPOSED RATE INCREASE

Based upon a request by the Office of the Public Counsel (OPC), a state agency responsible for representing the interests of consumers before the Missouri Public Service Commission (Commission), the Commission will be holding a local public hearing regarding proposed changes to the customer rates and charges of Peaceful Valley Service Company (Company). The purpose of this local public hearing is to receive customer comments about the proposed changes to the Company's rates and charges, and to bring service-related problems to the Commission's attention.

The local public hearing will be held June 25, 2014, at Owensville City Hall, 107 West Sears Avenue, Owensville, Missouri 65066. The night's activities will begin with an informal question-and-answer session starting at 5:30 p.m. – with the local public hearing starting immediately after the informal session. The facility at which this local public hearing is being held meets the accessibility standards required by the Americans With Disabilities Act. Any person who needs additional accommodations to participate in the local public hearing should call the Commission's Hotline at 1-800-392-4211 (voice), or Relay Missouri at 711, no later than the end of business on June 24, 2014.

On November 20, 2013, the Company submitted a request for a 0% increase in its quarterly water service charges and a 505.8% increase in its quarterly sewer charges. Subsequent to that request being submitted, the Commission Staff and the OPC conducted an audit of the Company's books, records and operations. As a result of negotiations between the Company and the Staff regarding the Company's request and the Staff's audit, the Company and the Staff reached an agreement that would result in the quarterly water charge decreasing 1.82% and the quarterly sewer charge increasing 21.71%. The proposed rates are shown in the table at the end of this notice. At this point, the OPC has not entered into any agreements regarding increases in the Company's rates.

Any customer that has questions about the local public hearing, that has comments about the Company's proposed revisions to its rates and charges, or that has comments regarding service-related problems should contact the Commission Staff and/or the OPC no later than the end of business on June 24, 2014. To do so, please use the telephone numbers, fax numbers or e-mail addresses shown below, and please include a reference to Commission Case No. SR-2014-0153 and/or WR 2014-0154.

Public Service Commission Office of the Public Counsel

Phone: 800/392-4211 Phone: 866/922-2959

Fax: 573/751-1847 (Attn: Water/Sewer Dept.) Fax: 573/751-5562(Attn: Water/Sewer Dept.)

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

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.

- * Go to http://www.psc.mo.gov
- * Click on the box on the lower middle of the page entitled "Comments: How to Make Your Voice Heard".
- * From this page click on the "submit comment" link found under "Submit Comments in Writing"; and

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- * 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.
- * Click the "Submit" button at the bottom of the page.
- * On the next page, click on "Resources" near the top right of the page
- * On the next page, click on "Case Information"
- * On the next page, click on "Case Filing/Submission"
- * On the next page, click "Yes" when asked if you want to display the unsecured information
- * On the next page, check the box to the left of "Case No."; enter SR-2014-0153 or WR 2014-0154in the box to the right of Case No.; scroll to the bottom of the page and click on "Search"
- * On the next page, click on SR-2014-0153 or WR 2014-0154 and this will bring up a screen that contains all of the documents that have been filed in the case to date
- * To view a document, click on the number in the left column

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) 437-7808.

Sincerely

August E. Hoernschemever

President PVSC

| Type of Charge | Current Rates | Proposed Rates |
|--------------------------------|---------------|----------------|
| Quarterly Water Service Charge | \$29.24 | \$28.71 |
| Quarterly Sewer Service Charge | \$33.53 | \$40.81 |