

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of Missouri-American Water)
Company's Request for Authority to Implement)
A General Rate Increase for Water and Sewer)
Service Provided in Missouri Service Areas)

Case No. WR-2008-0311

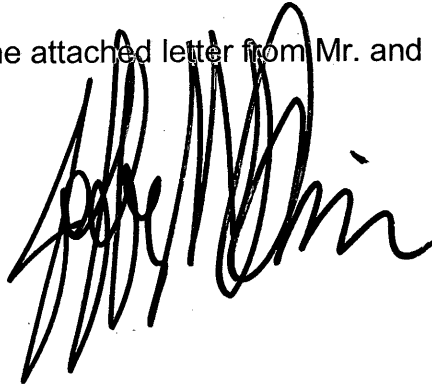
NOTICE REGARDING EXTERNAL COMMUNICATIONS

Issue Date: June 3, 2008

On June 3, 2008 I received the attached letter from Mr. and Mrs. Dick Gaffney.

Dated at Jefferson City, Missouri,
on this 3rd day of June, 2008.

Jeff Davis, Chairman

A large, stylized handwritten signature in black ink, likely belonging to Jeff Davis, the Chairman mentioned in the text. The signature is written over the right side of the page, partially overlapping the date and the text "On June 3, 2008".

1015 El Dorado Drive,
Jefferson City, MO 65101,
29 May, 2008

Mr. Jeffrey Davis, Chairman,
Missouri Public Service Commission,
P.O. Box 360,
Jefferson City, MO 65102-0360

RE: Aqua Missouri—Rate Increase Request, 2008.

Dear Mr. Davis:

We attended the public hearing held May 28th in Jefferson City. We received the information made available at the meeting. We also talked with some of the PSC staff.

We do not reside in the service area of Aqua Missouri. We receive city water and sewer service. We tell you this so that you will know that we do not have any vested interest in the specific rate increase request currently before the Public Service Commission.

We do understand that Missouri American Water Company has made a rate increase request, the public hearing on which will be in the autumn of this year, and that staff already is working on an audit for that request.

Please be sure that we are on the list to be notified of any public hearing on the Missouri American rate increase request.

We do, however, wish to comment on the Aqua Missouri rate increase request from the point of view of the financial ramifications of any rate increase allowed by the PSC.

We live in the economy of Missouri and of the United States of America, which is in a recession, marked by:

- a lowered level of commercial activity,
- a slump in retail sales,
- layoffs of employees,
- reduced interest levels on investments, and (sad to say)
- increased prices for petroleum fuels,
- increased prices for foodstuffs at grocery stores,
- increased prices for meals at restaurants, and
- increased prices for prescription medications.

When retired people live on fixed incomes, their buying capacity is reduced by inflation, and their savings do not grow on reduced interest rates paid by banks. We are retired, on a small pension.

When employees are laid off from work due to a downturn in business activity, they try to live on reduced incomes, and their buying capacity is reduced by inflation.

In Jefferson City, in particular, state employees either receive a very small cost-of-living-adjustment, or no increase in income, and their buying capacity is reduced by inflation. We remember that early in the 1980s, state employees received NO salary increases about four years in a row, during a time of double-digit inflation. That hurt!

The only sign of reduction in pricing that we have seen is in the sale of homes in the area. Other than that, we are not aware of any deflationary trend.

Faced with these facts, plus the fact that other utilities, including Missouri American Water Company that serves Jefferson City, also will be asking for a rate increase in 2008, we hope that the Public Service Commission will deny any rate increase for Aqua Missouri, and deny any rate increase for other utilities when their requests come before the commission.

A year from now, if the economy has recovered from its current slump, utilities can request rate increases again. Right now, it would be highly injurious to most Missourians to add to their monthly utility bills. An increase on the order of that requested by Aqua Missouri would be disastrous. Even the lower rate increase recommended by the commission staff would be a financial burden to those who must pay the bills.

Please vote against any utility rate increase requests in 2008.

Yours truly,

Dolores Gaffney Dick Gaffney
Dolores and Dick Gaffney (Mr. and Mrs.)