

**LAKE CARMEL
SECOND CUSTOMER NOTICE AND
NOTICE OF LOCAL PUBLIC HEARING
January 27, 2010**

On July 15, 2009, Aqua Missouri, Inc. (Company) submitted a request for an increase in its annual water and sewer operating revenues for Lake Carmel to the Missouri Public Service Commission (PSC) under the provisions of the PSC's small utility rate case procedure. As a result of the Company's request, the Staff of the PSC conducted an independent audit of the Company's books and records, and an investigation of the Company's business and system operations. Based upon the results of the audit and investigation, and negotiations between the PSC Staff and the Company, the PSC Staff and the Company have reached an agreement, which if approved by the Commission would result in an increase of \$19,888 in the Company's annual water operating revenues and an increase of \$182,813 in the Company's annual sewer operating revenues.

If approved, the agreement would increase the residential customer monthly minimum charge for water from \$5.12 to \$5.79, and would increase the charge for each 1,000 gallons of residential water usage from \$2.52 to \$2.85. This means that under the proposal, a residential customer who uses 4,000 gallons per month would see an increased total bill from \$15.20 to \$17.19. The proposal also includes a commercial and industrial usage rate increase from \$4.01 to \$4.54 for each 1,000 gallons used.

If approved, the agreement would increase the residential customer monthly flat charge for sewer from \$44.79 to \$53.22, and would increase the mobile home/multi-family flat charge from \$38.06 to \$45.23. The agreement also includes a commercial and industrial usage rate increase from \$6.408 to \$7.614 for each 1000 gallons used over 7,000 gallons per month.

The Office of the Public Counsel (OPC), a state agency responsible for representing the interests of utility consumers before the PSC, has not signed the agreement and has requested the PSC to hold local public hearings to allow the Company's customers to comment on the proposed increase in rates or any recent service-related problems.

Public Hearings Scheduled

The PSC has scheduled local public hearings as follows. A question-and-answer session will be held thirty minutes before the start of each hearing.

Reeds Spring - Videoconference/Webcast - February 10, 2010 (6 p.m. – 9 p.m.)
Reeds Spring High School, Tri-Lakes TCRC, ITV Room
20277 State Highway 413
Reeds Spring, Missouri 65737

Shell Knob – Webcast/Onsite Attendance - February 11, 2010 (6 p.m. – 9 p.m.)
Shell Knob Elementary School, Music Room
Highway 39 South
Shell Knob, Missouri 65747

Republic - Webcast/Onsite Attendance – February 16, 2010 (6 p.m. – 9 p.m.)
Republic Community Center, Room B
711 East Miller Road
Republic, Missouri 65738

Sedalia - Videoconference/Webcast - February 17, 2010 (6 p.m. – 9 p.m.)
US Army National Guard Armory
2001 Clardendon Road
Sedalia, Missouri 65301

Warsaw – Videoconference/Webcast – February 18, 2010 (6 p.m. – 9 p.m.)
Warsaw High School- Community Learning Classroom
20363 Lane of Champions
Warsaw, Missouri 65355

Jefferson City- Videoconference/Webcast- February 22, 2010 (6:30 p.m.-9 p.m.)
Commission's Offices in Jefferson City
Governor Office Building
200 Madison Street, Hearing Room 310
Jefferson City, Missouri 65102

The buildings where the public hearings will be held meet accessibility standards required by the Americans with Disabilities Act. If a customer needs additional accommodations to participate in a hearing, please call the Public Service Commission's Hotline at 1-800-392-4211 (voice) or Relay Missouri at 711 prior to the hearing.

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 recent service-related problems, should contact the Commission Staff or the OPC no later than the end of business on February 22, 2010. To do so, please use the telephone numbers, fax numbers, or e-mail addresses shown below, and please include a reference to the Commission Case No. WR-2010-0027 or SR-2010-0026:

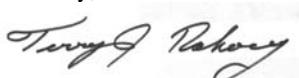
Public Service Commission
Attn: Water/Sewer Dept.
P.O. Box 360
Jefferson City, MO 65102
Phone: 800-392-4211
Fax: 573-751-1847
E-Mail: water.sewer@psc.mo.gov

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

Comments may also be registered in this case using the Internet Electronic Filing System at <http://psces/mpsc/> by using the link to the Public Comment section and filling in all required fields on the comment page.

If you have questions about this notice, or about anything else with which we may be of assistance, please feel free to contact Aqua at 877.WTR.AQUA (877-987-2782).

Sincerely,



Terry J. Rakocy, President
Aqua Missouri, Inc.