

INITIAL CUSTOMER NOTICE

May 29, 2009

Dear Customer:

On April 30, 2009, Highway H Utilities (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 increase is to cover increases in expenses and/or investments in the Company's facilities and we have not had an increase since starting in 1990.

By its request, the Company is seeking changes to its customer rates intended to generate increases in its annual sewer and water operating revenues of \$34,000 (approximately 78%) and \$66,000 (approximately 56%), 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 requests, or comments regarding 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 a reference to case numbers SR-2009-0392 and/or WR-2009-0393. 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
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 one of the case numbers shown above. (To submit comments for both cases, the process must be repeated for each case number.)

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) 774-2211.

Sincerely,

Highway H Utilities
Jerry Laughlin Agent

Type of Charge	Current Rates	Proposed Rates	Amount of Rate Change
Monthly Minimum Water Charge (includes 2,000 gallons)	\$ 5.46	\$10.78	\$ 5.32
Water usage Over 2,000 gallons (per 1,000 gallons)	\$ 1.00	\$ 1.00	\$ 0.00
Total Monthly Water Bill (at 6,000 gallons usage)	\$ 9.46	\$14.78	\$ 5.32
Total Monthly Sewer Bill	\$15.32	\$27.32	\$12.00