***INITIAL CUSTOMER NOTICE***

April 21, 2017

Dear Customer:

On April 4, 2017, the Indian Hills Utility Operating Company, Inc. (Indian Hills) submitted a request for an increase in its annual water operating revenues of $750,280 (approximately 779%) to the Missouri Public Service Commission (Commission). Some reasons for the proposed increase are to cover increases in expenses and investments in Indian Hills’ facilities including a new deep water well, the closure of a failed well site, the demolition of a well house, building new storage tanks, new emergency backup power, two new well houses, two new permanent drinking water disinfection systems, the total replacement of aging water meters and their original failing cardboard meter pits, the installation of isolation valves across the community, and the replacement of individual service lines.

At the end of this notice is a table that compares the Indian Hills’ current residential customer rates with Indian Hills’ proposed residential rate structure.

To provide comments regarding Indian Hills’ 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 number WR-2017-0259. 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 Office of the Public Counsel

Attn: Water/Sewer Dept. Attn: Water/Sewer Dept.

P.O. Box 360 P.O. Box 2230

Jefferson City, MO 65102 Jefferson City, MO 65102

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

Fax: 573-751-1847 Fax: 573-751-5562

E-Mail: watersewercomments@psc.mo.gov 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 Indian Hills’ 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-2017-0259 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.

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 (314) 736-4672.

Sincerely,



Josiah Cox

President

Indian Hills Utility Operating Company, Inc.

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| **Type of Charge** | **Current Rates** | **Proposed Rates** | **Proposed Amount of Rate Change** |
| Monthly Minimum Charge (includes 4,000 gallons) | $10.81 | $84.21 | $73.40 |
| Usage over 4,000 gallons (per 1,000 gallons) | $1.89 | $14.72 | $12.83 |
| Total Monthly Bill | $12.70 | $98.93 | $86.23 |