INITIAL CUSTOMER NOTICE

December 26, 2008

Dear Customer:

On November 26, 2008, Lakeland Heights (Company) submitted a request for an increase in its annual water 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.

By its request, the Company is seeking changes to its customer rates intended to generate an increase in its annual water operating revenues of \$10,200 (approximately 100%), 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 request, or comments regarding recent servicerelated 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 numberWR-2009-0227. 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	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: water.sewer@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 "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 the case number shown above.

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 573-293-5792 or 573-718-3796.

Sincerely,

Rodger Owens

President

Type of Charge	Current Rates	Proposed Rates	Amount of Rate Change
Monthly Minimum Charge (includes 2,000 gallons)	\$7.47	\$14.94	\$7.47
Usage Over 2,000 gallons (per 1,000 gallons)	\$2.71	\$5.42	\$2.71
Total Monthly Bill (at 6,000 gallons usage)	\$18.31	\$36.62	\$18.31