

INITIAL CUSTOMER NOTICE

October 23, 2008

Dear Customer:

On October 20, 2008 Cannon Home Association (Company) submitted a request for an increase in its annual 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.

By its request, the Company is seeking changes to its customer rates intended to generate an increase in its annual sewer operating revenues of \$7,000 (approximately 30%). At the end of this notice is a table that compares the Company's current residential customer rates and the proposed residential rates. Please note the company is also proposing to restructure the rate. The monthly minimum would include 2,000 gallons per month, increased from the current 1,000 gallons per month.

To provide comments regarding the Company's revenue increase request, 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 number SR-2009-0144. 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 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 573-565-3135.

Sincerely,

Dennis Gill

President, Cannon Home Association

<u>Type of Charge</u>	<u>Current Rates</u>	<u>Proposed Rates</u>	<u>Amount of Rate Change</u>
Monthly Minimum Charge	\$14.00	\$22.00	\$8.00 for 1,000 gallons
Usage Over 2,000 gallons (per 1,000 gallons)	\$5.50 Over 1,000 gallons	\$6.00 Over 2,000 gallons	\$0.50
Total Monthly Bill			

(at 6,000 gallons usage)	\$41.50	\$46.00	\$4.50
--------------------------	---------	---------	--------