

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of the Request by Suburban Water)
and Sewer Company for an Increase in Annual)
Water Operating Revenues)

File No. WR-2009-0197

NOTICE OF MEDIATION

Issue Date: March 25, 2009

On March 23, 2009, the Office of the Public Counsel filed a request for mediation. A review of the timeline shows that a conference call/meeting to discuss Staff's settlement proposal is scheduled for March 27. After discussions with both the Staff of the Commission and OPC, the Mediator finds that the meeting on March 27 serves as an opportunity for the parties to mediate. The meeting will be held at 9:00 a.m. in OPC's conference room.

Public Counsel has set out several areas of concern with Staff's proposed settlement, namely: (1) the calculation of depreciation expense on fully depreciated plant; (2) treatment of accumulated depreciation reserve for plant that is retired but not fully depreciated; and, (3) the appropriateness of transferring over-accrued depreciation expense from one plant account to another plant account. These three issues will be handled separately, one at a time. Because OPC has set out these concerns, it will first be asked to explain its concerns. After clearly understanding OPC's positions, Staff may respond. After Staff's response, I will facilitate discussion, which is my primary intention.

If anyone has any concerns, they may be brought up when we meet.

BY THE COMMISSION

A handwritten signature in black ink, appearing to read 'Colleen M. Dale', written over a horizontal line.

Colleen M. Dale
Secretary

(S E A L)

Kennard L. Jones, Senior Regulatory
Law Judge, by delegation of authority
pursuant to Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,
on this 25th day of March, 2009.