

SECOND CUSTOMER NOTICE

March 30, 2009

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), under the provisions of the Commission's small utility rate case procedure. By its request, the Company was seeking changes to its customer rates intended to generate an increase in its annual sewer operating revenues of \$7,000.

As a result of the Company's request, the Staff of the Public Service Commission (Commission Staff) conducted an independent audit of the Company's books and records, and an investigation of the Company's business and system operations. Based upon the results of its audit and investigation, the Commission Staff has concluded that an increase of \$4,317 in the Company's annual sewer operating revenues is warranted, that changes to and the addition of certain service charges are warranted and that certain changes to the Company's system operations and business operations are warranted. The Company has agreed with the Commission Staff's audit findings and conclusions, and has entered into an agreement with the Commission Staff to implement those findings and conclusions. Set out at the end of this notice is a table that summarizes the proposed revisions to the Company's rates that includes a monthly bill comparison for a residential customer.

The Office of the Public Counsel (OPC), a state agency responsible for representing the interests of utility consumers before the Commission, has reviewed the results of the Commission Staff's investigation and the related Company/Staff agreement. However, the OPC has not yet taken a final position regarding those results or the provisions of the agreement.

Any customer that has comments about the proposed revisions to the Company's rates, or that has comments regarding recent service-related problems, should contact the Commission Staff and/or the OPC *within 20 days of the date of this notice*. To do so, please use the mailing addresses, telephone numbers, fax numbers or e-mail addresses shown below. You may also submit comments via the Commission's Website by following the instructions in the following paragraph. Regardless of how you submit your comments, please include a reference to Case No. SR-2009-0144.

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, please do as follows: (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.

Depending upon the responses to this notice, the OPC may request that the Commission hold a local public hearing. Regardless of whether a local public hearing is held, no changes to the Company's rates will take effect without the specific approval of the Commission.

Lastly, please be advised that all currently available information regarding the Company's revenue increase request may be obtained via the Commission's Website as follows, and please also note that this information will be updated as the subject case moves forward.

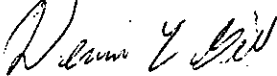
* Go to <http://www.psc.mo.gov>

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- * Click on "EFIS / Case Filings" on the menu bar on the left side of the page
- * On the next page, click on the "Docket Sheet" icon under View Information On A Specific Case
- * On the next page, enter SR-2009-0144 in the box to the right of Case No. and hit 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 number in the "Item No." column

If you have 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

Type of Charge	Current Rates	Proposed Rates
Monthly Minimum Charge (includes 1,000 gallons)	\$14.00	\$16.68
Usage Over 1,000 gallons (per 1,000 gallons)	\$5.50	\$6.55
Total Monthly Bill (at 6,000 gallons usage)	\$41.50	\$49.43