Tri-States Utility, Inc. 302 Terrace Rd Branson MO 65616 (417) 334-4189

September 1, 2010

James M. Russo Rate and Tariff Examination Supervisor Water and Sewer Department PO Box 360 Jefferson City MO 65102

Dear Sir,

On August 31, 2010 Tri-States Utility, Inc. mailed 3138 initial customer letter totaling \$1253.85 in postage. Also, we sent 238 emails to our customers who receive e-bills and added the initial customer letter to our website: https:\tristates.viewmybill.net.

Please accept this as our proof of mailing of the initial customer letter, a copy of which has been attached hereto. All customers have now been notified about the impending rate case.

If you should have any questions with regard to this statement, please feel free to contact me at (417) 334-4189.

Respectfully,

Cece Garceau Office Manager

Cc: Tom Kelley, COO and Terry McCullough, CPA

INITIAL CUSTOMER NOTICE

August 31, 2010

Dear Customer:

On August 13, 2010, Tri-States Utility Inc. (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 \$620,000 (approximately 63.26%). In addition, the Company is requesting that the seasonal billing rates be eliminated and replaced with one rate year round. On the bottom 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 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 WR-2011-0037. 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 the box on the right side of the page entitled "Summit Comments".
- (3) From this page click on the "public comment" link found under Submit Public Comments; 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.

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 (417) 334-4189.

Sincerely,

Cece Garceau Office Manager

Type of Charge	<u>Current Rates</u> <u>Nov - April</u>	Current Rates May - Oct	Proposed Rates Year Round	Amount of Average Rate Change
Monthly Minimum Charge (includes 2,000 gallons)	\$11.43	\$11.43	\$18.66	\$ 7.23
Usage Over 2,000 gallons (per 1,000 gallons)	\$ 1.87	\$ 3.58	\$ 4.45	\$ 1.72
Total Monthly Bill (at 6,000 gallons usage)	\$18.91	\$25.75	\$36.46	\$14.11