

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

|                                              |   |                         |
|----------------------------------------------|---|-------------------------|
| In the Matter of Lake Region Water & Sewer   | ) | File No. SR-2010-0110   |
| Company's Application to Implement a General | ) | Tariff No. YS-2010-0250 |
| Rate Increase in Water & Sewer Service       | ) |                         |

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|----------------------------------------------|---|-------------------------|
| In the Matter of Lake Region Water & Sewer   | ) | File No. WR-2010-0111   |
| Company's Application to Implement a General | ) | Tariff No. YW-2010-0251 |
| Rate Increase in Water & Sewer Service       | ) |                         |

**LIST OF ISSUES, ORDER OF OPENING & CROSS EXAMINATION**

**COME NOW** the Lake Region Water & Sewer Company (LRWS), Staff of the Missouri Public Service Commission (Staff), Office of Public Counsel (Public Counsel), and Four Season's Lakesites Property Owners Association (Four Season's Lakesites POA) and submit the following for the List of Issues, Order of Opening Statements and Order of Cross Examination:

1. On November 17, 2009 the Commission adopted the parties' proposed procedural schedule which was jointly submitted on November 16, 2009 and the directed the parties to comply with that schedule. The parties' joint proposal, among other things, established March 22, 2010, as the filing date for the list of issues, order of witnesses, order of cross-examination and order of opening for the hearing (March 29 through April 2, if necessary) in this case.

2. Commission Rule 4 CSR 240-2.080(21) provides:

Any list of issues ordered by the commission must contain one (1) or more questions presented for decision, stated in the following form per issue: in three (3) separate sentences, with factual and legal premises, followed by a short question; in no more than seventy-five (75) words; and with enough facts woven in that the commission will understand how the question arises in the case.

(A) The questions must be clear and brief, using the style of the following examples of issue statements, which illustrate the clarity and brevity that the parties should aim for:

1. Example A: The Administrative Procedures Act does not require the same administrative law judge to hear the case and write the final order. ABC Utility Company filed an appeal based on the fact that the administrative law judge who wrote the final order was not the administrative law judge who heard the case. Is it reversible error for one administrative law judge to hear the case and a different administrative law judge to write the final opinion?

2. Example B: For purposes of establishing rates, ABC Utility Company is entitled to include in its costs expenses relating to items that are used or useful in providing services to its customers. ABC Utility Company has spent money to clean up environmental damages resulting from the operation of manufactured gas plants some 70 to 80 years ago. Should ABC Utility Company be allowed to include these expenses among its costs in establishing its future natural gas rates?

3. The parties are unable to comply with the requirements of Commission Rule 4 CSR 240-2.080(21); however, they have joined in preparing the list of issues presented below. Therefore, the parties request, pursuant to 4 CSR 240-2.025, that, for good cause, the Commission waive the requirements of 4 CSR 240-2.080(21).

4. The statements of issues in the list of issues below are not necessarily agreed to by all parties as the best or even an appropriate characterization of the issue; therefore, some parties may state the issue differently in their pleadings and briefs. Further, parties may address one or more issues not clearly included in the list of issues, or parties may state they consider an issue listed to not be a contested issue or a proper issue for Commission consideration. Specifically, LRWS, as footnoted, objects to inclusion of the issues pertaining to availability fees. Further, the Commission should not construe the list of issues here to impair any party's ability to argue about any of the listed issues or related matters, or to restrict the scope of any party's response to arguments made by other parties.

## **LIST OF ISSUES**

1. What is the appropriate level of executive management compensation to be included in LRWS's revenue requirement for setting LRWS's rates?  
  
Vernon Stump (Lake Region)  
Bill Harris (Staff)  
Ted Robertson (OPC)
2. Should charges for availability fees collected from owners of undeveloped lots in LRWS's service territory and billed and retained by an affiliate company be classified as LRWS revenue or applied against rate base? <sup>1</sup>  
  
John Summers (Lake Region)  
Nancy Cason (Four Season Lakesites POA)  
Cary Featherstone (Staff)  
James Merciel (Staff)  
Ted Robertson (OPC)
3. If the Commission finds charges for availability fees of undeveloped lots are not to be classified as LRWS revenue, or applied against rate base, then what costs should be identified and excluded from LRWS's cost of service?<sup>2</sup>  
  
John Summers (Lake Region)  
Ted Robertson (OPC)  
Cary Featherstone (Staff)

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<sup>1</sup> LRWS objects to the inclusion of this issue on grounds that it is beyond the jurisdiction of the Commission and therefore is irrelevant. Additionally, LRWS objects to the form of the issue in that there is no evidence that "an affiliate company" bills and retains such fees.

<sup>2</sup> LRWS objects to the inclusion of this issue on grounds that it is beyond the jurisdiction of the Commission and therefore is irrelevant. LRWS objects to this issue additionally on those grounds set forth in its Motion to Strike which was filed with the Commission on March 22, 2010.

## **ORDER OF OPENING STATEMENTS**

Lake Region  
Staff  
Public Counsel  
Four Seasons Lakesites POA

## **ORDER OF CROSS EXAMINATION**

| <b><u>Lake Region's<br/>Witnesses</u></b> | <b><u>Staff Witnesses</u></b> | <b><u>Public Council's<br/>Witnesses</u></b> | <b><u>Four Seasons<br/>Lakesites POA<br/>Witnesses</u></b> |
|-------------------------------------------|-------------------------------|----------------------------------------------|------------------------------------------------------------|
|                                           |                               |                                              |                                                            |
| Four Season Lakesites                     | Four Season Lakesites         | Four Season Lakesites                        | Public Counsel                                             |
| Staff                                     | Public Counsel                | Staff                                        | Staff                                                      |
| Public Counsel                            | Lake Region                   | Lake Region                                  | Lake Region                                                |

Respectfully submitted,

**/s/ Jaime N. Ott**

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