

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

In the Matter of Small Company Rate Increase)
Request of Taneycomo Highlands, Inc.)

Case No. SR-2006-0397
Tariff No. YS-2006-0749

**MISSOURI DEPARTMENT OF NATURAL RESOURCES'
STATEMENT OF NON-COMPLIANCE FOR
TANEYCOMO HIGHLANDS, INC.**

FILED⁴

JUN 27 2006

Missouri Public
Service Commission

The Missouri Department of Natural Resources ("the Department"), finds that

Taneycomo Highlands, Inc. remains to be technically in non-compliance with department regulations. However, Taneycomo Highlands, Inc. is not in significant non-compliance with department regulations and is currently working with department staff to return to full compliance. The Department at this time does not intend to initiate an enforcement action in this matter. Further, the Department's concerns have been alleviated and takes no further position in this matter.

On May 18, 2006, the Department filed a Statement of Non-Compliance with the Missouri Public Service Commission for Taneycomo Highlands, Inc. failure to submit a quarterly Discharge Monitoring Report since August 2004. On May 22, 2006, Taneycomo Highlands, Inc. filed six quarterly Discharge Monitoring Reports with the Department, however, the quarterly Discharge Monitoring Report for the third quarter of 2005 has not been submitted.

Respectfully submitted,



Richard W. Moore, Missouri Bar #52835
Legal Counsel
Missouri Department of Natural Resources
(573) 522-9911

CERTIFICATE OF SERVICE

The undersigned certifies that a copy of this pleading was sent via facsimile and mailed on June 26, 2006 by U.S. Mail to the following:

Cheryl Voss, Regulatory Law Judge
200 Madison Street
Jefferson City, Missouri 65102
Fax: (573) 526-6010

General Counsel's Office
P.O. Box 360
200 Madison Street, Suite 800
Jefferson City, Missouri 65102
Fax: (573) 526-6969

Lewis R. Mills, Jr.
P.O. Box 2230
200 Madison Street, Suite 650
Jefferson City, Missouri 65102
Fax: (573) 751-5562

Taneycorno Highlands, Inc.
Judith Gurney
HC 2 Box 2086
Shell Knob, MO 65747



Richard W. Moore, Missouri Bar #52835
Legal Counsel
Missouri Department of Natural Resources