BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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In the Matter of the Application of
Lake Region Water & Sewer Company
for a Certificate of Convenience and
Necessity authorizing it to construct,
install, own, operate, control, manage,
and maintain a water and sewer system
for the public located in an unincorporated
area in Camden County, Missouri

Case No. WA-2005-0463

LAKE REGION WATER & SEWER COMPANY'S RESPONSE AND SUGGESTIONS OPPOSING STAFF'S MOTION FOR ISSUANCE OF SHOW CAUSE ORDER AND SUPPLEMENT TO APPLICATION

Comes now Lake Region Water & Sewer Company (Lake Region or Applicant), by and through its attorneys, and respectfully submits the following to the Commission:

- 1. On March 29, 2006, Staff filed its Motion for Issuance of a Show Cause Order in this matter. The Commission followed on April 10, 2006 with an order directing Lake Region to file a pleading explaining why its application should not now be dismissed.
- 2. The staff's motion chronicles exactly how it generously gave time to the Applicant for communicating with other stakeholders in the transactions involved in this application and accurately describes the "modification agreement" which Lake Region has considered and submitted to the developers for approval.

3. Since the filing of Staff's motion, the modification agreement and its terms have been reviewed and approved by Lake Region. In supplement to the application for certification a true and correct copy of the "Modification to Agreements" executed by Lake Region is attached hereto as Exhibit 1. Exhibit 1 lacks the signatures of the developers but pursuant to the terms of the initial and modified developer agreements filed herein, Lake Region is authorized to represent that the Modification to Agreement is binding on the parties named therein and the Staff's recommendation can be prepared on the basis of that representation.

4. By supplementing its application with the approved "Modification to Agreements," Lake Region has now supplied Staff with the additional and revised information it has sought with respect to its ultimate recommendation in this matter and hence, Lake Region suggests that Staff's motion for an order to show cause should be overruled.

WHEREFORE, on the basis of the above and foregoing, Lake Region respectfully requests that the Commission overrule Staff's Motion for Issuance of a Show Cause Order and enter other relief consistent therewith as the Commission deems just.

Respectfully submitted

/s/ Mark W. Comley

Mark W. Comley, Mo. Bar #28847 Newman, Comley & Ruth P.C. 601 Monroe Street, Suite 301 P.O. Box 537 Jefferson City, MO 65102-0537 (573) 634-2266 (voice) (573) 636-3306 (facsimile) comleym@ncrpc.com

Certificate of Service

I hereby certify that a true and correct copy of the above and foregoing document was sent via e-mail on this 12th day of April, 2006, to General Counsel's Office at gencounsel@psc.mo.gov; and Office of Public Counsel at opcservice@ded.mo.gov.

/s/ Mark W. Comley