

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 and Sewer Service)

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 and Sewer Service)

SUSPENSION ORDER AND NOTICE

Issue Date: October 8, 2009

Effective Date: October 8, 2009

On October 7, 2009, Lake Region Water & Sewer Company ("Lake Region") submitted to the Commission tariff sheets designed to implement a general rate increase for water and sewer service provided to customers in its Missouri service area. The tariff sheets bear an effective date of November 6, 2009. According to Lake Region, the tariff sheets will produce an aggregate annual water and sewer revenue increase of approximately \$331,223. Together with its tariff sheets and other minimum filing requirements, Lake Region also filed prepared direct testimony in support of its requested rate increase.

In order to allow sufficient time to study the effect of the tariff sheets and to determine if the rates established by those sheets is just, reasonable, and in the public interest, the tariff sheets will be suspended for a period of 120 days beyond the requested effective date. Furthermore, because a hearing cannot be concluded within the period of suspension stated above, the tariff suspension will be extended for an additional six months beyond the 120th day following the effective date.

Lake Region states that the test year it employs is the twelve month period ending December 31, 2008. The Commission's Staff, the Office of the Public Counsel, and all intervenors shall state their positions regarding the Company's test year proposal as hereinafter ordered. Any request for a true-up proceeding must include a proposed date to which the Lake Region's financial data is to be brought forward. The Commission has reserved dates for a true-up hearing.

Inasmuch as the Commission is required by law to give rate increase cases preference over all other questions pending before it and to decide such cases as quickly as possible, the Commission will schedule the hearing dates in this order. By establishing the hearing dates now, the Commission will ensure that this matter is heard as expeditiously as possible. Additionally, the early establishment of the hearing dates will allow ample time for notice to be sent to customers. Lake Region shall give notice to customers as directed in the ordered paragraphs below.

The Commission will also set an early prehearing conference and require the parties to file a proposed procedural schedule with additional filing dates for testimony, a second prehearing conference, local public hearings, the statement of issues and position papers of the parties, and the reconciliation. The Commission's Staff shall have primary responsibility for the proposed procedural schedule. Staff should coordinate the proposed schedule with Lake Region, Public Counsel, and any intervenors, where possible.

The Commission finds that proper persons should be allowed 20 days from the issuance of this order to file an application for leave to intervene. The Commission's Data Center shall serve a copy of this order upon the county commission of each county in the Company's service area. In addition, the Commission's Public Information Office shall

make notice of this order available to the media serving Company's service area and to the members of the General Assembly representing the residents of the Company's service area.

THE COMMISSION ORDERS THAT:

1. The water and sewer service tariff sheets submitted on October 7, 2009, by Lake Region Water & Sewer Company, assigned both Tariff Nos. YS-2010-0250 and YW-2010-0251, are hereby suspended for a period of 120 days plus six months from November 6, 2009, to September 6, 2010. The specific sheets suspended are:

PSC MO. No. 2

First Revised Sheet No. 4, Replacing Original Sheet No. 4

First Revised Sheet No. 5, Replacing Original Sheet No. 5

PSC MO. No. 3

Second Revised Sheet No. 6, Replacing First Revised Sheet No. 6

Second Revised Sheet No. 7, Replacing First Revised Sheet No. 7

2. Any proper person or entity desiring to intervene in this matter shall file an application no later than October 28, 2009 with:

Seven C. Reed, Secretary
Missouri Public Service Commission
Post Office Box 360
Jefferson City, Missouri 65102

3. The Staff of the Missouri Public Service Commission, the Office of the Public Counsel, and any persons or entities requesting intervention shall file, on or before November 6, 2009, a pleading either indicating concurrence in Lake Region Water & Sewer Company's recommended test year or recommending alternatives to Lake Region Water & Sewer Company's recommended test year.

4. Any party having a recommendation for a true-up proceeding shall file that recommendation no later than November 6, 2009.

5. An early prehearing conference is hereby scheduled for this case on November 9, 2010, at 10:00 a.m. The early prehearing conference shall be held in Room 305 of the Governor Office Building, 200 Madison Street, Jefferson City, Missouri. The Governor Office Building meets accessibility standards required by the Americans with Disabilities Act. If any person needs additional accommodations to participate in the prehearing, please call the Public Service Commission's Hotline at 1-800-392-4211 (voice) or Relay Missouri at 711 prior to the conference.

6. The parties shall file a proposed procedural schedule no later than November 16, 2009. The Commission Staff shall have primary responsibility for preparing and filing the proposed procedural schedule.

7. The Commission shall conduct local public hearings on the proposed rate increase and shall set the times, dates and locations of these local public hearings in a subsequent order. The parties and intervenors, if any, shall file recommendations as to the dates and locations for local public hearings in this case no later than November 20, 2009.

8. An evidentiary hearing is hereby scheduled for this case as follows: May 17 through 21, 2010; and May 24 through 28, 2010. The hearing shall commence at 8:30 a.m. on May 17, 2010. The evidentiary hearing shall be held in Room 310 of the Governor Office Building, 200 Madison Street, Jefferson City, Missouri. The Governor Office Building meets accessibility standards required by the Americans with Disabilities Act. If any person needs additional accommodations to participate in the hearing, please call the Public

Service Commission's Hotline at 1-800-392-4211 (voice) or Relay Missouri at 711 prior to the hearing.

9. June 1 through 2, 2010, is reserved for a true-up hearing in this case, in the event that such a hearing is requested and the Commission grants the request. The true-up hearing shall be held in Room 310 of the Governor Office Building, 200 Madison Street, Jefferson City, Missouri. The Governor Office Building meets accessibility standards required by the Americans with Disabilities Act. If any person needs additional accommodations to participate in the hearing, please call the Public Service Commission's Hotline at 1-800-392-4211 (voice) or Relay Missouri at 711 prior to the hearing.

10. Lake Region Water & Sewer Company, shall notify each affected customer of the local public hearings, the evidentiary hearing and any true-up hearing scheduled in this case, either by a notice on or accompanying a bill or by a separate notice, at least 10 days, but not more than 45 days, prior to the first day of the hearing, unless otherwise ordered by the Commission.

11. The Data Center of the Missouri Public Service Commission shall serve a copy of this order upon the county commission of each county affected by the tariff filing as pled by Lake Region Water & Sewer Company, and upon the mayor of any city not within a county affected by the tariff filing as pled by Lake Region Water & Sewer Company.

12. The Commission's Public Information Office shall make notice of this order available to the members of the General Assembly representing the residents of the service area affected by the tariff filing as pled by Lake Region Water & Sewer Company, and to the news media serving the residents of the counties affected by the tariff filing as pled by Lake Region Water & Sewer Company.

13. This order shall become effective immediately upon issuance.

BY THE COMMISSION

A handwritten signature in black ink, appearing to read 'S. Reed', is positioned above the printed name of the Secretary.

Steven C. Reed
Secretary

(S E A L)

Harold Stearley, Senior Regulatory Law Judge
by delegation of authority pursuant to
Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,
on this 8th day of October, 2009.