

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)

ORDER ESTABLISHING A SEPARATE CASE FOR FURTHER PROCEEDINGS, GRANTING TEMPORARY EXTENSION AND DIRECTING FILING

Issue Date: August 26, 2010

Effective Date: August 26, 2010

On February 22, 2010, Four Seasons Racquet and Country Club Condominium Owners Association, Inc. ("Racquet Club"), Lake Region Water and Sewer Company and the Commission's Staff filed a "Partial Non-Unanimous Stipulation Respecting Adjustments to Sewer Charges Applicable to the Racquet Club Condominium Property Owners Association, Inc." (Stipulation). This Stipulation resolved the issue and concern for which the Racquet Club intervened in this proceeding, no non-signatory party opposed it, and the Commission approved the Stipulation on April 14, 2010.

Originally, the Stipulation called for the installation of flow meters, by May 31, 2010, to measure the total water flow from the Racquet Club (specifically the Country Club Hotel) and the total flow from the Racquet Club that enters Lake Region's wastewater treatment plant. It was later determined that the May 31, 2010 deadline was not feasible, so a request for extension until August 31, 2010 made, and the Commission granted that request on June 1, 2010.

On August 19, 2010, the interested parties met to discuss the status of the installation of flow meters. Staff and Lake Region have concerns as to the type of flow meter installations required and the efficacy of the flow meter installations. It was agreed that the current August 31, 2010 deadline is again not feasible. Lake Region and Staff desire to first proceed with modifying the existing flow meter installation and monitor its performance over a sufficient length of time to include both wet and dry periods. Then, assuming this flow meter performs adequately, Lake Region and Staff believe it is desirable to repeat this process sequentially for the additional flow meters that will be required to accurately measure the separate usage of Lake Region and the Country Club Hotel. It is expected that this process will take many months to complete. Consequently, the Racquet Club and Lake Region request an extension of the August 31, 2010 deadline and Staff is not opposed.

The Racquet Club and Lake Region propose to report to the Commission when the flow meter installations are completed, or report to the Commission as to the progress of the flow meter installations by June 1, 2011, whichever first occurs. The Parties to the Stipulation agree to meet on a quarterly basis beginning September 15, 2010 in order to remain informed on the status of installation of flow meters.

On August 25, 2010, the Office of the Public Counsel objected to the extension. Public Counsel claims, in conclusory fashion, that it is imperative for the actual wastewater flow for the Racquet Club and Hotel to be determined to prevent possible long-term subsidization by other customers. Public Counsel requests the Commission to order a more specific deadline for determining the wastewater flow so that the information can be

used in Lake Region's next general rate proceeding that the Commission ordered Lake Region to file within the next three years.

Because the Commission issued its Report and Order in this matter and the contested issues in rate proceeding have been decided, it will open a separate case for all filings and proceedings regarding the uncontested and unopposed Stipulation until the terms of the Stipulation are substantially completed. The Commission will also direct filings and order a temporary extension until it can address Public Counsel's objections.

THE COMMISSION ORDERS THAT:

1. The deadline for installing the flow meters established in the Commission-approved Partial Nonunanimous Stipulation Respecting Adjustments to Sewer Charges Applicable to Intervenor Four Season Racquet And Country Club Condominium Owners Association, Inc. is temporarily extended until November 1, 2010.

2. The Signatories to the "Partial Non-Unanimous Stipulation Respecting Adjustments to Sewer Charges Applicable to the Racquet Club Condominium Property Owners Association, Inc." shall continue with their efforts to install the flow meters, begin their planned periodic meetings, and file a status report on October 15, 2010.

3. A new case has been opened for filings regarding the Stipulation. That docket shall be captioned:

In the Matter of the Stipulation Respecting Adjustments to)
Sewer Charges Applicable to Four Seasons Racquet and) **File No. SO-2011-0046**
and Country Club Condominium Owners Association, Inc.)

4. All pleadings regarding the “Partial Non-Unanimous Stipulation Respecting Adjustments to Sewer Charges Applicable to the Racquet Club Condominium Property Owners Association, Inc.” shall be filed in File No. SO-2011-0046.

5. No later than September 6, 2010, the Office of the Public Counsel shall file a pleading, citing to relevant legal authority, explaining how it has standing to raise its objection to the “Joint Request for Extension” filed by signatories to a stipulation that Public Counsel did not oppose and that Public Counsel is not a signatory party thereto. Public Counsel shall also state, with particularity, what factual basis it has for asserting there is any type of subsidization by other customers occurring in terms of the wastewater flow for the Racquet Club and Country Club Hotel.

6. No later than September 13, 2010, the Signatories jointly filing the request for an extension shall respond to Public Counsel’s objection.

7. This order shall become effective immediately upon issuance.

BY THE COMMISSION

A handwritten signature in black ink, appearing to read 'S. Reed', is written over a horizontal line.

Steven C. Reed
Secretary

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

Dated at Jefferson City, Missouri,
on this 26th day of August, 2010.