

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 DIRECTING FILING

Issue Date: June 16, 2010

Effective Date: June 16, 2010

On April 26, 2010, the Commission held a True-Up hearing. Prefiled testimony was admitted and witnesses were made available for cross examination. Lake Region's witness, Mr. Summers, indicates that the total amount for plant additions should be \$242,603. Staff's witness, Mr. Featherstone, provides "results" in terms of its suggested revenue requirement for True-Up but does not give an actual dollar figure for plant additions.

During the True-Up hearing the following exchange occurred between counsel for Lake Region and Mr. Featherstone:

CROSS-EXAMINATION BY MR. COMLEY:

Q. First, Mr. Featherstone, I wanted to bring up that I understand that you and Mr. Summers have had discussions this morning about what may be a formulaic issue with respect to plant in service; is that correct?

A. That is correct, and I indicated to Mr. Summers that we would work with Lake Region, we tried to do that throughout the proceeding, and that we would endeavor to see if we can see what the problem is. And I think it has an effect of maybe a few thousand dollars on the plant side.

Q. On plant in service?

A. Plant in service. I think it relates to the new plant addition.

Q. And that may affect the Staff Accounting Schedules at some point?

A. It may. And, in fact, if indeed Mr. Summers is correct, it will.

Q. We did not object to the Staff's Accounting Schedules on the strength of your conversation with Mr. Summers this morning. So I wanted to make clear that you do expect to go through the process of examining that and perhaps making a correction; would that be fair?

A. Yes. And I think that if it bears out, that we would probably have to -- we would probably file something with the Commission, late file an exhibit. I'm not sure how that would work out. We'll try to work with the company and the other parties.

In addition to being unclear as to what Staff's exact position is on the actual dollar figure Staff believes should be considered for plant additions, rate base calculations from Staff have varied throughout this proceeding for various corrections. Consequently, the Commission will direct its Staff to submit a late-filed exhibit outlining its most current recommendations for rate base and the specific dollar amount it recommends the Commission consider for additions to plant for True-Up.

THE COMMISSION ORDERS THAT:

1. No later than June 21, 2010, the Staff of the Missouri Public Service Commission shall submit a late-filed exhibit as directed in the body of this order.
2. This order shall become effective immediately upon issuance.

BY THE COMMISSION



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 16th day of June, 2010.