

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 & 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 & Sewer Service)	

LAKE REGION WATER & SEWER COMPANY'S
STATEMENT OF POSITION

COMES NOW Lake Region Water & Sewer Company (LRWS) and states its positions on the issues in the List of Issues filed March 23, 2010 as follows:

1. What is the appropriate level of executive management compensation to be included in LRWS's revenue requirement for setting LRWS's rates?

The amount for executive management compensation recorded by the Company is the appropriate level to be included in revenue requirement. The amount recorded by the Company is \$99,695.

2. Should charges for availability fees collected from owners of undeveloped lots in LRWS's service territory and billed and retained by an affiliate company be classified as LRWS revenue or applied against rate base?

LRWS reasserts its objection to the inclusion of this issue on grounds that it is beyond the jurisdiction of the Commission and therefore is irrelevant. Additionally, LRWS objects to the form of the issue in that there is no evidence that "an affiliate company" bills and retains such fees. Reserving these objections, and the objections in LRWS's earlier filed Motion to Strike, it is LRWS's position that availability fees should *not* be classified as LRWS's revenue or applied against rate base.

3. If the Commission finds charges for availability fees of undeveloped lots are not to be classified as LRWS revenue, or applied against rate base, then what costs should be identified and excluded from LRWS's cost of service?

LRWS reasserts its objection to the inclusion of this issue on grounds that it is beyond the jurisdiction of the Commission and therefore is irrelevant. LRWS objects to this issue additionally on those grounds set forth in its Motion to Strike which was filed with the Commission on March 22, 2010. Reserving these objections, LRWS was not able under the Commission rules to file responsive prefiled testimony on this issue. LRWS reserves the right to register and brief a position after hearing. If the Commission deems that a position should be stated, then at this time it is LRWS's position on this issue that no costs should be identified and excluded from LRWS's cost of service. LRWS further observes that there has been no prefiled testimony or other evidence provided by any party showing that LRWS has recorded any expenses on its books relating to availability fees.

Respectfully submitted,

/s/ Mark W. Comley

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing document was sent via email, on this 23rd day of March, 2010, to:

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/s/ Mark W. Comley