

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)	

**STAFF'S RESPONSE TO COMMISSION
REQUEST FOR ANNUAL REPORT ANALYSIS**

COMES NOW the Staff of the Missouri Public Service Commission (Staff) and for its response to the Missouri Public Service Commission's (Commission) Order directing Staff to file a list of availability fees documented on Lake Region Water and Sewer Company's (Lake Region) annual reports and explanation of certain entries, states as follows:

1. On May 3, 2010, the Commission directed Staff to retrieve and review all of Lake Region's annual reports and document the reported availability fees in a pleading. The Commission requested a composite total of availability fees as reported in the annual reports as collected by Lake Region (and its system's predecessor). The Commission also requested that Staff provide an explanation for a line item on Lake Region's annual report that identified Lake Utility Availability Management under the caption *Payment for Services Rendered by Other than Employee*.

2. Attached hereto as Appendix 1, Staff submits a report documenting availability fees reported on Lake Region's annual reports from 1972 to the present. The first table denotes the number from the annual reports Staff retrieved and reviewed. The second table denotes the number provided in RPS Properties L.P.'s May 18, 2010 and May 25, 2010

affidavits filed in this matter. The third table denotes numbers contained in Four Season's Lakesites Property Owners Association, Inc.'s Exhibit No. 3. Staff would like the Commission to take note, that the amount of availability fees reported by RPS Properties L.P. is not the same amount provided by Four Season's Lakesites Property Owners Association, Inc.

3. The line item identified under *Payment for Services Rendered by Other than Employee* as Lake Utility Availability Management is costs Lake Region booked for executive management fees and for debt service cost for the amount of money the shareholders borrowed to purchase Lake Region. Staff would like the Commission to also note, that the number documented on the annual report for *Payment for Services Rendered by Other than Employee* is not the amount Staff's proposed in Lake Region's cost of service for executive management fees.

WHEREFORE, Staff respectfully requests the Commission accept this Annual Report Analysis.

Respectfully submitted,

/s/ Jaime N. Ott

Jaime N. Ott
Assistant General Counsel
Missouri Bar No. 60949

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Missouri Public Service Commission
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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 28th day of May 2010.

/s/ Jaime N. Ott

From 1973 to 1997 Lake Region known as Four Seasons Water & Sewer Company

Availability Charges Based on Property Owners Association

Annual Water Availability Charges-- \$120	Association Annual Sewer Availability Charges-- \$180	TOTAL Annual Availability Charges
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\$171,240	\$256,860	\$428,100
167,040	250,560	417,600
163,320	244,980	408,300
158,160	237,240	395,400
155,760	233,640	389,400
154,680	232,020	386,700
154,440	231,660	386,100
154,200	231,300	385,500
\$1,278,840	\$1,918,260	\$3,197,100
Owners Updated		
Total for 2003 to 2010		\$3,197,100
Total for 1973 to 1998		\$2,388,127
TOTAL Availability Charges 1973 to 2010		\$5,585,227

APPENDIX 1

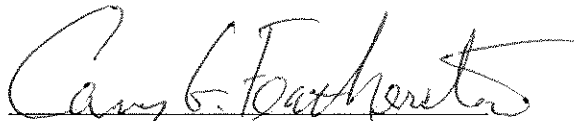
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Service.)	
	WR-2010-0111

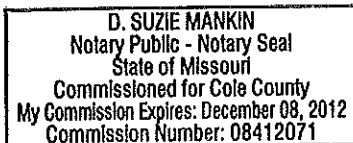
AFFIDAVIT OF CARY G. FEATHERSTONE

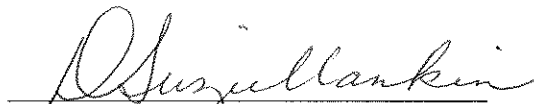
STATE OF MISSOURI)	
)	ss.
COUNTY OF COLE)	

Cary G. Featherstone, of lawful age, on his oath states: that he has reviewed and analyzed the annual reports for Lake Region Water and Sewer Company (formerly known as Four Seasons Water and Sewer Company) filed with Missouri Public Service Commissions for the years 1973 - 2008. The information in the Annual Report Explanation was developed by him; that he has knowledge of the matters set forth in such Annual Report Explanation; and that such matters are true and correct to the best of his knowledge and belief.


Cary G. Featherstone

Subscribed and sworn to before me this 27th day of May, 2010.




Notary Public