

In the Matter of the Application of Lake Region Water & Sewer Company for an Extension of Time Within Which to File its 2014 Annual Report(s)	)	<b><u>File No. WE-2015-0220</u></b>
In the Matter of the Application of Lake Region Water & Sewer Company for an Extension of Time Within Which to File its 2014 Annual Report(s)	)	<b><u>File No. SE-2015-0221</u></b>

**COMES NOW** the Staff of the Missouri Public Service Commission, by and through the undersigned counsel, and for its Staff Recommendation states to the Missouri Public Service Commission as follows:

2. On the same date, the Commission ordered Staff to file its recommendation concerning each *Application* request for extension by no later than March 31.

4. Additionally, Rules 4 CSR 240-3.640 and 3.335 provide that every water and sewer utility, respectively, shall submit an annual report by April 15 of each year. However, Section (7) of those rules allow a water and sewer utility to request an extension of greater than thirty days by filing a pleading prior to April 15:

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(7) A water [sewer] utility that is unable to meet the submission date established in section (1) of this rule may request an extension of greater than thirty (30) days for submitting its annual report by:

(A) Filing a pleading, in compliance with the requirements of Chapter 2 of 4 CSR 240, which states the reason for and the length of the extension being requested, with the commission prior to April 15; and

(B) Certifying that a copy of the pleading was sent to all parties of record in pending cases before the commission where the utility's activities are the primary focus of the proceedings.

5. As support for its requests, the Company stated in each *Application* that its auditors are working to compile the necessary information to complete the reports, but they are not expected to finish their work in time to meet the April 15 deadline established by the Commission's rules.

6. Upon reviewing the Company's requests, Staff noticed that the Company has requested and been granted an extension for the last eleven (11) years. Since 2007, the Company has indicated each year that the reason for needing an extension has been because the auditors were at work and needed time to finish. Between 2007 and 2013, the Commission granted the extensions to file by July 31 each year. However, last year the company only requested, and was granted, an extension until June 30, 2014. The difference in dates prompted Staff to contact the Company about the extension request.

7. In its phone call with the Company, Staff learned that the CPA hired to review the 2014 reports is unable to begin the review until the end of May or beginning of June. Staff does not believe that the CPA review should require two months to complete. Staff believes one month is more than adequate and therefore recommends the Commission grant an extension until June 30, rather than July 31.

8. Staff points out that, in almost all situations in which utility companies require the service of a CPA to help complete their annual report form, such forms are still filed by the April 15 filing date, or with at most a 30-day extension to May 15. Although it may be too late to adjust the Company's CPA review schedule this year, the Company should make every effort for future annual reports to make arrangements with their designated CPA to schedule and complete the review in a manner that allows the Company to file their report on a more timely basis.

9. Staff recommends the Commission find that each *Application* by the Company has met the filing requirements of Chapter 2, in particular, Rule 4 CSR 240-2.060 for applications, and Rules 4 CSR 240-3.640 (7) and 3.335 (7), but that the extension requested in each *Application* be modified to require filing by June 30.

**WHEREFORE**, Staff respectfully recommends the Commission issue an order that finds each *Application* of Lake Region Water & Sewer Company meets the requirements of the rules and the relief requested therein is reasonable, and extends the time within which Lake Region Water & Sewer Company shall file its 2014 calendar year annual reports to June 30, 2015.

Respectfully Submitted,  
/s/ Marcella L. Mueth  
Marcella L. Mueth  
Assistant Staff Counsel  
Missouri Bar No. 66098  
Attorney for the Staff of the  
Missouri Public Service Commission  
P.O. Box 360  
Jefferson City, Missouri 65102  
Telephone: (573) 751-4140  
Fax: (573) 751-9285  
Email: [marcella.mueth@psc.mo.gov](mailto:marcella.mueth@psc.mo.gov)

**CERTIFICATE OF SERVICE**

I hereby certify that true and correct copies of the foregoing were served electronically to all counsel of record this 31st day of March, 2015.

**/s/ Marcella L. Mueth**