

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In Re the Matter of the Joint Petition of)
Frimel Water System, Inc. and Lake Lorraine)
Property Owners' Association for Authority)
for Frimel Water System, Inc., to Transfer Its)
Assets and Cease Operations)
Case No. WM-2006-0459

ORDER ESTABLISHING TIME FOR RESPONSE

Issue Date: September 7, 2006

Effective Date: September 7, 2006

On June 5, 2006, Frimel Water System, Inc. ("Frimel") and Lake Lorraine Property Owners' Association ("Association") filed a Joint Petition seeking authority for Frimel to transfer its assets to the Association. On June 8, 2006, the Commission issued notice and set an intervention deadline of July 10, 2006. The Commission also directed that any requests for a hearing should be filed by July 10, 2006. No requests for intervention or for a hearing were filed.

On September 7, 2006, the Staff of the Missouri Public Service Commission filed its recommendation for the approval of the transfer of assets. Following the transfer, the Commission would need to issue an order canceling Frimel's certificate of convenience and necessity and its tariff. Staff's recommendation for approval advises the Commission to condition approval of the transfer of assets upon the following:

- a. That Frimel's past-due assessment of \$165.48 for fiscal year 2007 be paid;
- b. That the Association be required to submit evidence of changes to its Constitution & By-Laws that will allow all water utility customers to vote on water utility matters, regardless of membership in general;

- c. That, in conjunction with item subpart b above, the Association be required to submit evidence that the notice to its members regarding the proposed changes to its Constitution & By-Laws clearly stated that approval of the changes would result in the water system no longer being regulated by the Commission; and
- d. That the Association be required to inform the Commission when the transactions related to the transfer of assets have been completed.

IT IS ORDERED THAT:

- 1. Any party wishing to respond to the Staff of the Missouri Public Service Commission's recommendation shall do so on or before September 18, 2006.
- 2. This order shall become effective on September 7, 2006.

BY THE COMMISSION



Colleen M. Dale
Secretary

(S E A L)

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

Dated at Jefferson City, Missouri,
on this 7th day of September, 2006.