

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI**

In the Matter of the Joint Application of )  
Silverleaf Resorts, Inc., and Algonquin )  
Missouri, LLC, for Authority for Silverleaf )  
Resorts, Inc., to Sell Water Resources of )  
Certain Assets to Algonquin Water )  
Resources of Missouri, LLC, and, in )  
Connection Therewith, Certain Other )  
Related Transactions. )

**Case No. WO-2005-0206**

**PUBLIC COUNSEL’S STATEMENT OF POSITIONS**

Comes Now the Office of the Public Counsel and hereby files its Statement of Positions on the List of Issues filed by the Commission’s Staff states as follows:

*(1) Is the proposed sale of Silverleaf’s water and sewer utility assets to Algonquin “not detrimental to the public interest”?*

Public Counsel Position: Unless the Commission affirmatively rules that no acquisition premium can be recovered from ratepayers, the sale would be detrimental to the public interest.

*(2) Must the Commission rule whether or not Algonquin can recover any acquisition premium that may exist as a result of State ex rel AG Processing, Inc. v. Pub. Serv. Comm’n, 120 S.W.3d 732 (Mo. Banc 2003)?*

Public Counsel Position: Yes.

*If so, what standard must be applied?*

Public Counsel Position: The standard for evaluating recovery of an acquisition premium is whether recovery is in the public interest.

*(3) If the Commission does not rule at this time that the acquisition premium will be excluded from rates in future rate case proceedings, must the Commission determine the amount of the acquisition premium that may exist in order to determine whether the transaction is detrimental to the public interest?*

Public Counsel Position: Yes.

*(4) In order to decide if the transaction is detrimental to the public interest, must the Commission determine the maximum amount of acquisition premium that Algonquin may seek to recover in future rate proceedings?*

Public Counsel Position: Yes.

*(5) If the Commission determines that some amount of the acquisition premium may be recoverable in rates, must the Commission rule on the issues raised by the Staff regarding the following matters?*

*Plant in Service*

*Contributions in Aid of Construction*

*Costs related to the Well No. 2 Project in Holiday Hills*

*Depreciation Reserves*

Public Counsel Position: Yes to all.

Respectfully submitted,

OFFICE OF THE PUBLIC COUNSEL

/s/ Lewis R. Mills, Jr.

By: \_\_\_\_\_  
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**CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been e-mailed, mailed or hand-delivered to the following this    day of July 2005:

**/s/    Lewis R. Mills, Jr.**

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