

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 GRANTING MOTION FOR EXTENSION OF TIME

Issue Date: September 29, 2006

Effective Date: September 29, 2006

On June 5, 2006,¹ 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. No requests for intervention or for a hearing were filed.

On September 7, the Staff of the Public Service Commission filed its verified memorandum stating that after fully reviewing the proposed sale of Frimel's assets to the Association that the sale is not detrimental to the public interest if certain conditions the Staff recommends are implemented. First, Frimel must pay its overdue fiscal year 2007 assessment. Second, the Association must make certain changes to its Constitution and By-Laws in order to operate the water system free from the jurisdiction of the Commission. The Office of Public Counsel agreed with the Staff's recommendation for approval of the transfer of assets, but only if the Commission's order includes the conditions recommended by the Staff. No other party filed a response to Staff's recommendation.

¹ All dates in this order refer to the year 2006 unless otherwise noted.

On September 20, the Commission ordered Frimel and the Association to satisfy the requirements outlined in Staff's recommendation prior to the Commission issuing an order approving the transfer of Frimel's assets to the Association. Frimel was ordered to pay its past due assessments, and the Association was ordered to file evidence of the required changes to its Constitution and By-Laws by October 20. Specifically, the Association was ordered to: (1) submit evidence of changes to its Constitution and By-Laws that will allow all water utility customers to vote on water utility matters, regardless of membership in general; (2) submit evidence that it provided notice to its members regarding the changes to its Constitution and By-Laws clearly stating that approval of the changes would result in the water system no longer being regulated by the Commission; and, (3) submit a copy of the notice provided to its members regarding the changes to its Constitution and By-Laws.

On September 29, the Joint Petitioners filed a motion for extension of time. The Constitution and Bylaws of the Association require 30 days' notice for the Association to hold a meeting to consider changes to its Constitution and By-laws. The earliest meeting the Association could schedule is for October 22. Consequently, the Joint Petitioners seek an extension of time until one week after the October 22 meeting to comply with the Commission's September 20 order. The Commission finds Joint Petitioners' request reasonable, and shall grant it.

IT IS ORDERED THAT:

1. The Motion for Extension of Time filed by Frimel Water System, Inc. and Lake Lorraine Property Owners' Association is granted.
2. Lake Lorraine Property Owners' Association shall comply with the Commission's September 20, 2006 Order Directing Filing no later than October 30, 2006.

3. This order shall become effective on September 29, 2006.

BY THE COMMISSION

A handwritten signature in black ink, appearing to read 'Colleen M. Dale', written over a horizontal line.

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 29th day of September, 2006.