Missouri Public Service Commission Adjudication Division - Data Center P.O. Box 360 Jefferson City, Missouri 65102-0360

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Franklin County Service Company

Legal Department

35 South Lake Drive

FILED

MAY 1 0 2007

Missouri Public Service Commission

OF THE STATE OF MISSOURI

The Staff of the Missouri Public Service Commission,)
Complainant,)
V.	Case No. WC-2006-0363
Franklin County Service Company, Melody Lake Water & Sewer, LLC, Melody Lake Ranch Associates, Inc., and Gerald Johnston,)))
Respondents.)

ORDER DIRECTING FILING

Issue Date: April 23, 2007 Effective Date: April 23, 2007

On February 2, 2007, the Staff of the Commission filed its recommendation in this matter. As part of its recommendation and with the understanding that Gerald Johnston is no longer involved in the management of the assets involved in this case, Staff dismisses its complaint against Gerald Johnston.

Upon review of the Amended Operating Agreement, the Commission notes that Gerald Johnston has signed the document as the Melody Lake Water & Sewer, LLC's President and Manager. The Commission will require that Staff filed a pleading explaining this discrepancy.

Additionally, Staff recommends that the Commission no longer exercise its jurisdiction over the LLC. The Commission has been guided by the following in making this determination:

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(a) The Association was organized as a not-for-profit corporation for the benefit of the property owners.

(b) All customers currently served by the subject water utility assets are members of the Association.

(c) Only members of the Association will be served by the subject water utility assets.

(d) The Association's action regarding water utility matter will be under the control of the members that are also the customers served by the subject water utility assets.

· (e) The Association owns the subject water assets and this has control over such assets.

It is not clear from Staff's recommendation or from a reading of the Amended Operating

Agreement that all of these points are satisfied. The Commission will therefore require that

Staff file a pleading pointing out how the LLC satisfies the above requirements.

IT IS ORDERED THAT:

1. The Staff of the Commission shall file no later than May 15, 2007, a pleading as set forth in the body of this order.

2. This order shall become effective on April 23, 2007.

BY THE COMMISSION

Colleen M. Daie Secretary

(SEAL)

Kennard L. Jones, Senior Regulatory Law Judge, by delegation of authority pursuant to Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri, on this 23rd day of April, 2007.

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STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this 23rd April, 2007.

Colleen M. Dale Secretary



MISSOURI PUBLIC SERVICE COMMISSION April 23, 2007

Case No. WC-2006-0363

General Counsel's Office P.O. Box 360 200 Madison Street, Suite 800 Jefferson City, MO 65102 Lewis R. Mills, Jr. P.O. Box 2230 200 Madison Street, Suite 650 Jefferson City, MO 65102

Franklin County Service Company Legal Department 35 South Lake Drive Leslie, MO 63056 Gerald Johnston Legal Department 333 Playmor Drive Leslie, MO 63056 Melody Lake Ranch Associates, Inc. Gordon UpChurch 30 S. McKinley Union, MO 63084

Meiody Lake Water & Sewer LLC Gordon UpChurch 30 S. McKinley Union, MO 63084

Enclosed find a certified copy of an ORDER in the above-numbered case(s).

Sincerely,

Colleen M. Dale Secretary