

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

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

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

**ORDER ADOPTING PROCEDURAL SCHEDULE**

***Procedural History:***

On January 4, 2005, Silverleaf Resorts, Inc., and Algonquin Water Resources of Missouri, LLC, filed their Joint Applications with the Missouri Public Service Commission, pursuant to Section 393.190, RSMo 2000, requesting authority to transfer all of Silverleaf's Missouri water and sewer system assets to Algonquin; to grant or transfer the necessary certificates to Algonquin so that it may operate the transferred systems; to authorize the Joint Applicants to perform according to their Asset Purchase Agreement; and to perform any other lawful acts necessary to complete the proposed transactions.

On January 6, the Commission issued its Order Directing Notice, Consolidating Cases, Setting Date for Submission of Intervention Requests, and Directing Filing in which, among other things, it directed its Staff to file a Memorandum and Recommendation regarding the Joint Application. Staff filed its Memorandum and Recommendation on March 28, advising the Commission that an acquisition premium issue existed such that Staff was not able to recommend approval of the proposed transaction. Instead, Staff advised the Commission to set a Settlement Conference and to require the parties to

inform it within ten days thereafter, whether or not an evidentiary hearing would be required. On April 7, the Joint Applicants responded to Staff's Memorandum and Recommendation, stating that they were eager to participate in a Settlement Conference, although they did not agree that any of the appellate decisions cited by Staff were relevant.

The Commission convened a Prehearing Conference on April 27 and the parties were afforded an opportunity to pursue settlement discussions. In the event that these were unsuccessful, the Commission also directed that the parties cooperatively develop and file a proposed procedural schedule by May 4. Staff timely filed the proposed procedural schedule on May 3.

The Commission has reviewed the proposed procedural schedule and, in view of the unanimous agreement of the parties, finds the proposed dates appropriate for this case, with the exception of the proposed hearing dates. One of those dates conflicts with the annual conference of the National Association of Utility Regulatory Commissioners (NARUC) and is thus not available. For this reason, the hearing will be held on July 28 and 29 rather than on July 27 and 28. With this modification, the Commission adopts the proposed schedule and finds that the following conditions should be applied to the schedule:

(A) The Commission will require the prefiling of testimony as defined in 4 CSR 240-2.130. All parties shall comply with this rule, including the requirement that testimony be filed on line-numbered pages. The practice of prefiling testimony is designed to give parties notice of the claims, contentions and evidence in issue and to avoid unnecessary objections and delays caused by allegations of unfair surprise at the hearing.

(B) The parties shall agree on and file a list of issues to be determined herein by the Commission. Staff shall be responsible for actually drafting and filing the list of issues and the other parties shall cooperate with Staff in the development thereof. Any issue not included in the issues list will be presumed to not require determination by the Commission.

(C) Each party shall file a list of the witnesses to appear on each day of the hearing and the order in which they shall be called. The parties shall establish the order of opening statements and of cross-examination and file a joint pleading indicating the same.

(D) Each party shall file a statement of its position on each disputed issue, including a summary of the factual and legal points relied on by the party. Such statement shall be simple and concise, shall follow the issues set out in the issues list, and shall not contain argument about why the party believes its position to be the correct one.

(E) The Commission's general policy provides for the filing of the transcript within two weeks after the hearing. If any party seeks to expedite the filing of the transcript, such request shall be tendered in writing to the Regulatory Law Judge at least five days prior to the date of the hearing.

(F) All pleadings, briefs and amendments shall be filed in accordance with 4 CSR 240-2.080. The briefs to be submitted by the parties shall follow the same list of issues as filed in the case. The briefs must set forth and cite the proper portions of the record concerning the remaining unresolved issues that are to be decided by the Commission. The presiding officer will establish a briefing schedule at the close of the hearing.

(G) All parties are required to bring an adequate number of copies of exhibits which they intend to offer into evidence at the hearing. If an exhibit has been prefiled, only one copy of the exhibit are necessary for the court reporter. If an exhibit has not been prefiled, the party offering it should bring, in addition to the copy for the court reporter, copies for the five Commissioners, the regulatory law judge, and all counsel.

**IT IS THEREFORE ORDERED:**

1. That the parties are directed to comply with the conditions set out in this order.

2. That the following procedural schedule is adopted:

Direct Testimony Joint Applicants	May 13, 2005 4:00 p.m.
Rebuttal Testimony Staff and Public Counsel	June 10, 2005 4:00 p.m.
Surrebuttal Testimony Joint Applicants	July 11, 2005 4:00 p.m.
Issues List, Witness Lists, Order of Opening, Order of Cross All Parties	July 13, 2005 4:00 p.m.
Statement of Positions All Parties	July 20, 2005 4:00 p.m.
Evidentiary Hearing	July 28-29, 2005 9:00 a.m.

The hearing will be held at the Commission's offices in the Governor Office Building, 200 Madison Street, Jefferson City, Missouri, Room 310, a facility that meets the accessibility standards of the Americans with Disabilities Act (ADA). If any person needs additional accommodations to participate in this hearing, please call the Public Service

Commission's Hotline at 1-800-392-4211 (voice) or dial 711 for Relay Missouri prior to the hearing.

3. That this order shall become effective on May 10, 2005.

**BY THE COMMISSION**

**Dale Hardy Roberts**  
**Secretary/Chief Regulatory Law Judge**

(S E A L)

Kevin A. Thompson, Deputy Chief  
Regulatory Law Judge, by delegation  
of authority pursuant to Section 386.240,  
RSMo 2000.

Dated at Jefferson City, Missouri,  
on this 10<sup>th</sup> day of May, 2005.