

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

In the Matter of the Application of Lake Region	)	
Water & Sewer Company for a Certificate of	)	
Convenience and Necessity authorizing it to	)	
construct, install, own, operate, control, manage	)	<u>Case No. WA-2005-0463, et al.</u>
and maintain a water and sewer system for the	)	
public located in an unincorporated area in	)	
Camden County, Missouri	)	

**REQUEST FOR EXTENSION OF TIME TO FILE RECOMMENDATION**

COMES NOW the Staff of the Missouri Public Service Commission ("Staff"), by and through Counsel, and for its Request for Extension of Time to File Recommendation ("Extension Request") states the following to the Missouri Public Service Commission ("Commission").

1. On June 2, 2005, Lake Region Water & Sewer Company, ("LRWS" or "Company") filed an Application with the Commission requesting an expansion of its existing Commission-certificated service area for water service. Upon entry into the Commission's electronic filing and information system, the Application was assigned Case No. WA-2005-0463. On that same date, LRWS filed a companion Application requesting an expansion of its Commission-certificated service area for sewer service and that Application was assigned Case No. SA-2005-0464.

2. On June 7, 2005, the Commission consolidated the above-referenced cases, with Case No. WA-2005-0463 being designated the remaining lead case. On that same date, the Commission also issued its **Order Directing Notice and Setting Date for Submission of Intervention Requests**, wherein it set June 27, 2005 as the deadline for the filing of intervention requests. No requests to intervene in this case were timely filed, nor have any such requests subsequently been filed.

3. On July 1, 2005, in a response to a Commission order issued on June 28, 2005, the Staff advised the Commission that it believed it could file its recommendation for this consolidated case on or before August 26, 2005.

4. Subsequent to its July 1, 2005 filing, the Staff has filed four requests for extension of time regarding the filing of its recommendation for this consolidated case. In each of its requests for extension of time to file its recommendation the Staff has noted the reasons for the requests, with those reasons generally being that the Staff had not been provided the information it needed to complete its recommendation.

5. Each of the Staff's requests for extension of time to file its recommendation has been approved by the Commission. Pursuant to the Staff's fourth extension request, and the order approving that request, the Staff's recommendation was due on March 29, 2006 (unless noted otherwise, all dates hereafter refer to the year 2006).

6. On March 29, in lieu of filing its recommendation, the Staff filed a Motion for Issuance of Show Cause Order (Show Cause Motion), in which it stated the following: "... the Staff believes it would be appropriate for the Commission to issue an order directing LRWS to show cause why the applications that are the subject of this consolidated case should not be dismissed. The Staff does note, however, that the dismissal of the subject applications, if done, should be done without prejudice so that LRWS may submit new applications when the information needed for the Staff to file a recommendation, as discussed herein, is available."

7. As with its previous requests for extensions of time to file its recommendation, the general basis for the Staff's Show Cause Motion was the fact that it had not been provided the information necessary for the preparation of a recommendation. Specifically, the Staff noted that changes it had suggested regarding the modification of the relevant company/developer contracts

had not yet been addressed by the parties to the contracts. Additionally, the Staff noted the efforts that it had taken with regard to conveying its recommended modifications to the subject contracts to the Company.

8. On April 12, LRWS submitted its response in opposition to the Staff's Show Cause Motion. With its response, the Company submitted a document titled "Modification to Agreements" (Modification) that was intended to address the Staff's recommendations regarding changes to previous versions of the document. However, the Modification was not signed by all of the parties to the original contracts, nor has a fully executed copy of the Modification been submitted since.

9. On April 24, the Commission issued its **Order Directing Staff to File a Recommendation**, in which it noted that the above-referenced Modification had been filed and directed the Staff to file its recommendation on or before May 19.

10. In the process of preparing to file its recommendation in this consolidated case, the Staff conducted a detailed review of the contract Modification document, and on May 12, after a series of discussions with the parties and a meeting with the involved developers, advised the Company and the developers in writing of additional changes to the contract Modification that the Staff believed were needed.

11. Also on May 12, the Staff made inquiries to LRWS regarding the availability of certain information that is needed in order for the Staff to complete its recommendation. In response to those inquiries to the Company, the Staff was advised that the requested information was available, or could be made available, but that the Company's representative that the Staff needed to meet with regarding the subject information would not be available to meet with the Staff until after May 23.

12. On May 17, the Staff was advised by a representative of the developers involved in this consolidated case that the changes to the contract Modification suggested by the Staff on May 12 were not acceptable to the developers. Based on further discussions with the developers' representative on May 18, the Staff was advised that the main issues in dispute regarding the Staff's suggested changes to the contract Modification relate to how the CIAC Surcharges regarding connections to the subject water and sewer pipelines are to be calculated and implemented by LRWS.

13. In order to allow time for further discussions regarding the manner in the which the above-referenced CIAC Surcharges should be calculated and implemented, and for representatives of the Staff and the Company to meet about the information requested from the Company by the Staff, the Staff has agreed that an additional extension of time for the filing of its recommendation is appropriate and acceptable. For proper consideration of the applications that are the subject of this consolidated case, the Staff suggests that the following "schedule of events" is appropriate:

(a) No later than June 2 the involved developers and LRWS will provide the Staff with calculations regarding the number of customers that could potentially be connected to the subject pipelines, *from a capacity viewpoint*, and calculations of appropriate water and sewer CIAC Surcharges based upon the total costs of the subject pipelines and the "customer capacity" calculations;

(b) No later than June 9 LRWS will make the following documents available for the Staff's review – (i) copies of all DNR permits regarding the construction and operation of the subject water and sewer pipelines; (ii) a copy of the "as-built" plans for the subject pipelines; (iii) copies of all documents pertaining to the total cost of the subject pipelines; (iv) copies of all correspondence from the DNR received by LRWS over the past 12 months, and copies of the Company's responses to such correspondence; (v) copies of all operational records maintained by LRWS regarding the subject pipelines and the related sewage treatment facilities and water supply and storage facilities; and (vi) available updates to the information contained in the feasibility studies that were included with the subject applications.

(c) No later than June 16 the involved developers and LRWS will submit to the case file for this consolidated case an executed copy of a "Modification to Agreements" consistent with the Staff's suggested changes of May 12 and the CIAC Surcharge calculations referenced in item (a) above; and

(d) No later than June 23 the Staff will file its recommendation as to whether the Commission should approve the applications that are the subject of this consolidated case.

14. To the extent that any of the June 2, June 9 or June 16 deadlines set out in the above-referenced "schedule of events" are not met, the Staff's recommendation to the Commission will most likely be that the applications that are the subject of this consolidated case be dismissed, but that such dismissal would be without prejudice so that LRWS could submit new applications when the information needed for the Staff to file a recommendation, as discussed herein, is available.

**WHEREFORE**, the Staff respectfully requests that the Commission grant the Staff an additional extension of time to file its recommendation consistent with the "schedule of events" set forth in Paragraph 13 herein.

Respectfully Submitted,

**/s/ Robert S. Berlin**

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**CERTIFICATE OF SERVICE**

I hereby certify that copies of this Extension Request have been mailed with first class postage, hand-delivered, transmitted by facsimile or transmitted via e-mail to all counsel and/or parties of record this 19th day of May 2006.

**/s/ Robert S. Berlin**