

Exhibit No.: _____
Issue: Additional Plant in Service and Rate Case
Expense
Witness: John R. Summers
Sponsoring Party: Lake Region Water & Sewer Company
Case Nos.: SR-2010-0110 and WR-2010-0111

LAKE REGION WATER & SEWER COMPANY

Case Nos. SR-2010-0110 and WR-2010-0111

TRUE UP DIRECT TESTIMONY

OF

JOHN R. SUMMERS

Four Seasons, Missouri
April, 2010

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

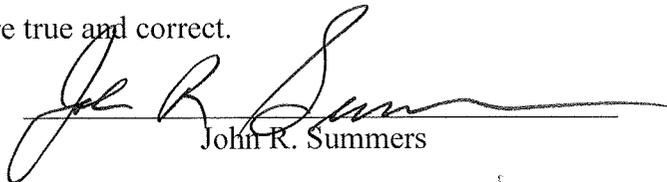
In the Matter of Lake Region Water)
& Sewer Company for Authority) Case No. WR-2010-0111
to File Tariffs Increasing Rates for) Case No. SR-2010-0110
Water and Sewer Provided to)
Customers in the Company's)
Missouri Service Area)

AFFADAVIT OF JOHN R. SUMMERS

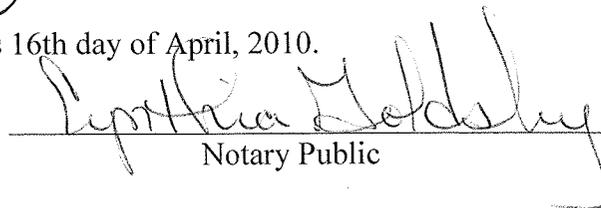
STATE OF MISSOURI)
) ss
VILLAGE OF FOUR SEASONS)

John R. Summers, being first sworn on his oath, states:

1. My name is John R. Summers. I work in The Village of Four Seasons, Missouri, and I am employed by Public Water Supply District Number Four of Camden County as General Manager.
2. Attached hereto and made a part hereof for all purposes is my True Up Testimony on behalf of Lake Region Water & Sewer Company, which has been prepared in written form for introduction into evidence in the above referenced dockets.
3. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded are true and correct.


John R. Summers

Subscribed and sworn before me this 16th day of April, 2010.


Notary Public

My commission expires: 10/31/11

1 TRUE UP DIRECT TESTIMONY

2 OF

3 JOHN R. SUMMERS

4 CASE NOS. SR-2010-0110 AND WR-2010-0111

5 **Q. Please state your full name and business address.**

6 A. My name is John R. Summers. My business address is 62 Bittersweet Road, Four
7 Seasons, MO 65049.

8 **Q. Are you the same John R. Summers who filed direct, rebuttal and surrebuttal**
9 **testimony in the two cases referenced above?**

10 A. Yes.

11 **Q. What is the purpose of your True Up Direct Testimony?**

12 A. In my testimony I will provide the updates on amounts of the plant additions and the
13 rate case expense through April 2, 2010 which I believe should be included in the
14 case.

15 **Q. What plant additions has the Company made since the updated test period**
16 **ended September 30, 2009?**

17 A. As discussed at the prehearing conference held November 9, 2009, the Company
18 completed construction of a sewer pumping station and sewer force main. These
19 facilities were put into service on or about March 10, 2010.

20 **Q. Has the Staff had an opportunity to inspect the project and confirm that it is in**
21 **service?**

22 A. Yes, Staff Engineer Martin Hummel has inspected the project and confirmed it is
23 operational and in service.

1 **Q. What is the amount of plant additions for this project?**

2 A. That total, which is an addition to Staff's calculation as of September 30, 2009, is
3 \$242,603.

4 **Q. Do you have the breakdown of the amounts to be charged to each plant account?**

5 A. No. The Company provided the documentation to both Staff and Public Counsel
6 which supports the total amount. The Company has reviewed and accepted the work
7 of Staff Witness Herrington on the other plant and depreciation issues in this case and
8 accepts her work on this issue as well.

9 **Q. Please state the amount of rate case expense incurred by the Company.**

10 A. The Company's direct costs, excluding labor and benefits, have amounted to \$22,498
11 through April 2, 2010.

12 **Q. Is this the amount to be added to the revenue requirement in this case?**

13 A. No. In the Staff's Cost of Service Study they stated that the rate case expenses would
14 be amortized over either three or five years.

15 **Q. Which time period would be proper in your estimation?**

16 A. An amortization over three years is proper. Due to increasing operating expenses and
17 anticipated capital improvements, it is very likely that the Company will file for
18 additional rate relief closer to the three year time frame than the five year time frame.

19 **Q. Does the Company expect to incur additional costs in connection with this case?**

20 A. Yes, in addition to the true up hearing, the Commission has noted there may be an
21 additional evidentiary hearing in connection with the current ongoing discovery
22 process. We expect additional attorney fees as well as additional travel expenses for
23 both Doctor Stump and me.

1 **Q. Does this conclude your True Up Direct Testimony?**

2 A. Yes, it does.