

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

In the Matter of the Release of Staff's)	
Report Regarding Environmental Utilities,)	<u>Case No. WO-2006-0361</u>
L.L.C., and Osage Water Company.)	

RESPONSE TO ORDER DIRECTING FILING

COMES NOW the Staff of the Missouri Public Service Commission, by and through the Commission's General Counsel, and for its Response to the Commission's Order Directing Filing, states as follows:

1. The Staff of the Missouri Public Service Commission ("Staff") commenced this action on March 17, 2006, by filing its Motion to Open Docket and Require Environmental Utilities, L.L.C., to Show Cause Why Staff's Audit Report Should not be made Public, together with its Motion for Expedited Treatment and Motion for Protective Order.
2. The Commission issued its Order Establishing Protective Order on March 20, 2006.
3. On April 4, 2006, the Commission issued its Order Directing Staff to File Audit Report, which directed Staff to "file its report as Highly Confidential, pursuant to the Protective Order established for this case" not later than April 7, 2006.
4. In compliance with the Commission Order referred to above, Staff hereby files its Audit Report, designated Highly Confidential ("HC") in its entirety. The Audit Report is attached hereto as Attachment A and incorporated herein by reference.
5. Attached hereto as Attachment B, and incorporated herein by reference, is the public or Non-Proprietary ("NP") version of Staff's Audit Report.

WHEREFORE, Staff prays that the Commission will receive this pleading and its attachments in compliance with its Order Directing Filing of April 4, 2006; and grant such other and further relief as the Commission deems just in the circumstances.

Respectfully Submitted,

/s/ Kevin A. Thompson

Kevin A. Thompson
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Certificate of Service

The undersigned certifies that a true and correct copy of the foregoing was mailed, hand delivered, transmitted by facsimile or electronically mailed to all counsel and/or parties of record this 5th day of April 2006.

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/s/ Kevin A. Thompson

MISSOURI PUBLIC SERVICE COMMISSION'S

STAFF'S FINDINGS CONCERNING PROVISION OF SERVICE

TO EAGLE WOODS SUBDIVISION



January 2006

Staff's Findings Concerning Provision of Service to Eagle Woods Subdivision

The Auditing Staff of the Missouri Public Service Commission (the Staff) was directed to review the books and records of Environmental Utilities, LLC (EU) and Osage Water Company, Inc. (OWC), as a result of actions taken by EU to serve OWC and its customers a disconnection notice for the non-payment of wholesale water bills by OWC.

EU is a regulated water company and holds a Certificate of Convenience and Necessity to serve unincorporated portions of Camden County, Missouri. The owners of EU are Mr. Gregory D. Williams and Ms. Debra Williams, and they operate that utility. OWC is a regulated sewer and water company and holds a Certificate of Convenience and Necessity to serve various utility systems in the Camden County, Missouri area. Mr. Williams also owns 50% of the voting stock for OWC. Therefore, EU and OWC are affiliated companies as defined in CSR-240-20.015. The other primary owner of OWC is Mr. William P. Mitchell, who is OWC's registered agent, president and director. Eagle Woods Subdivision (Eagle Woods) is within the certificated area of OWC, and OWC is responsible for the provision of sewer and water service to Eagle Woods. However, OWC does not own the plant in service (i.e., water well) necessary to provide water service to Eagle Woods. OWC is only able to provide water service to Eagle Woods by purchasing water from EU through a wholesale water contract between EU and OWC, and in turn providing that water to Eagle Woods.

Prior to September 30, 2005, EU operated OWC under the provisions of an operation and maintenance agreement (O&M Agreement) that was dated September 1, 2002. Under this O&M Agreement, EU was ". . . expressly authorized to collect all revenues due and owing to Osage Water Company . . . and to pay therefrom all expenses incurred in the operation of the

water and sewer utility systems now owned by Osage Water Company, and to reimburse therefrom the expenses incurred by Environmental Utilities, LLC for payroll, including any taxes thereon, for personnel employed by Environmental Utilities, LLC, equipment rental, transportation expenses, sales taxes, insurance premiums or any other expenses arising from or relating to the operation of said water and sewer utility systems . . ." Therefore, as a practical matter, this contract gave EU full financial and operational control of OWC. Additionally, under the terms of the agreement OWC expressly appointed EU ". . . as its agent for the purpose of operating, maintaining, and repairing the water and sewer utility systems owned by OWC . . ."

Beginning in May 2005, OWC operating revenues from the Cedar Glen development (a group of customers served by OWC) were garnished through a Camden County Court Order. The Staff's understanding is that the garnishment was granted on the basis of a long running dispute between Cedar Glen and OWC for the alleged lack of payment by OWC for construction and development of the Cedar Glenn water and sewer system. The Staff is also aware that OWC or its representatives did not appear before the court and lost the garnishment case by default. The effect of the garnishment significantly reduced the monthly revenues received by OWC for utility service. EU provided documents to the Staff valuing lost revenues associated with the garnishment at \$36,138 for the period of May 4, 2005 to September 30, 2005.

On December 31, 2002, the Missouri Public Service Commission brought suit against OWC in Camden County Circuit Court case number CV-102-965CC, seeking the appointment of a receiver for OWC. The Commission alleged that OWC had been effectively abandoned by its owners and that OWC was unable or unwilling to provide safe and adequate utility service

to its customers. On October 21, 2005 the Circuit Court of Camden County placed OWC's operations in receivership. Mr. Gary V. Cover was appointed by the court as receiver and is currently responsible for the day-to-day operations of OWC. Beginning in July 2005 OWC ceased paying its bills to EU related to the provision of water service to Eagle Woods. EU delivered a disconnection notice to Eagle Woods customers, dated December 12, 2005, with an effective shutoff date of December 27, 2005. The disconnection notice stated that the amount due to EU for the provision of water service to Eagle Woods was \$5,009.67. Mr. Cover has attempted to satisfy EU's demand for payment by remitting to EU \$1,096.50 on December 12, 2005, which represents payment for the billed water usage of Eagle Woods since October 21, 2005. Mr. Cover is disputing the alleged remaining unpaid balance for the period prior to his being appointed receiver, as specifically provided for in EU's tariff. In response to these actions by Mr. Cover, EU has extended the threatened disconnection date by thirty days to January 26, 2006.

The Staff was directed to perform this audit of the books and records of EU and OWC by Mr. Robert Schallenberg, the Commission's Utility Services Division Director, on December 29, 2006. The intent of this audit was to examine the books and records of EU and OWC, to determine if OWC had the financial ability to pay for Eagle Woods' water supply, and to determine whether EU had good cause to serve a disconnection notice to OWC as a result of OWC's non-payment of costs to supply Eagle Woods with water. The Staff submitted an initial document request to EU on December 29, 2005 to obtain the documents that were needed to perform this audit. On December 30, 2005, the Staff arrived at EU's office in Sunrise Beach, Missouri, reviewed the documents with Ms. Williams, and brought them back to our office in Jefferson City, Missouri. After reviewing these records, the Staff requested

additional information from Mr. Williams of OWC and EU through Mr. Keith Krueger of the Commission's General Counsels Office, on January 10, 2006.

In this audit, the Staff received EU and OWC data only through September 30, 2005 based on the fact that the Camden County Circuit Court placed OWC's operations in receivership on October 21, 2005. In conjunction with this receivership, EU terminated the OWC operating contract with Mr. Pat Mitchell effective September 30, 2005.

The Staff's review of facts concerning this audit produced the following findings:

1. Based upon the evidence reviewed to date by the Staff through its audit of OWC and EU's books and records, the Staff has determined that sufficient funds from OWC should have been available for OWC to pay its necessary expenses to EU related to the provision of water service to Eagle Woods through September 2005. The Staff finds that EU, acting as the direct agent for OWC through the O&M Agreement, has an utmost fiduciary responsibility to the utility customers of OWC to provide safe and adequate service. The Staff's financial analysis of OWC shows that OWC continued to pay certain discretionary expenses (such as salary amounts to Ms. Williams and payment of legal fees and other various costs to Mr. Williams) that would have been sufficient to make continued payments under the wholesale water contract for Eagle Woods. The parties making the decisions on OWC's behalf to continue making these discretionary payments are the same individuals that made the decision on behalf of EU to serve a disconnection notice on OWC. The Staff contends it is disingenuous of EU to serve OWC with a disconnection notice for nonpayment when the responsibility for payment of all OWC bills clearly rested with the principals of EU. The Staff recognizes the fact that the garnishment of Cedar Glenn revenues had a significant

impact on the cash flow of OWC and its agent EU. However, as the Staff's analysis (Exhibit 1) illustrates, EU had the ability even after the garnishment occurred to pay the water bills associated with the provision of water service to Eagle Woods.

2. Additionally, the Staff has recommended in previous cases that OWC should meter the water usage of all of its customers. If this recommendation had been carried out by OWC, that company would have had a more accurate accounting of water used by its Eagle Woods customers, and also would have increased revenues for OWC from its service to Eagle Woods to offset the cost of purchased water from EU. However, only eight of the twenty-four customers of Eagle Woods currently have meters installed. For the five months ending September 30, 2005, EU's master meter log indicates that the Eagle Woods customers used 1,416,200 gallons of water. But the eight Eagle Woods customers that are metered only used 216,357 gallons. By the Staff's calculation OWC lost approximately \$2,882 in revenues due to system leaks and not metering all of its customers during this period.
3. Nothing in this report is intended as an attempt to determine if OWC's rates set by the Missouri Public Service Commission for Eagle Woods were sufficient or insufficient. To determine adequacy of rate levels, the Staff would need to perform a cost-of-service analysis of all of the operating systems of OWC, not just Eagle Woods. It would be inappropriate to attempt to determine the adequacy or inadequacy of overall customer rates based on review of just one individual system within a utility.
4. The results and conclusions contained in this report are based upon a review of OWC's and EU's general ledger, check register and billing records. As previously stated, the Staff's analysis of these documents required the Staff to request additional documents

from OWC and EU. These requested documents include actual bank statements for OWC and EU, reconciliation by OWC of the alleged delinquent water bills in question as of September 30, 2005, and an explanation of expense recorded in OWC's general ledger for Mr. Gregory D. Williams. The findings in this report may be subject to change if, and when, this additional information is made available to the Staff.

Environmental Utilites, LLC
Cash Flow Analysis
For Period January 1, 2005 to September 30, 2005

Prepared by: Dana Eaves
Date prepared: 1/11/2006

Starting date	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	Total
Beginning	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	Total
Cash on hand (beginning of month)	3,475	3,474.96	4,064.45	1,227.38	1,912.96	418.99	-13.41	-13.41	1,863.74	1,536.41	2,097.24	2,097.24	2,369.81
CASH RECEIPTS													
Revenue from utility operations		674.28	1,162.93	842.88		463.31		1,995.55		1,123.40		608.07	382.88
Collections on accounts receivable													0.00
Interest, other income													0.00
Loan proceeds													0.00
Owner contributions													0.00
TOTAL CASH RECEIPTS		674.28	1,162.93	842.88	0.00	463.31	0.00	1,995.55	0.00	1,123.40	0.00	608.07	382.88
TOTAL CASH AVAILABLE	3,475	4,149.24	5,227.38	2,070.26	1,912.96	44.32	-13.41	1,982.14	1,863.74	2,659.81	2,097.24	2,705.31	2,752.69
CASH PAID OUT													
Ameren UE		84.79		157.30	74.65	57.73		118.40	142.77	87.57		121.96	141.35
Central Bank Lake of the Ozarks													0.00
Chelsea Williams											45.00		45.00
Debra J Williams													0.00
Department of Natural Resources									100.00				100.00
Global Crossing												15.72	15.72
Gregory D Williams			4,000.00		2,000.00								6,000.00
Hibdon Gravel													0.00
Hiebert & Decker									475.00				475.00
Internal Revenue Service													0.00
Jeff Smith												591.72	591.72
McDuffy Lab												140.00	140.00
Missouri Department of Revenue											131.32		131.32
Missouri Employers Mutual												990.00	990.00
Missouri Public Service Commission											37.22		37.22
Osage Water Compny					257.30								257.30
SBC												136.00	136.00
Sprint												99.89	99.89
Wal-Mart								84.56					84.56
TOTAL CASH PAID OUT		84.79	4,000.00	157.30	2,331.95	57.73	0.00	118.40	327.33	562.57	0.00	335.50	2,114.68
Cash on hand (end of month)	3,475	4,064.45	1,227.38	1,912.96	418.99	-13.41	-13.41	1,863.74	1,536.41	2,097.24	2,097.24	2,369.81	638.01

Osage Water Company, LLC
Cash Flow Analysis
For Period January 1, 2005 to September 30, 2005

Prepared by: Dana Eaves
Date prepared: 1/11/2006

Starting date	Jan-05													
	Beginning	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	Total
Cash on hand (beginning of month)	3,815	3,815	948	1,306	978	55	945	4,097	632	2,329	7,113	7,113	7,113	
CASH RECEIPTS														
Revenue from utility operations		16,165	18,959	17,222	13,948	9,920	10,628	10,507	12,698	11,300				121,347
Collections on accounts receivable														0
Interest, other income														0
Loan proceeds														0
Owner contributions														0
TOTAL CASH RECEIPTS		16,165	18,959	17,222	13,948	9,920	10,628	10,507	12,698	11,300	0	0	0	121,347
TOTAL CASH AVAILABLE	3,815	19,980	18,011	18,528	14,926	9,975	11,573	14,604	13,330	13,629	7,113	7,113	7,113	
CASH PAID OUT														
A&A Septic							1,660							1,660
Aaron Dial										36				36
Ace Hardware		70												70
Air-Gas				333		66								399
Ameren UE		986	857	865	825	728	1,156	1,061	1,069	785				8,332
Blue Ribbon Electric			230					289	323					841
Bowling Electric							20	347	289					656
Camden County Collector			25											25
Cananwill		584	613	584	584	584	584	584	584	584				5,285
Central Bank Lake of the Ozarks		3,588	2,614	2,762	3,256	3,009	2,003	1,987	2,064	1,632				22,914
Chelsea Williams							40							40
City of Sunrise Beach		10	3											13
CO-MO Electric		382	394	297	311	279	262	594		339				2,859
Dairyland Insurance Co.		69	69	69	65	66	65	63	63					529
Debra J Williams		2,473	2,473	3,710	1,237					12,367				22,260
Department of Natural Resources		5,028		2,500										7,528
Division of Employment Security		139			399				171					709
El Dorado Printing & Stationary		40				38		45	45					168
Environmental Utilities, LLC		489	551	591	456			1,379						3,466
Forklift of Central Missouri							122							122
Global Crossing		16	16	16	16	16	16	16	16					126
Gregory D Williams		2,316	3,305	821	652			1,957	1,152					10,203
Hibdon Gravel										379				379
Hiebert & Decker			750											750
Internal Revenue Service						91			90					182
Jack's								11						11
Jeff Smith		1,477	1,947	2,295	1,936	1,936	1,936	2,345	1,926	2,520				18,317
Jiffy Lube		56				20	63							56
Jiffy Stop														83
Lake of the Ozarks Comm			150		125			200		200				675
Laurie Office Supply			10											10
Lowe's				115		397	389	129	417	97				1,543
MBNA				120										120
Missouri Department of Revenue		1,226			1,034				596					2,855
Missouri Employers Mutual			272	272	272	272	276		288					1,652
O'Reilly's		220	141	38	38	26	57		6	314				840
Osage Tire & Auto			272		586									858
Ozark Rental								34						34
Postmaster		92	92	98	69	115	33		138	46				683
SBC		44	46	45	48	47		92	51	45				418
Southwest Electric		596		606		268	238	307	341	370				2,725
Sprint		48	148	104	98	89	98		136					722
State of Missouri		222			800									1,022
Tailman Company			276		286	275	119		382	44				1,381
Tamara L. Martin		515	1,190	1,090	1,746	709		733	853	985				7,822
Towner Communications								140						140
Value Tires					32									32
Water Inc		243	261	218										722
TOTAL CASH PAID OUT		20,928	16,704	17,550	14,871	9,030	7,476	13,972	11,001	20,742	0	0	0	132,275
Cash on hand (end of month)	3,815	948	1,306	978	55	945	4,097	632	2,329	7,113	7,113	7,113	7,113	
Billing amount for EW water usage		489.31	551.23	590.71	456.42	621.28	757.51	851.94	1,459.93	1,738.97	855.04	566.71	523.37	9,462.42
EU balance due for water usage		0.00	0.00	0.00	0.00	0.00	0.00	851.94	1,459.93	1,738.97	855.04			4,905.88
Amount paid by receiver													1,096.50	

Check Number	Date	Payee	Cash Account	Amount
1249	26-Jan	Ace Hardware	131	69.71
		Ace Hardware Total		69.71
1231	7-Jan	Ameren UE	131	8.80
1241	21-Jan	Ameren UE	131	50.00
1258	25-Jan	Ameren UE	131	926.72
		Ameren UE Total		985.52
1234	7-Jan	Cananwill	131	583.97
		Cananwill Total		583.97
1236	14-Jan	Central Bank Lake of the Ozarks	131	458.97
1238	14-Jan	Central Bank Lake of the Ozarks	131	1,800.00
EFT	10-Jan	Central Bank Lake of the Ozarks	131	904.76
EFT	31-Jan	Central Bank Lake of the Ozarks	131	30.02
EFT	20-Jan	Central Bank Lake of the Ozarks	131	394.55
		Central Bank Lake of the Ozarks Total		3,588.30
1252	25-Jan	City of Sunrise Beach	131	10.00
		City of Sunrise Beach Total		10.00
1235	7-Jan	CO-MO Electric	131	382.12
		CO-MO Electric Total		382.12
1254	25-Jan	Dairyland Insurance Co.	131	69.00
		Dairyland Insurance Co. Total		69.00
1239	1-Jan	Debra J Williams	131	1,236.67
1240	15-Jan	Debra J Williams	131	1,236.67
		Debra J Williams Total		2,473.34
1245	21-Jan	Department of Natural Resources	131	2,900.00
1246	21-Jan	Department of Natural Resources	131	2,128.00
		Department of Natural Resources Total		5,028.00
1267	28-Jan	Division of Employment Security	131	139.00
		Division of Employment Security Total		139.00
1256	25-Jan	El Dorado Printing & Stationary	131	40.47
		El Dorado Printing & Stationary Total		40.47
1262	25-Jan	Environmental Utilities, LLC	131	489.31
		Environmental Utilities, LLC Total		489.31
1253	25-Jan	Global Crossing	131	15.70
		Global Crossing Total		15.70
1257	25-Jan	Gregory D Williams	131	11.65
1261	25-Jan	Gregory D Williams	131	1,304.50
1263	25-Jan	Gregory D Williams	131	1,000.00
		Gregory D Williams Total		2,316.15
1226	12-Jan	Jeff Smith	131	100.00
1230	7-Jan	Jeff Smith	131	458.97
1247	21-Jan	Jeff Smith	131	458.97
1265	28-Jan	Jeff Smith	131	458.97
		Jeff Smith Total		1,476.91
1243	21-Jan	Jiffy Lube	131	55.90
		Jiffy Lube Total		55.90
1267	28-Jan	Missouri Department of Revenue	131	515.00
1269	28-Jan	Missouri Department of Revenue	131	710.65
		Missouri Department of Revenue Total		1,225.65
1218	10-Jan	O'Reilly's	131	80.32
1227	13-Jan	O'Reilly's	131	69.69
1227	14-Jan	O'Reilly's	131	69.69
		O'Reilly's Total		219.70
1266	28-Jan	Postmaster	131	92.00
		Postmaster Total		92.00
1255	25-Jan	SBC	131	43.80
		SBC Total		43.80
1232	7-Jan	Southwest Electric	131	282.02
1259	25-Jan	Southwest Electric	131	138.40
1264	27-Jan	Southwest Electric	131	175.51
		Southwest Electric Total		595.93
1251	25-Jan	Sprint	131	47.73

Check Number	Date	Payee	Cash Account	Amount
		Sprint Total		47.73
1260	25-Jan	State of Missouri	131	222.25
		State of Missouri Total		222.25
1237	14-Jan	Tamara L. Martin	131	514.52
		Tamara L. Martin Total		514.52
1233	7-Jan	Water Inc	131	25.00
1250	25-Jan	Water Inc	131	218.00
		Water Inc Total		243.00
		Grand Total		20,927.98

Check Number	Date	Payee	Cash Account	Amount
1273	8-Feb	Ameren UE	131	7.63
1284	11-Feb	Ameren UE	131	459.70
1304	25-Feb	Ameren UE	131	389.82
		Ameren UE Total		857.15
1295	17-Feb	Blue Ribbon Electric	131	230.15
		Blue Ribbon Electric Total		230.15
1275	8-Feb	Camden Co. Collector	131	25.00
		Camden Co. Collector Total		25.00
1294	17-Feb	Cananwill	131	613.16
		Cananwill Total		613.16
EFT	10-Feb	Central Bank Lake of the Ozarks	131	904.76
1283	11-Feb	Central Bank Lake of the Ozarks	131	1,314.63
EFT	20-Feb	Central Bank Lake of the Ozarks	131	394.55
		Central Bank Lake of the Ozarks Total		2,613.94
1276	8-Feb	City of Sunrise Beach	131	2.50
		City of Sunrise Beach Total		2.50
1274	8-Feb	CO-MO Electric	131	393.63
		CO-MO Electric Total		393.63
1298	17-Feb	Dairyland Insurance Co.	131	69.00
		Dairyland Insurance Co. Total		69.00
1271	1-Feb	Debra J. Williams	131	1,236.67
1288	16-Feb	Debra J. Williams	131	1,236.67
		Debra J. Williams Total		2,473.34
1282	11-Feb	Environmental Utilities, LLC.	131	551.23
		Environmental Utilities, LLC. Total		551.23
1297	17-Feb	Global Crossing	131	15.75
		Global Crossing Total		15.75
1285	11-Feb	Gregory D. Williams	131	652.25
1306	25-Feb	Gregory D. Williams	131	652.25
1307	25-Feb	Gregory D. Williams	131	2,000.00
		Gregory D. Williams Total		3,304.50
1281	11-Feb	Hiebert & Decker	131	750.00
		Hiebert & Decker Total		750.00
1272	4-Feb	Jeff Smith	131	458.97
1286	11-Feb	Jeff Smith	131	570.00
1289	16-Feb	Jeff Smith	131	458.97
1301	25-Feb	Jeff Smith	131	458.97
		Jeff Smith Total		1,946.91
1299	17-Feb	Lake of the Ozarks Comm	131	150.00
		Lake of the Ozarks Comm Total		150.00
1244	7-Feb	Laurie Office Supply	131	10.05
		Laurie Office Supply Total		10.05
1280	11-Feb	Missouri Employers Mutual	131	272.00
		Missouri Employers Mutual Total		272.00
1290	18-Feb	O'Reilly's	131	88.99
1292	21-Feb	O'Reilly's	131	51.70
		O'Reilly's Total		140.69
1293	25-Feb	Osage Tire & Auto	131	272.09
		Osage Tire & Auto Total		272.09
1308	25-Feb	Postmaster	131	92.00
		Postmaster Total		92.00
1296	17-Feb	SBC	131	46.07
		SBC Total		46.07
1279	11-Feb	Sprint	131	47.73
1300	17-Feb	Sprint	131	100.55
		Sprint Total		148.28
1291	18-Feb	Tallman Company	131	275.61
		Tallman Company Total		275.61
1270	1-Feb	Tamera Martin	131	612.00
1287	16-Feb	Tamera Martin	131	578.26

Check Number	Date	Payee	Cash Account	Amount
		Tamera Martin Total		1,190.26
1302	25-Feb	Waterlab	131	218.00
1303	25-Feb	Waterlab	131	18.00
1305	25-Feb	Waterlab	131	25.00
		Waterlab Total		261.00
		Grand Total		16,704.31

Check Number	Date	Payee	Cash Account	Amount
1318	8-Mar	Air-Gas	131	333.04
		Air-Gas Total		333.04
1314	8-Mar	Ameren UE	131	7.63
1322	14-Mar	Ameren UE	131	484.97
1338	22-Mar	Ameren UE	131	372.82
		Ameren UE Total		865.42
1323	14-Mar	Cananwill	131	583.97
		Cananwill Total		583.97
EFT	10-Mar	Central Bank Lake of the Ozarks	131	904.76
1326	15-Mar	Central Bank Lake of the Ozarks	131	1,463.15
EFT	20-Mar	Central Bank Lake of the Ozarks	131	394.55
		Central Bank Lake of the Ozarks Total		2,762.46
1313	8-Mar	CO-MO Electric	131	296.70
		CO-MO Electric Total		296.70
1335	22-Mar	Dairyland Insurance Co.	131	69.15
		Dairyland Insurance Co. Total		69.15
1310	1-Mar	Debra J. Williams	131	1,236.67
1325	15-Mar	Debra J. Williams	131	1,236.67
1346	31-Mar	Debra J. Williams	131	1,236.67
		Debra J. Williams Total		3,710.01
1340	22-Mar	Department of Natural Resources	131	2,500.00
		Department of Natural Resources Total		2,500.00
1317	8-Mar	Environmental Utilities, LLC.	131	590.71
		Environmental Utilities, LLC. Total		590.71
1337	22-Mar	Global Crossing	131	15.91
		Global Crossing Total		15.91
1320	8-Mar	Gregory D. Williams	131	169.07
1341	22-Mar	Gregory D. Williams	131	652.25
		Gregory D. Williams Total		821.32
1311	4-Mar	Jeff Smith	131	458.97
1321	8-Mar	Jeff Smith	131	458.97
1327	17-Mar	Jeff Smith	131	458.97
1342	23-Mar	Jeff Smith	131	458.97
1345	31-Mar	Jeff Smith	131	458.97
		Jeff Smith Total		2,294.85
1174	8-Mar	Lowe's	131	47.81
1332	22-Mar	Lowe's	131	66.77
		Lowe's Total		114.58
1319	8-Mar	MBNA	131	120.41
		MBNA Total		120.41
1316	8-Mar	Missouri Employers Mutual	131	272.00
		Missouri Employers Mutual Total		272.00
1248	17-Mar	O'Reilly's	131	25.84
1331	23-Mar	O'Reilly's	131	12.38
		O'Reilly's Total		38.22
1312	4-Mar	Postmaster	131	6.46
1344	29-Mar	Postmaster	131	92.00
		Postmaster Total		98.46
1336	22-Mar	SBC	131	44.76
		SBC Total		44.76
1315	8-Mar	Southwest Electric	131	336.01
1347	31-Mar	Southwest Electric	131	270.03
		Southwest Electric Total		606.04
1333	17-Mar	Sprint	131	51.78
1334	22-Mar	Sprint	131	52.67
		Sprint Total		104.45
1309	1-Mar	Tamera Martin	131	508.00
1324	15-Mar	Tamera Martin	131	582.00
		Tamera Martin Total		1,090.00
1339	22-Mar	Waterlab	131	218.00
		Waterlab Total		218.00
		Grand Total		17,550.46

Check Number	Date	Payee	Cash Account	Amount
1349	7-Apr	Ameren UE	131	7.63
1359	12-Apr	Ameren UE	131	474.65
1375	22-Apr	Ameren UE	131	342.37
		Ameren UE Total		824.65
1357	12-Apr	Cananwill	131	583.97
		Cananwill Total		583.97
EFT	10-Apr	Central Bank Lake of the Ozarks	131	904.76
1356	12-Apr	Central Bank Lake of the Ozarks	131	1,956.21
EFT	20-Apr	Central Bank Lake of the Ozarks	131	394.55
		Central Bank Lake of the Ozarks Total		3,255.52
1350	7-Apr	CO-MO Electric	131	311.47
		CO-MO Electric Total		311.47
1370	19-Apr	Dairyland Insurance Co.	131	65.00
		Dairyland Insurance Co. Total		65.00
1362	15-Apr	Debra J. Williams	131	1,236.67
		Debra J. Williams Total		1,236.67
1379	28-Apr	Division of Employment Security	131	398.82
		Division of Employment Security Total		398.82
1362	15-Apr	Environmental Utilities, LLC	131	456.42
		Environmental Utilities, LLC. Total		456.42
1369	19-Apr	Global Crossing	131	15.77
		Global Crossing Total		15.77
1363	15-Apr	Gregory D. Williams	131	652.25
		Gregory D. Williams Total		652.25
1351	7-Apr	Jeff Smith	131	458.97
1355	12-Apr	Jeff Smith	131	458.97
1352	18-Apr	Jeff Smith	131	100.00
1372	22-Apr	Jeff Smith	131	458.97
1380	29-Apr	Jeff Smith	131	458.97
		Jeff Smith Total		1,935.88
1360	12-Apr	Lake of the Ozarks Comm	131	125.00
		Lake of the Ozarks Comm Total		125.00
1377	22-Apr	Missouri Department of Revenue	131	464.85
1378	28-Apr	Missouri Department of Revenue	131	569.00
		Missouri Department of Revenue Total		1,033.85
1358	12-Apr	Missouri Employers Mutual	131	272.00
		Missouri Employers Mutual Total		272.00
1228	22-Apr	O'Reilly's	131	38.43
		O'Reilly's Total		38.43
1354	14-Apr	Osage Tire & Auto	131	341.21
1373	27-Apr	Osage Tire & Auto	131	245.10
		Osage Tire & Auto Total		586.31
1376	22-Apr	Postmaster	131	69.00
		Postmaster Total		69.00
1368	19-Apr	SBC	131	48.04
		SBC Total		48.04
1366	19-Apr	Sprint	131	60.53
1367	19-Apr	Sprint	131	37.59
		Sprint Total		98.12
1371	19-Apr	State of Missouri	131	800.00
		State of Missouri Total		800.00
1328	4-Apr	Tallman Company	131	196.38
1329	14-Apr	Tallman Company	131	89.54
		Tallman Company Total		285.92
1348	1-Apr	Tamera Martin	131	578.31
1361	18-Apr	Tamera Martin	131	535.50
1365	15-Apr	Tamera Martin	131	76.50
1381	29-Apr	Tamera Martin	131	555.50
		Tamera Martin Total		1,745.81
1330	14-Apr	Value Tires	131	32.08
		Value Tires Total		32.08
		Grand Total		14,870.98

Check Number	Date	Payee	Cash Account	Amount
		Air-Gas Total		65.70
1396	17-May	Ameren UE	131	426.15
1404	19-May	Ameren UE	131	302.23
		Ameren UE Total		728.38
1395	17-May	Cananwill	131	583.97
		Cananwill Total		583.97
EFT	10-May	Central Bank Lake of the Ozarks	131	904.76
1393	16-May	Central Bank Lake of the Ozarks	131	1,314.98
EFT	16-May	Central Bank Lake of the Ozarks	131	394.55
EFT	20-May	Central Bank Lake of the Ozarks	131	394.55
		Central Bank Lake of the Ozarks Total		3,008.84
1387	3-May	CO-MO Electric	131	279.37
		CO-MO Electric Total		279.37
1397	17-May	Dairyland Insurance Co.	131	66.00
		Dairyland Insurance Co. Total		66.00
1382V	16-May	Debra J. Williams	131	(1,236.67)
1382	16-May	Debra J. Williams	131	1,236.67
		Debra J. Williams Total		
1398	17-May	El Dorado Printing & Stationary	131	38.20
		El Dorado Printing & Stationary Total		38.20
1410	31-May	Global Crossing	131	15.82
		Global Crossing Total		15.82
1408	31-May	Internal Revenue Service	131	91.36
		Internal Revenue Service Total		91.36
1353	3-May	Jeff Smith	131	100.00
1389	6-May	Jeff Smith	131	458.97
1392	11-May	Jeff Smith	131	458.97
1399	20-May	Jeff Smith	131	458.97
1406	27-May	Jeff Smith	131	458.97
		Jeff Smith Total		1,935.88
1401	26-May	Jiffy Stop	131	20.00
		Jiffy Stop Total		20.00
1384	5-May	Lowe's	131	396.61
		Lowe's Total		396.61
1388	3-May	Missouri Employers Mutual	131	272.00
		Missouri Employers Mutual Total		272.00
1391	19-May	O'Reilly's	131	25.72
		O'Reilly's Total		25.72
1436	1-May	Postmaster	131	92.00
1405	25-May	Postmaster	131	23.00
		Postmaster Total		115.00
1409	31-May	SBC	131	46.62
		SBC Total		46.62
1386	3-May	Southwest Electric	131	267.86
		Southwest Electric Total		267.86
1403	25-May	Sprint	131	39.16
1411	31-May	Sprint	131	49.54
		Sprint Total		88.70
1383	4-May	Tallman Company	131	81.22
1390	11-May	Tallman Company	131	142.82
1402	25-May	Tallman Company	131	50.58
		Tallman Company Total		274.62
1394	16-May	Tamera Martin	131	390.53
1407	31-May	Tamera Martin	131	318.83
		Tamera Martin Total		709.36
		Grand Total		9,030.01

Check Number	Date	Payee	Cash Account	Amount
1413	1-Jun	Ameren UE	131	7.63
1444	1-Jun	Ameren UE	131	524.90
1425	9-Jun	Ameren UE	131	623.34
		Ameren UE Total		1,155.87
1385	3-Jun	Bowling Electric	131	20.00
		Bowling Electric Total		20.00
1431	15-Jun	Cananwill	131	583.97
		Cananwill Total		583.97
1412	1-Jun	Central Bank Lake of the Ozarks	131	684.86
EFT	10-Jun	Central Bank Lake of the Ozarks	131	904.76
EFT	20-Jun	Central Bank Lake of the Ozarks	131	412.88
		Central Bank Lake of the Ozarks Total		2,002.50
1438	30-Jun	Chelsea Williams	131	40.00
		Chelsea Williams Total		40.00
1416	1-Jun	CO-MO Electric	131	262.49
		CO-MO Electric Total		262.49
1434	16-Jun	Dairyland Insurance Co.	131	65.20
		Dairyland Insurance Co. Total		65.20
1400	1-Jun	Forklift of Central Missouri	131	122.00
		Forklift of Central Missouri Total		122.00
1432	15-Jun	Global Crossing	131	15.78
		Global Crossing Total		15.78
1419	2-Jun	Jeff Smith	131	100.00
1417	2-Jun	Jeff Smith	131	458.97
1421	9-Jun	Jeff Smith	131	458.97
1427	15-Jun	Jeff Smith	131	458.97
1435	23-Jun	Jeff Smith	131	458.97
		Jeff Smith Total		1,935.88
1423	28-Jun	Jiffy Stop	131	63.00
		Jiffy Stop Total		63.00
1420	10-Jun	Lowe's	131	388.87
		Lowe's Total		388.87
1430	15-Jun	Missouri Employers Mutual	131	276.00
		Missouri Employers Mutual Total		276.00
1418	7-Jun	O'Reilly's	131	57.03
		O'Reilly's Total		57.03
1414	1-Jun	Postmaster	131	33.00
		Postmaster Total		33.00
1415	1-Jun	Soutwest Electric	131	237.74
		Soutwest Electric Total		237.74
1433	15-Jun	Sprint	131	98.23
		Sprint Total		98.23
1424	28-Jun	Tallman Company	131	118.54
		Tallman Company Total		118.54
		Grand Total		7,476.10

Check Number	Date	Payee	Cash Account	Amount
1452	12-Jul	A&A Septic	131	1,660.00
		A&A Septic Total		1,660.00
1448	12-Jul	Ameren UE	131	644.23
11465	25-Jul	Ameren UE	131	416.65
		Ameren UE Total		1,060.88
1454	12-Jul	Blue Ribbon Electric	131	204.25
1469	25-Jul	Blue Ribbon Electric	131	84.31
		Blue Ribbon Electric Total		288.56
1460	29-Jul	Bowling Electric	131	346.79
		Bowling Electric Total		346.79
1453	12-Jul	Cananwill	131	583.97
		Cananwill Total		583.97
EFT	10-Jul	Central Bank Lake of the Ozarks	131	904.76
1451	12-Jul	Central Bank Lake of the Ozarks	131	669.05
EFT	20-Jul	Central Bank Lake of the Ozarks	131	412.88
		Central Bank Lake of the Ozarks Total		1,986.69
1446	11-Jul	CO-MO Electric	131	298.15
1471	26-Jul	CO-MO Electric	131	295.53
		CO-MO Electric Total		593.68
1470	25-Jul	Dairyland Insurance Co.	131	63.00
		Dairyland Insurance Co. Total		63.00
1466	25-Jul	El Dorado Printing & Stationary	131	45.00
		El Dorado Printing & Stationary Total		45.00
1456	13-Jul	Environmental Utilities, LLC.	131	1,378.79
		Environmental Utilities, LLC. Total		1,378.79
1468	25-Jul	Global Crossing	131	15.82
		Global Crossing Total		15.82
1455	13-Jul	Gregory D. Williams	131	1,956.75
		Gregory D. Williams Total		1,956.75
1440	18-Jul	Jack's	131	11.39
		Jack's Total		11.39
1437	1-Jul	Jeff Smith	131	458.97
1446	8-Jul	Jeff Smith	131	458.97
1457	13-Jul	Jeff Smith	131	458.97
1459	19-Jul	Jeff Smith	131	508.97
1464	25-Jul	Jeff Smith	131	458.97
		Jeff Smith Total		2,344.85
1467	25-Jul	Lake of the Ozarks Comm	131	200.00
		Lake of the Ozarks Comm Total		200.00
1422	14-Jul	Lowe's	131	96.73
1441	22-Jul	Lowe's	131	31.94
		Lowe's Total		128.67
1439	7-Jul	Ozark Rental	131	34.09
		Ozark Rental Total		34.09
1449	12-Jul	SBC	131	91.90
		SBC Total		91.90
1446	8-Jul	Southwest Electric	131	307.11
		Southwest Electric Total		307.11
1443	1-Jul	Tamera Martin	131	459.67
1458	15-Jul	Tamera Martin	131	273.71
		Tamera Martin Total		733.38
1450	12-Jul	Towner Communications	131	140.46
		Towner Communications Total		140.46
		Grand Total		13,971.78

Check Number	Date	Payee	Cash Account	Amount
1474	1-Aug	Ameren UE	131	9.34
1488	16-Aug	Ameren UE	131	666.16
1497	22-Aug	Ameren UE	131	183.65
1498	25-Aug	Ameren UE	131	210.19
		Ameren UE Total		1,069.34
1490	16-Aug	Blue Ribbon Electric	131	180.00
1500	25-Aug	Blue Ribbon Electric	131	142.50
		Blue Ribbon Electric Total		322.50
1463	19-Aug	Bowling Electric	131	288.97
		Bowling Electric Total		288.97
1486	16-Aug	Cananwill	131	583.97
		Cananwill Total		583.97
1478	1-Aug	Central Bank Lake of the Ozarks	131	24.32
s/c	9-Aug	Central Bank Lake of the Ozarks	131	25.00
EFT	10-Aug	Central Bank Lake of the Ozarks	131	904.76
1483	15-Aug	Central Bank Lake of the Ozarks	131	696.98
EFT	20-Aug	Central Bank Lake of the Ozarks	131	412.88
		Central Bank Lake of the Ozarks Total		2,063.94
1489	16-Aug	Dairyland Insurance Co.	131	63.00
		Dairyland Insurance Co. Total		63.00
1476	1-Aug	Division of Employment Security	131	170.84
		Division of Employment Security Total		170.84
1492	16-Aug	El Dorado Printing & Stationary	131	44.70
		El Dorado Printing & Stationary Total		44.70
1491	16-Aug	Global Crossing	131	15.90
		Global Crossing Total		15.90
1501	25-Aug	Gregory D. Williams	131	500.00
1502	25-Aug	Gregory D. Williams	131	652.25
		Gregory D. Williams Total		1,152.25
1505	25-Aug	Internal Revenue Service	131	90.40
		Internal Revenue Service Total		90.40
1481	5-Aug	Jeff Smith	131	458.97
1482	9-Aug	Jeff Smith	131	498.97
1496	14-Aug	Jeff Smith	131	483.97
1502	25-Aug	Jeff Smith	131	483.97
		Jeff Smith Total		1,925.88
1442	5-Aug	Lowe's	131	82.87
1462	18-Aug	Lowe's	131	334.38
		Lowe's Total		417.25
1479	1-Aug	Missouri Department of Revenue	131	595.70
		Missouri Department of Revenue Total		595.70
1477	1-Aug	Missouri Employers Mutual	131	288.00
		Missouri Employers Mutual Total		288.00
1461	16-Aug	O'Reilly's	131	6.42
		O'Reilly's Total		6.42
1472	1-Aug	Postmaster	131	92.00
1507	30-Aug	Postmaster	131	46.00
		Postmaster Total		138.00
1487	16-Aug	SBC	131	51.26
		SBC Total		51.26
1473	1-Aug	Southwest Electric	131	92.55
1484	15-Aug	Southwest Electric	131	248.70
		Southwest Electric Total		341.25
1499	25-Aug	Sprint	131	46.42
1503	25-Aug	Sprint	131	90.00
		Sprint Total		136.42
1493	22-Aug	Tallman Company	131	381.99
		Tallman Company Total		381.99
1475	1-Aug	Tamera Martin	131	332.91
1485	16-Aug	Tamera Martin	131	520.50
		Tamera Martin Total		853.41
		Grand Total		11,001.39

Check Number	Date	Payee	Cash Account	Amount
1509	6-Sep	Aaron Dial	131	36.31
		Aaron Dial Total		36.31
1515	13-Sep	Ameren UE	131	430.69
1529	29-Sep	Ameren UE	131	353.88
		Ameren UE Total		784.57
1519	13-Sep	Cananwill	131	583.97
		Cananwill Total		583.97
EFT	10-Sep	Central Bank Lake of the Ozarks	131	904.76
1517	13-Sep	Central Bank Lake of the Ozarks	131	727.05
		Central Bank Lake of the Ozarks Total		1,631.81
1511	9-Sep	CO-MO Electric	131	339.40
		CO-MO Electric Total		339.40
1581	30-Sep	Debra J. Williams	131	1,236.67
1582	30-Sep	Debra J. Williams	131	1,236.67
1583	30-Sep	Debra J. Williams	131	1,236.67
1584	30-Sep	Debra J. Williams	131	1,236.67
1585	30-Sep	Debra J. Williams	131	1,236.67
1586	30-Sep	Debra J. Williams	131	1,236.67
1587	30-Sep	Debra J. Williams	131	1,236.67
1588	30-Sep	Debra J. Williams	131	1,236.67
1589	30-Sep	Debra J. Williams	131	1,236.67
1590	30-Sep	Debra J. Williams	131	1,236.67
		Debra J. Williams Total		12,366.70
1525	29-Sep	Hibdon Gravel	131	378.81
		Hibdon Gravel Total		378.81
1506	1-Sep	Jeff Smith	131	483.97
1510	9-Sep	Jeff Smith	131	483.97
1494	12-Sep	Jeff Smith	131	100.00
1516	13-Sep	Jeff Smith	131	483.97
1521	23-Sep	Jeff Smith	131	483.97
1524	27-Sep	Jeff Smith	131	483.97
		Jeff Smith Total		2,519.85
1518	13-Sep	Lake of the Ozarks Comm	131	200.00
		Lake of the Ozarks Comm Total		200.00
1513	29-Sep	Lowe's	131	96.92
		Lowe's Total		96.92
1512	27-Sep	O'Reilly's	131	313.52
		O'Reilly's Total		313.52
1522	23-Sep	Postmaster	131	46.00
		Postmaster Total		46.00
1528	29-Sep	SBC	131	45.08
		SBC Total		45.08
1523	23-Sep	Soutwest Electric	131	102.94
1530	29-Sep	Soutwest Electric	131	266.56
		Soutwest Electric Total		369.50
1495	7-Sep	Tallman Company	131	43.90
		Tallman Company Total		43.90
1508	1-Sep	Tamera Martin	131	666.38
1520	15-Sep	Tamera Martin	131	318.83
		Tamera Martin Total		985.21
		Grand Total		20,741.55

Eagle Woods Master Meter Usage, Billing History and Payment History
Review of Eagle Woods Wholesale Water Account
Source: Company Workpapers
PRH

Usage History		Billing History		Payment History		Received From Receivership	Balance by Company	Balance Actual	Check No.
Read Date	Usage	Bill Date	Amount	Pay Date	Amount Paid				
12/22/05	144,200	1/1/06							
11/20/05	125,800	12/1/05	523.37	12/19/05		1,096.50	523.37	4,899.46	
10/21/05	137,000	11/1/05	566.71				566.71		
9/22/05	211,500	10/1/05	855.04				855.04		
8/23/05	439,900	9/1/05	1,738.97				1,738.97		
7/22/05	367,800	8/1/05	1,459.93				1,459.93		
6/21/05	210,700	7/1/05	851.94				851.94		
5/24/05	186,300	6/1/05	757.51	7/22/05	1,378.79		389.02	0.00	1456
4/21/05	151,100	5/1/05	621.28						
3/21/05	108,500	4/1/05	456.42	4/15/05	456.42		1,937.91	0.00	1363
2/23/05	143,200	3/1/05	590.71	3/9/05	590.71		0.00	0.00	1317
1/21/05	133,000	2/1/05	551.23	2/11/05	551.23		597.21	0.00	1282
12/20/04	117,000	1/1/05	489.31	1/26/05	489.31		0.00	0.00	1262
		12/1/04		12/31/04	580.65		0.00		1201
				11/8/04	667.34		0.00		1164
				10/26/04	1,199.76		667.34		1142
				9/10/04	509.54		458.50		1094
				8/20/04	923.15		0.00		1059
				7/26/04	947.53		0.00		1038
				6/28/04	217.21		947.53		997
				5/7/04	961.74		0.00		931

Receivership time period

Receivership	Past Due	Amount		Receivership	Difference
		Billed			
				12/19/05	
Past Due amount from EU Billing as of	12/1/05	5,009.67			
Amount sent to EU billed amount of water usage since	10/21/05			1,096.50	Receiver
Amount Billed	12/1/05	523.37			
	11/1/05	566.71			
	10/1/05	855.04			1,945.12 Receivership amount
	9/1/05	1,738.97			
	8/1/05	1,459.93			
	7/1/05	851.94			4,050.84 delinquent amount 9/30/05
Total		5,009.67	5,995.96	1,096.50	4,899.46
				Difference	110.21

Garnishment of Cedar Glen Funds	Payments	Interest
Check No. 16688	4/29/05	5,105.94
16842	5/30/05	3,622.60
17203	6/30/05	9,384.59
17422	7/30/05	8,802.85
17655	9/6/05	9,222.07
17940	10/10/05	6,879.70
		7,050.54
18338	11/30/05	5,165.60
1083	12/9/05	3,033.13
1168	12/15/05	2,814.26
Total Garnishments		(61,081.28)
		Total Garnishment awarded (149,216.38)
		Sum of Garnishment up through 9/30/05 (36,138.05)

Eagle Woods Wholesale Water vs Customer Consumption
Review of Delinquent Bills
Source: Company workpapers
PRH

Master Meter Read Usage		186,300	210,700	367,800	439,900	211,500	1,416,200
Wholesale cost of water		\$758	\$852	\$1,460	\$1,739	\$855	\$5,663
Eagle Woods Lots		Usage 05/24/05	Usage 06/21/05	Usage 07/22/05	Usage 08/22/05	Usage 09/22/05	Total
1, Barrett, Mark	6	4,310	4,870	5,750	21,100	4,300	
2 Gist, Virginia	25	4,840	6,690	21,973	21,973	31,330	
3 Tarr, Gerald	14						
4 Hughes, Griff	9	6,420	6,790	6,680	11,540	7,680	
5 Hulett, Linda	20						
6 Maness, Celeste	21	5,700	2,840	6,760	6,000	3,440	
7 Timson, Arthur	23						
8 Harvey, Adele	12	310	370	2,500	3,540	850	
9 Blackburn, Allen	15						
10 Owens, Dallas	4						
11 Hamm, Phillip	43						
12 Johnson, Bobbie	37						
13 Schirmer, Terry	3						
14 Statier, Carmelita	53						
15 Uthoff, Richard	48	3,580	3,330	3,370	3,590	3,520	
16 Williams, Thomas	44						
17 Texier, Arthur	27						
18 McGuire, Kathleen	24	5,020	3,620	3,450	3,630	4,400	
19 Steege, Bruce	22	5,590	9,430	15,410	19,580	4,900	
20 Wilson, Charles	26						
21 Huffman, David	18						
22 Stevens, Mark	6413 Eagle Crossing						
23 Yang, Bao Xiu	29						
24 Jordon, Denise	19						
Total Customer Usage		19,770	21,940	51,893	76,643	46,110	216,357
Flat Rate		\$393	\$393	\$393	\$393	\$393	
Commodity		\$77	\$85	\$201	\$297	\$178	
OWC Collected		\$469	\$478	\$593	\$689	\$571	\$2,801
Difference		\$288	\$374	\$866	\$1,050	\$284	\$2,863
Total Customer Usage		19,770	21,940	51,893	76,643	46,110	216,357
Normalizing all meters installed		59,310	65,820	155,680	229,930	138,330	649,070
Flat Rate		\$393	\$393	\$393	\$393	\$393	
Commodity if all Metered		\$230	\$255	\$602	\$890	\$535	
Normalizing if all metered		\$622	\$647	\$995	\$1,282	\$928	\$4,475
Possible water loss Difference		\$135	\$205	\$465	\$456	-\$73	\$1,188
Gallons Lost							307,025
Water Loss							\$1,188.22

EU & OWC Revenues vs Eagle Woods Water Bill
 Garnishment of Cedar Glen Revenues
 PRH

Check No. s	16688	16842	17203	17203	17655	17940	18338	1083 1084	1168				
Date	3/14/05	5/4/05	5/4/05	6/2/05	7/1/05	8/10/05	9/6/05	10/10/05	11/6/05	11/30/05	12/9/05	12/15/05	Total
Principal	\$137,820	\$149,216	\$144,110	\$145,843	\$142,221	\$136,831	\$129,344	\$120,928	\$115,063	\$108,736	\$104,214	\$101,412	
Interest	\$6,150		\$1,733		\$1,971	\$1,315	\$807	\$1,014	\$724	\$643	\$231	\$150	\$14,739
Costs/Filing Fees	\$5,246				\$2,024								
Balance of costs	\$149,216	\$149,216	\$145,843	\$145,843	\$146,216	\$138,147	\$130,150	\$121,942	\$115,786	\$109,379	\$104,445	\$101,562	
Check received	\$0	(\$5,106)	\$0	(\$3,623)	(\$9,385)	(\$8,803)	(\$9,222)	(\$6,880)	(\$7,051)	(\$5,166)	(\$3,033)	(\$2,814)	(\$61,081)
Remaining Balance	\$149,216	\$144,110	\$145,843	\$142,221	\$136,831	\$129,344	\$120,928	\$115,063	\$108,736	\$104,214	\$101,412	\$98,748	
Sum of Garnishment up through 9/30/05							(\$36,138)						

MODE = MEMORY TRANSMISSION

START=MAR-10 17:19

END=MAR-10 17:23

FILE NO.=857

STN NO.	COMM.	ABBR NO.	STATION NAME/TEL NO.	PAGES	DURATION
001	OK	S	85733744432	024/024	00:03:36

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To:	Gregory D. Williams	Fax:	573-374-4432
From:	Keith R. Krueger	Date:	3/10/2006
Re:	Audit of Environmental Utilities	Pages:	23 (including this cover sheet)
CC:			

☐ Urgent ☐ For Review ☐ Please Comment ☐ Please Reply ☐ Please Recycle



The Staff of the Commission conducted a partial audit of Environmental Utilities and Osage Water Company in January 2006, and prepared a report titled "Staff's Findings Concerning Provision of Service to Eagle Woods Community." A copy of the Staff's report is enclosed for your review.

Information furnished to the Commission by regulated utilities is not generally released to the public, pursuant to the provisions of Section 386.480, RSMo. This statute does, however, permit disclosure of such information on order of the Commission.

The Commission would like to know whether you have any objection to the public release of this Staff report. If you do object to the release of this information, please so inform me by no later than 12:00 noon, next Wednesday March 15, 2006. You may also wish to state the basis for your objections.

Please call me if you have any questions about this matter. Thank you.

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**MISSOURI PUBLIC SERVICE COMMISSION'S
STAFF'S FINDINGS CONCERNING PROVISION OF SERVICE
TO EAGLE WOODS SUBDIVISION**

January 2006

**This document has been designated
Highly Confidential ("HC") in its
entirety.**

NP

Attachment B