

Sharpe, Sarah

From: Sharpe, Sarah
Sent: Tuesday, July 09, 2013 10:20 AM
To: jrsummers@lakeozarks.com
Subject: Lake Region Water & Sewer Company - 2012 MO PSC annual report - Deficiency

Follow Up Flag: Follow up
Due By: Friday, July 26, 2013 7:00 AM
Flag Status: Flagged

Thank you for submitting your 2012 Annual Report to the Missouri Public Service Commission. As a result of my review, I have identified the following item(s) that need to be corrected:

1. The filing submission option box on the front cover of the report was not checked. This information allows the Commission Staff to properly designate your submission either public or non-public.

If you wish to elect the Highly Confidential status, there are additional materials that are required to be filed pursuant to Commission rule 4 CSR 204-3.540, Section 392.210, RsMo., and/or Section 393.140, RsMo. The guidelines for submitting a confidential annual report are outlined in the general instructions of your annual report form; please refer to these instructions for an explanation of how to submit your annual report as Highly Confidential.

2. On page 2, row 3, column (a), the class and series of stock was omitted. Please provide the class and series of stock applicable to the company in this area.
3. On page W-6, column (g), the depreciation rates being used for plant assets do not agree to the rates on file from the last rate case for Lake Region Water & Sewer Company. If you are in disagreement with the rates we show on file for your Company, please let us know. The rates below are for your Company from case No. WR-2010-0111:

<u>Acct. No.</u>	<u>Description of Account</u>	<u>Rate</u>
314	Wells & Springs	2.0%
316	Supply Mains	2.0%
325	Electric Pumping Equipment	10.0%
328	Other Pumping Equipment	5.0%
332	Water Treatment Equipment	2.9%
	Distribution Reservoirs &	
342	Standpipes	2.5%
343	Transmission & Distribution Mains	2.0%
346.1	Meters - Bronze Chamber (35 yr, +5% salv)	2.7%
346.2	Meters - Plastic Chamber (10 yr, 0 salv)	10.0%
346.3	Meter Installations (Services Rate)	2.9%
348	Hydrants	2.5%

391	Office Furniture & Equipment	5.0%
391.1	Office Computer Equipment	20.0%
392	Transportation Equipment (7 yr, +9% salv)	13.0%
394	Tools, Shop, Garage Equipment	5.0%
395	Laboratory Equipment	5.0%
396	Power Operated Equipment	6.7%
397	Communication Equipment	6.7%

4. On page S-5, column (g), the depreciation rates being used for plant assets do not agree to the rates on file from the last rate case for Lake Region Water & Sewer Company. If you are in disagreement with the rates we show on file for your Company, please let us know. The rates below are for your Company from case No. SR-2010-0110:

<u>Acct. No.</u>	<u>Description of Account</u>	<u>Annual Rate</u>
311	Structures & Improvements	3.0%
352.1	Collection Sewers (Force)	2.0%
352.2	Collection Sewers (Gravity)	2.0%
353	Other Collection Plant	4.0%
354	Services to Customers	2.0%
355	Flow Measurement Devices	3.3%
362	Receiving Wells & Pump Pits	5.0%
363	Pumping Equipment	10.0%
372	Oxidation Lagoons	4.0%
373	Treatment & Disposal Facilities	4.5%
374	Plant Sewers	4.5%
375	Outfall Sewers	2.0%
376	Other Treatment & Disposal Plant	5.0%
391	Office Furniture & Equipment	5.0%
392	Transportation Equipment (7 yr ,+ 9% salv)	13.0%
393	Other General Equipment	10.0%
394	Tools, Shop, Garage Equipment	5.0%
395	Laboratory Equipment	5.0%
396	Power Operated Equipment	6.7%
397	Communication Equipment	6.7%
398	Miscellaneous Equipment	5.0%

A response for this/these item(s) is required in order to show your report as complete and remove it from deficiency status.

You **must resubmit** the annual report, in its entirety, with the appropriate changes and the reference number below for it to be properly entered into the system. An updated verification attesting to the new/updated information is also required.

Your prompt attention to resolving this matter is appreciated. The Commission's rule 4 CSR 240-3.540 (3) and (9) states that a utility company which receives a notice of deficiency for the information provided in the annual report shall respond to that notice within **20 days**, or the utility company is subject to a **penalty of \$100** for each day that it is late in filing its response to the deficiency.

The completed document/revision should be submitted electronically under EFIS (accessible from the Commission's Web page <http://www.psc.mo.gov/>) or mailed to:

Data Center
Missouri Public Service Commission
200 Madison Street, Suite 100, Jefferson City, MO 65101
(P.O. Box 360, Jefferson City, MO 65102-0360)

When contacting the Commission concerning your report, please reference the following identification number: **BMAR-2014-0008 and BMAR-2014-0009**.

Should you have any questions or need assistance in this process, please contact me.

A COMPANY RESPONSE TO THE ABOVE DEFICIENCIES IS REQUIRED.

Sincerely,

Sarah Sharpe

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Missouri Public Service Commission
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