Eaves, Dana

To: greg.sorensen@algonquinwater.com

Subject: Algonquin Water Resources of Missouri 2006 Mo Annual Report

Greg Sorensen Algonquin Water Resources of Missouri, LLC 12725 W. Indian School Rd, Suite D-101 Avondale, AZ 85323

RE: BMAR-2007-1379

Dear Mr. Sorensen:

I have reviewed the annual report form submitted to the Commission. As a result of my review I have identified a deficiency:

1. <u>Sewer Utility Plant in Service</u> and <u>Water Utility Plant in Service</u> sheets, pages S-6 and W-10 does not appear to reflect the appropriate balances as ordered in the Company's most recent case WR-2006-0425. It appears that the Company has listed account balances based on original cost or some other valuation. Please review and correct accordingly.

I have provided the Commission's Data Center with a copy of this letter to be filed in conjunction with your annual report. Upon receipt of your response I will submit the corrections with your annual report filing. You may mail or e-mail you corrections. Should you have any questions you may call me at (573) 526-6960 or via email at dana.eaves@psc.mo.gov.

The direct correspondence should be mailed to:

Dana Eaves Utility Regulatory Auditor Missouri Public Service Commission P.O. Box 360 Jefferson City, MO 65102-0360

Respectfully,

Dana Eaves

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