

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

In the Matter of Lake Region Water & Sewer ) **File No. SR-2010-0110**  
Company's Application to Implement a General ) Tariff No. YS-2010-0250  
Rate Increase in Water and Sewer Service )

In the Matter of Lake Region Water & Sewer ) **File No. WR-2010-0111**  
Company's Application to Implement a General ) Tariff No. YW-2010-0251  
Rate Increase in Water and Sewer Service )

**ORDER DIRECTING FILING**

Issue Date: June 24, 2010

Effective Date: June 24, 2010

On June 24, 2010, the Commission held an evidentiary hearing. During the hearing the Regulatory Law Judge directed Lake Region Water & Sewer Company and the Commission's Staff to jointly file a revenue requirement scenario. The Commission set the parameters for the scenario as follows:

1. Rate Base – as delineated in Staff's June 23, 2010 "Late-Filed Exhibit" on page 5, updated and corrected on May 18, 2010; i.e. Shawnee Bend Water - \$874,282; Shawnee Bend Sewer - \$1,486,680; Horseshoe Bend Sewer - \$584,138.
2. Capital Structure – the original capital structure and rate of return in Staff's Cost of Service Report filed on January 14, 2010.
3. Imputed (or additions to) Revenue from Availability Fees = \$330,655, split in a 60/40 ratio between Shawnee Bend Sewer and Shawnee Bend Water, respectively.
4. Rate Base offset \$2,990,981 (addition to rate base).
5. Non-Availability Fee related CIAC still included.

The scenario must include two sets of numbers, one set with the rate base offset and one without the rate base offset.

Additionally, Staff was directed to update its recommendation on rate case expense

to include all of Lake Region's legal expenses through May 31, 2010. Staff was further directed to explain any material differences between the rate case expense it currently recommends be allowed to be recovered in rates versus what Staff had advocated on pages 7-8 in its pleading captioned "Late-Filed Exhibit" filed on June 21, 2010.

**THE COMMISSION ORDERS THAT:**

1. No later than July 16, 2010, Lake Region Water & Sewer Company and the Staff of the Missouri Public Service Commission shall jointly file the revenue requirement scenario as directed in the body of this order.

2. Should Lake Region or the Commission's Staff require any clarification of the parameters outlined for the revenue requirement scenario, they shall schedule a phone conference with the Regulatory Law Judge.

3. No later than July 9, 2010, the Commission's Staff shall file an updated rate case expense recommendation as directed in the body of this order.

4. Any party wishing to respond to Staff's July 9, 2010 rate case expense recommendation shall do so no later than July 16, 2010.

5. This order shall become effective immediately upon issuance.

**BY THE COMMISSION**



Steven C. Reed  
Secretary

( S E A L )

Harold Stearley, Senior Regulatory Law Judge  
by delegation of authority pursuant to  
Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,  
on this 24th day of June, 2010.