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Lori J. Levine
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February 20, 2007

Marc Ellinger 301 East High Street, Suite 301 Jefferson City, MO 65101

RE: Quail Valley

Dear Marc:

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Missouri Public Service Commission

Thank you for your letter of February 15.

I will not have an opportunity to present your proposal to my client until he returns from his snow-bird trip to Florida. However, I would expect him to reject your offer since it limits Quail Valley Development to only 10 more lots. The wastewater treatment facility was designed to handle the entire subdivision which at the time was platted to 102 lots. The studies today indicate that at present flow rates and population density the wastewater facility can handle an additional 40 homes. This is 18 more homes than the subdivision is platted for. I simply see no reason for Mr. Storey to agree to 10 more connections and only 10 more connections.

Perhaps we can agree to 10 connections with the agreement that we would do further engineering studies if and when 10 additional homes are connected. However, to at this point agree that we will leave 12 lots undeveloped would not make good business sense nor would it be based on any objective studies or data.

I will be back in touch with you shortly after March 1.

Very truly yours,

Mark A. Ludwig

MAL:dis

Petitioners Exhibit No. 50

Case No(s). <u>WC-2007-030-3</u>

Date 10-30-07 Rptr pas