BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of the Application of Bilyeu Water Co.,) L.L.C. for a Certificate of Convenience and Necessity) Authorizing It to Construct, Install, Operate and) Maintain a Water System and to Supply and Render) Water Service to the Public Located in and around an) Unincorporated Area in Christian County, Missouri)

Case No. WA-2007-0270

ORDER DIRECTING STAFF TO COMPLETE ITS INVESTIGATION AND FILE A REPORT AND RECOMMENDATION

Issue Date: May 2, 2007

Effective Date: May 2, 2007

On January 17, 2007, Bilyeu Water Co., L.L.C. ("Bilyeu") filed an application with the Missouri Public Service Commission, pursuant to Section 393.170, RSMo 2000, requesting that the Commission grant it authority "to build, construct, operate and maintain a water system and all other facilities, including the acquisition of easements, rights of way, land, etc. necessary for the purpose of furnishing water services to the public" in and around an unincorporated area in Christian County, Missouri. Specifically, the water service is to be provided to Bilyeu Ridge Hills, a subdivision south of Nixa, Missouri that is now being developed.

On April 19, 2007, the Staff of the Missouri Public Service Commission filed its recommendation in this matter. No responses to the Staff's recommendation were filed by the deadline established by the Commission.

The Commission, having reviewed Staff's Recommendation, finds it to be incomplete. Apparently Bilyeu has been billing customers and may have been operating as

a public utility without a certificate from this Commission. Consequently, the Commission will direct its Staff to continue its investigation and file an additional report. Staff shall specifically provide the Commission with information regarding:

- 1.) When Bilyeu began billing for its water service.
- 2.) Whether customer notice was issued when Bilyeu began billing for service.
- Whether customer notice was issued when Bilyeu sought certification with the Commission.
- 4.) How customer notice was issued or if it was issued. (Staff shall also file a copy of that notice, if any was issued.)
- 5.) When the Staff became aware of Bilyeu billing its customers.
- 6.) When Bilyeu became a public utility, as defined in Section 386.020(42), and, therefore, subject to the jurisdiction of the Commission?
- 7.) Whether Bilyeu violated Section 393.170 by constructing and operating a water system without having first obtained authority from the Commission in the form of a Certificate of Public Convenience and Necessity.
- 8.) Whether the Commission should initiate a complaint action and seek penalties against Bilyeu, if Bilyeu is in violation of Section 393.170.

IT IS ORDERED THAT:

1. No later than May 16, 2007, the Staff of the Commission shall file a report and recommendation regarding the issues identified in the body of this order.

2. This order shall become effective on May 2, 2007.

BY THE COMMISSION



Colleen M. Dale Secretary

(SEAL)

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

Dated at Jefferson City, Missouri, on this 2nd day of May, 2007.