

AquaSource

Central/
Jefferson Exhibit No. 14
Date 12/20/06 Case No. 50-2007-00571
Reporter PK 12

VIA OVERNIGHT MAIL

February 14, 2000

FILED³

JAN 22 2007

Central Jefferson County Utility Company
374 Walton Row
St. Louis, MO 63108

Missouri Public
Service Commission

Attention: Jerry Nixon


Re: Stock Purchase Agreement

Dear Mr. Nixon:

As you are aware, the Staff of the Missouri Public Service Commission has just announced that it is opposing AquaSource Utility, Inc.'s ("AquaSource") request to recover the acquisition premium involved in the transfer from Central Jefferson to AquaSource. The Staff also stated that it cannot support the Application for approval of the transfer as filed or with AquaSource's suggested "conditions" for acquisition premium recovery. The Staff is also suggesting that some action be taken to address an alleged overearning situation at Central Jefferson. We find these circumstances to be unacceptable to AquaSource from both a business and regulatory standpoint. We have diligently attempted to convince the Staff that our proposals are meritorious, but our efforts have obviously been unsuccessful.

The position of the Staff has left AquaSource no alternative but to terminate the Stock Purchase Agreement. It is therefore with great regret that I advise you that under Section 8.1(b) of the Stock Purchase Agreement (which allows either party to terminate the Agreement if all of the transactions contemplated to take place at the closing have not been consummated by the last business day of the fourth month after the date of the agreement), AquaSource is exercising its contractual right to terminate the Agreement effective this date.

Very truly your,


Donald J. Clayton
President
AquaSource Utility, Inc.

Cc: Martin J. Hunt, Esquire
Jeffrey A. Keevil, Esquire

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