

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

In the Matter of the Application of Trigen-Kansas City)
Energy Corporation, n/k/a Veolia Energy Kansas City,)
Inc., for a Certificate of Public Convenience and)
Necessity Authorizing it to Construct, Install, Own,) Case No. HA-2006-0294
Operate, Control, Manage and Maintain a Steam Heat)
Distribution System to Provide Steam Heat Service in)
Kansas City, Missouri, as an Expansion of its Existing)
Certified Area.

STAFF’S REPORT IN RESPONSE TO ORDER DIRECTING FILING

COMES NOW the Staff of the Missouri Public Service Commission (“Staff”) and states:

1. On April 4, 2011, the Missouri Public Service Commission (“Commission”) issued its *Order Directing Filing* with which the Commission directed Staff to file by April 13, 2011, “a report explaining why this file should not be closed.”

2. In response to the Staff’s April 14, 2011, request for more time to contact personnel of Trigen- Kansas City Energy Corporation, n/k/a Veolia Energy Kansas City, Inc., (“Veolia”) to inquire whether matters remained outstanding relating to completion of the construction of the steam line expansion to Truman Medical Center, on April 18, 2011, the Commission extended to April 28, 2011, the time for Staff to file its report.

3. In the attached Memorandum (Appendix A), the Staff makes its report. After providing extensive historical background, Staff reports that based on Veolia’s representation in its first quarter 2011 status report filed on April 1, 2011, that construction of its steam line extension to Truman Medical Center is completed, its representation in its bi-monthly status report filed November 16, 2009, that it has received all reimbursement payments from Truman Medical Center and Staff’s review of payments Truman Medical Center has made to Veolia, Staff believes Veolia has fully complied with the Commission’s May 25, 2006 *Report and Order*.

4. In Appendix A Staff states that, in an August 25, 2008 order, the Commission directed Veolia to submit a final report to the Commission when the following transactions are finalized: “all construction payments are complete, all invoices are sent to Truman, and Trigen has received full reimbursement.” Staff states in Appendix A that it believes it is appropriate for Veolia to submit a final report to the Commission in which it indentifies 1) that all construction of the extension of Veolia’s facilities to serve Truman Medical Center is completed, 2) the total construction costs of the extension of Veolia’s facilities to serve Truman Medical Center and 3) the amounts of each payment Truman Medical Center made to Veolia to reimburse Veolia for the cost of constructing the extension of Veolia’s facilities to serve Truman Medical Center. Staff states that this information should be consistent with the attachments to the filings Veolia made July 31, 2008 and September 15, 2008.

5. Staff has verified that Veolia has filed its annual report and is not delinquent on any assessment. Staff is not aware of any other matter before the Commission that affects or is affected by this filing.

WHEREFORE, the Staff of the Missouri Public Service Commission reports to the Commission this file should remain open to receive Veolia’s final report to the Commission in which it indentifies 1) that all construction of the extension of Veolia’s facilities to serve Truman Medical Center is completed, 2) the total construction costs of the extension of Veolia’s facilities to serve Truman Medical Center and 3) the amounts of each payment Truman Medical Center made to Veolia to reimburse Veolia for the cost of constructing the extension of Veolia’s facilities to serve Truman Medical Center.

Respectfully submitted,

/s/ Nathan Williams

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronic mail to all counsel of record this 28th day of April 2011.

/s/ Nathan Williams