BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

| Robert M. Hellebusch, | |) |
|--|--------------|--------|
| | Complainant, |)) |
| v. Kenneth Jaeger and Blue Lagoon Sewer Corp., | |) |
| | Respondents. |) |

Case No. SC-2005-0099

SECOND STATUS REPORT

Comes now the Staff of the Missouri Public Service Commission and for its *Second Status Report*, states to the Missouri Public Service Commission as follows:

1. On March 4, 2005, the Commission filed an *Order Directing Filing*, wherein it ordered that the Staff file a status report concerning the progress that Staff, the Department of Natural Resources (DNR) and the Attorney General have made on a proposed joint plan in this case.

2. On March 4, 2005, a second meeting was held in Macon, Missouri, to discuss technical and administrative issues regarding Kenneth Jaeger and Blue Lagoon Sewer Corp. Those who participated either by attendance or by phone conference were Harry Bozoian of the Attorney General's Office; Darryl McCullough, Jamie Shinn, Irene Crawford, Brenda Bethel, Paul Dickerson and Michael Abbott, of DNR; Martin Hummel, Staff of the Commission; Mary Weston of the General Counsel's Office; James Lemon, representing Respondent; and Kenneth Jaeger.

3. The engineering report that was the basis for the meeting was not available. It was agreed that until the engineering report was produced, the issues of the extent of Mr. Jaeger's participation in facility upgrades, and of what entity will own and operate the system, and the

terms of a transfer to such an entity could not be addressed. The meeting was adjourned with the following schedule: MECO Engineering, on behalf of Kenneth Jaeger and Blue Lagoon Sewer Corp., is to prepare engineering and cost estimates and present proposed alternatives to Blue Lagoon and DNR for their consideration by March 28, 2005; and the parties will conduct a third meeting in Macon on April 8, 2005, to discuss what alternative would be most feasible and how that alternative would affect the choice of an operating entity for the sewer system.

WHEREFORE, the Staff submits its Second Status Report to the Commission.

Respectfully submitted,

DANA K. JOYCE General Counsel

/s/ Mary E. Weston

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all parties and counsel of record on this 17th day of March 2005.

/s/ Mary E. Weston