

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

In the Matter of the Application of)
Middle Fork Water Company for an)
Order Initiating an Investigation to)
Ascertain the Value of the Company's)
Property Devoted to the Public Service.)

Case No. WO-2007-0266

JOINT RESPONSE OF ALL PARTIES
TO ORDER DIRECTING FILING

COMES NOW the Staff of the Missouri Public Service Commission, on its own behalf and on behalf of Middle Fork Water Company and the Office of the Public Counsel, and, for its Response to Order Directing Filing, states to the Missouri Public Service Commission as follows.

1. On January 12, 2007, Middle Fork Water Company filed an Application with the Commission, in which it requested that the Commission institute an investigation to ascertain: 1.) The value of the Company's current investment in plant devoted to the public service; 2.) The standards and principles that will govern the valuation of future investments that the Company may make in plant betterments, improvements, additions, or extensions; and 3.) How these investments will be characterized and treated by the Commission for ratemaking purposes.

2. On March 20, 2007, the Commission issued an order, in which it dismissed Middle Fork's second and third requests for relief, for failure to state a claim on which relief can be granted. The only remaining issue is Middle Fork's request that the Commission ascertain the value of Middle Fork's current investment in plant devoted to public service.

3. On August 22, 2007, the Commission ordered the parties to this case to file a pleading updating the Commission on the status of this case on or before September 6, 2007. This

pleading responds to that order. The parties failed to file the pleading on September 6, because the Staff incorrectly calendared the date for filing this pleading. The parties therefore request leave to file this Response one day late.

4. The issue in this case is the determination of the value of Middle Fork's plant in service, which depends, in turn, upon the proper amortization of Middle Fork's Contributions in Aid of Construction (CIAC), and the determination of the CIAC balance. The Staff has gathered some information and begun work on this determination, but requires additional time and a visit to Middle Fork's offices to inspect records before it can complete this work.

5. The Staff states that it will either complete its determination of the plant in service and submit a pleading regarding this determination by no later than September 21, 2007, or it will then file a status report stating when it will file such pleading.

WHEREFORE, the parties respectfully submit their Response to Order Directing Filing for the Commission's consideration in this case.

Respectfully submitted,

/s/ **Keith R. Krueger**

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed or hand-delivered, transmitted by facsimile or e-mailed to all counsel of record on this 7th day of September 2007.

/s/ Keith R. Krueger
