

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

Gerald and Joanne Reiersen,)	
)	
Complainants,)	
)	
v.)	Case No. SC-2005-0083
)	
Kenneth Jaeger and)	
Blue Lagoon Sewer Corp.,)	
)	
Respondents.)	

FOURTH STATUS REPORT

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

1. On March 18, 2005, the Commission issued 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 May 3, 2005, a hearing was held in Hannibal, Missouri, in the Circuit Court for Ralls County on a Request for Preliminary Injunction filed by the Attorney General's Office, wherein the following, among other things, were ordered:

a. Within twenty days of May 3, 2005, Ken Jaeger (Respondent) is ordered to submit to DNR a preliminary engineering report.

b. On or before May 15, 2005, Respondent is ordered to perform certain lagoon pump down and maintenance activities and to notify DNR when it has done so, then perform periodic maintenance on or before September 30 of each year, and notify DNR each time.

c. Respondent was ordered to pay all electricity bills, and any monies collected for sewer services are to be used for the operation and maintenance of said system.

d. Within twenty days of May 3, 2005, Respondent shall submit to DNR a construction permit application for the collection system servicing Lost Valley Subdivision.

e. Within thirty days of May 3, 2005, Respondent shall submit an application for a Missouri State Operating Permit for the lagoon serving Lost Valley Subdivision.

f. Respondent shall also impose and enforce a ban on construction of new sewer extensions to said system until obtaining a Missouri State Operating Permit to do so.

3. Staff believes that the results of the hearing on May 3, 2005, are important in the resolution of the current complaint before the Commission in order to address the system capacity and operations issues and requests that Staff be allowed the time to monitor the results of the preliminary injunction, until it can be determined how the Respondent will resolve these technical issues. After that, it will still be necessary to determine what entity will be in place to use the sewer system to provide service to customers, and whether or not that entity will be a regulated utility in order to resolve the current complaint.

WHEREFORE, the Staff submits its *Fourth 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 20th day of May 2005.

/s/ Mary E. Weston