

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

In the Matter of Lincoln County Utilities)	
Co.'s Application to Sell Its)	
Sewer/Treatment Facilities to the Public)	<u>Case No. SM-2006-0369</u>
Water Supply District No. 1 of Lincoln)	
County, Missouri.)	

SIXTH STATUS REPORT

COMES NOW the Staff of the Missouri Public Service Commission ("Staff"), by and through counsel, and for its Sixth Status Report states the following to the Missouri Public Service Commission ("Commission"):

1. After the Staff had filed a Status Report on May 9, 2006¹, the Commission issued its ORDER DIRECTING STAFF TO FILE STATUS REPORTS ("Order") on May 12th, in which it ordered the Staff to submit monthly status reports on or before the 15th of each month until such time as a recommendation can be filed, or unless otherwise ordered by the Commission.

2. In compliance with the Commission's Order, the Staff submitted its Second Status Report on June 15th, its Third Status Report on July 12th, its Fourth Status Report on August 15th, and its Fifth Status Report on September 15th.

3. In its Fifth Status Report, the Staff summarized the previous Status Reports, and reported that Public Water Supply District No. 1 of Lincoln County ("District") was proceeding with an engineering study with regard to necessary upgrades, replacements, or repairs of utility plant assets owned by Lincoln County Utilities Company (LCU), and the estimated costs, in the context of the proposed acquisition by the District. The Staff also reported that LCU has an annual PSC

¹ Unless otherwise specified, all dates referred herein are in the year 2006.

assessment for fiscal year 2007 in the amount of \$1,483.48, the first quarterly payment of which was past due.

4. For this Sixth Status Report, the Staff reports that LCU has made one quarterly payment of its annual PSC assessment and is not past due on the remainder of the amount at present. Additionally, the District informed the Staff that a draft of an engineering report is presently under review by the District's operations staff, and that the expectation is that the engineering report will be presented to the District's board of directors at its October 19th meeting. It is unknown to the Staff what the engineering report will recommend, and what action if any the District will take at its meeting with regard to any need for further study, cost and rate determination, or actual completion of a transaction on the sale of utility assets.

WHEREFORE, the Staff respectfully submits this Sixth Status Report for the Commission's information.

Respectfully Submitted,

/s/ Jennifer Heintz

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CERTIFICATE OF SERVICE

I hereby certify that copies of this Sixth Status Report have been mailed with first class postage, hand-delivered, transmitted by facsimile or transmitted via electronic mail to all counsel and/or parties of record this 12th day of October 2006.

/s/ Jennifer Heintz