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January 20, 2000

GORDON L. PERSINGER  
Acting Executive Director  
Director, Research and Public Affairs

WESS A. HENDERSON  
Director, Utility Operations

ROBERT SCHALLENBERG  
Director, Utility Services

DONNA M. KOLILIS  
Director, Administration

DALE HARDY ROBERTS  
Secretary/Chief Regulatory Law Judge

DANA K. JOYCE  
General Counsel

Mr. Dale Hardy Roberts  
Secretary/Chief Regulatory Law Judge  
Missouri Public Service Commission  
P. O. Box 360  
Jefferson City, MO 65102

**RE: Case No. SR-2000-302**

**FILED<sup>2</sup>**

JAN 20 2000

Missouri Public  
Service Commission

Dear Mr. Roberts:

Enclosed for filing in the above-captioned case are an original and fourteen (14) conformed copies of a **RESPONSE TO COMMISSION ORDER DIRECTING FILING**.

This filing has been mailed or hand-delivered this date to all counsel of record.

Thank you for your attention to this matter.

Sincerely yours,

David J. Stueven  
Assistant General Counsel  
(573) 751-6726  
(573) 751-9285 (Fax)

DS/dkf  
Enclosure  
cc: Counsel of Record

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

**FILED<sup>2</sup>**

**JAN 20 2000**

**Missouri Public  
Service Commission**

In the Matter of the Request of House       )  
Springs Sewer Company, Inc. for a Rate       )  
Increase Under the Small Company Rate       )  
Increase Procedure

Case No. SR-2000-302

**RESPONSE TO COMMISSION ORDER DIRECTING FILING**

**COMES NOW** the Staff of the Missouri Public Service Commission ("Staff"), by and through its undersigned counsel, and for its Response to the Missouri Public Service Commission's ("Commission") Order Directing Filing, states as follows:

1. On January 19, 2000, the Missouri Public Service Commission ("Commission") issued an Order Directing Filing in the above-captioned case, requiring information concerning the proceeds from the sale of Imperial Utility Corporation ("Imperial"), the amount of House Springs Sewer Company's ("HSSC") delinquent assessments, HSSC's outstanding annual reports, the likelihood of a sale of HSSC's assets and the amount of the proceeds expected therefrom, and an estimate of the date certain on which HSSC's delinquent assessments will be paid.

2. Both HSSC and Imperial are in receivership in Division 39 of the Circuit Court of St Louis County, Missouri. The proceeds from the Imperial sale are in escrow pending resolution of the litigation concerning the proper distribution of said proceeds. There is no set date for the distribution of those proceeds and HSSC has no information as to when such a distribution may be made.

3. The amount of House Springs' delinquent assessments is as follows:

FY-2000	\$ 28,830.73
FY-1999	\$ 22,786.77
FY-1998	\$ 12,490.69
FY-1997	<u>\$ 5,816.06</u>
TOTAL	\$ 69,924.25

4. HSSC filed annual reports for 1986 through 1997. HSSC has not filed an annual report since then.

5. HSSC is under a Consent Judgment in the Circuit Court of Jefferson County. The terms of the Consent Judgment require HSSC to sell its assets no later than December 31, 2000. HSSC is currently negotiating a sale of HSSC's assets with a company regulated by the Commission. However, as negotiations are still ongoing, HSSC was unable to provide a firm estimate of the proceeds that it expects to receive from the sale of the assets. HSSC was willing to confirm that if it completes this sale of its assets, it will receive proceeds that are well in excess of the delinquent assessments.

6. Staff intends to require a payment schedule from HSSC in any agreement reached as a result of HSSC's request for rate relief under 4 CSR 240-2.200, Small Company Rate Increase Procedure. The amounts and the dates that payments would be due cannot be determined at this time. Staff plans to negotiate these terms with HSSC after Staff has conducted a thorough audit of the company.

Respectfully submitted,

DANA K. JOYCE  
General Counsel

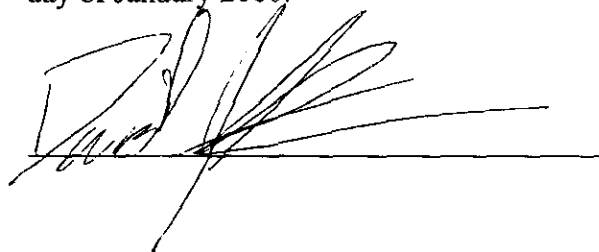


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### **Certificate of Service**

I hereby certify that copies of the foregoing have been mailed or hand-delivered to all counsel of record as shown on the attached service list this 20<sup>th</sup> day of January 2000.



**Service List for  
Case No. SR-2000-302  
January 20, 2000**

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