

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

In the Matter of the Application of Taney County)
Utilities Corporation for Authority to Transfer Certain)
Assets to Taney County Regional Sewer District)
And in Connection Therewith, Certain Other)
Related Transactions.)

File No. SM-2017-0056

STATUS REPORT

COMES NOW the Staff of the Missouri Public Service Commission (“Staff”), by and through counsel, and for its *Status Report*, states as follows:

1. On August 23, 2016, Taney County Utilities Corporation (“TCUC”) and Taney County Regional Sewer District (“District”) (collectively “Applicants”) filed their *Joint Application* (“Application”) in which the parties seek to transfer certain assets and ultimate control of a wastewater system from TCUC to the District.

2. Also on August 23, 2016, the Commission issued its *Order Directing Notice* in which, among other things, it set an intervention deadline of no later than September 7, 2016.

3. On September 8, 2016, the Commission issued its *Order Directing Notice* requiring Staff to file a Recommendation or, in the alternative, a pleading stating when it plans to file its Recommendation, no later than October 11, 2016.

4. On September 26, 2016, the Applicants submitted its *Supplement to Joint Application*, supplying certain information necessary to complete the Application. The Applicants indicated in their supplemental filing that TCUC is contesting the annual reports that were due to be filed with the Commission in 2013 and 2014 in Taney County Case No. 16AF-CC00618, and that it has failed to file annual reports for 2013, 2014, and 2015.

5. Commission Rule 4 CSR 240-2.060(1)(L) states that all applications shall include a statement that no annual report or assessment fees are overdue. However, TCUC is currently unable to fulfill that requirement, and thus, the Application is deficient.

6. In addition, although TCUC and the District have entered into an Agreement for Provisions of Wastewater Collection and Treatment Services (“Agreement”), dated July 14, 2015, in which the District agreed to obtain and acquire certain sewer facilities of TCUC, the Agreement will not be finalized until the completion of a new wastewater treatment plant. Further, the District has yet to secure a construction permit for the new facility. Until construction is completed, TCUC will continue to operate the existing reed bed wastewater treatment plant, and provide treatment services to approximately 51 customers in the Lakeway Village development; and be required to comply with Commission statutes and regulations.

7. Staff anticipates construction of the new treatment facility to take a significant amount of time; once the District secures a construction permit, that timeline should become much clearer.

8. Because this transaction will take a significant amount of time, Staff believes that it would be better for all parties to delay issuing a recommendation until a clearer timeline for completion of the project has been obtained. Further, a delay in issuing a recommendation will provide TCUC more time to file any delinquent annual reports. As such, Staff proposes that the Commission order Staff to file a Status Report on March 1, 2017, and on or about the first of the month monthly thereafter, until a Staff recommendation can be filed.

WHEREFORE, Staff respectfully requests that the Commission order Staff to file a Status Report on or about March 1, 2017, and monthly thereafter, in lieu of a recommendation at this time.

Respectfully Submitted,

/s/ Mark Johnson

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CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing were served electronically to all counsel of record this 11th day of October, 2016.

/s/ Mark Johnson