

**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 Water Supply District)	<u>Case No. SM-2006-0369</u>
No. 1 of Lincoln County, Missouri.)	

FOURTH STATUS REPORT

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

1. On May 12, 2006 (unless noted otherwise, all dates herein refer to the year 2006), the Commission issued its **Order Directing Staff to File Status Reports** ("May 12 Order"), in which it ordered the Staff to submit monthly status reports on or before the 15th day 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 May 12 Order, the Staff submitted its initial Status Report on May 9, its Second Status Report on June 15th, and its Third Status Report on July 12th.

3. In its previous reports, the Staff reported that Public Water Supply District No. 1 of Lincoln County ("District") intended to design sewage treatment facility upgrades or replacement sewage treatment facilities, determine the costs associated with the approach chosen, and then acquire the assets of Lincoln County Utilities Company ("LCU") after most of the preliminary planning has been accomplished. However, the Staff has recently been informed that the agenda for the District's next board of directors meeting, scheduled for Thursday, August 17, includes consideration of some options available with regard to proceeding with the acquisition of the assets, along with immediate interim treatment upgrades to be placed on line, with permanent upgrades to

be designed and constructed at a later date. It is uncertain, however, whether any alternative options will be undertaken, and there are no details, estimated costs or construction schedules that are finalized in this regard at this time.

WHEREFORE, the Staff respectfully submits this Fourth Status Report for the Commission's information and consideration in this case.

Respectfully Submitted,

/s/ Jennifer Heintz

Jennifer Heintz
Assistant General Counsel
Missouri Bar No. 57128

Attorney for the Staff of the
Missouri Public Service Commission

P.O. Box 360
Jefferson City, MO 65102
573-526-7779 (telephone)
573-751-9285 (facsimile)
jennifer.heintz@psc.mo.gov (e-mail)

CERTIFICATE OF SERVICE

I hereby certify that copies of this Third Status Report have been mailed with first class postage, hand-delivered, transmitted by facsimile or transmitted via e-mail to all counsel of record this 15th day of August 2006.

/s/ Jennifer Heintz