

AHRENS, HALE & LEMON, LLC

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FILED
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Missouri Public
Service Commission

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November 18, 2004

Secretary of the Public Service Commission
PO Box 360
Jefferson City, MO 65102-0360

Re: *Reierson v. Jaeger d/b/a Blue Lagoon Sewer Corporation*
Case Number SC-2005-0083

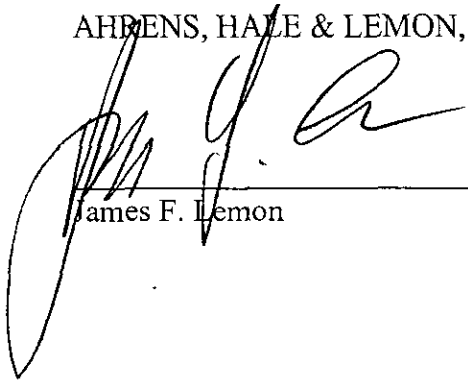
To Whom it May Concern:

Please find enclosed the Certificate for Service for filing in the above-captioned matter Respondent's Answer to Complaint. Also enclosed is a copy of this document to be file-stamped and returned to my office in the enclosed envelope.

If you have any questions or need anything further, please feel free to contact the office. Thank you for your time and attention to this matter.

Sincerely,

AHRENS, HALE & LEMON, LLC



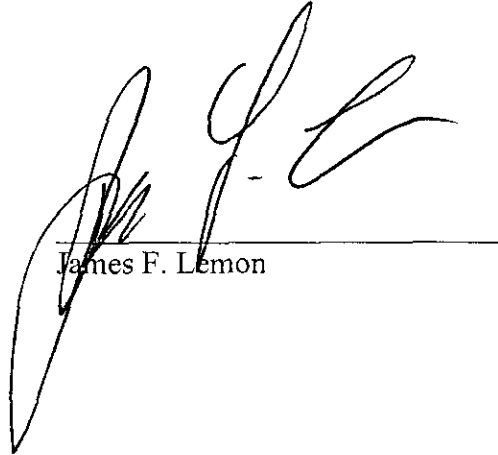
James F. Lemon

JFL /bnc
Enc.

CERTIFICATE OF SERVICE

I, James F. Lemon, do hereby certify that a true copy of the foregoing instrument was mailed first class, postage paid on this 18 day of November, 20 04.

Gerald and Joanne Reiersen
18571 Alma Court
Hartsburg, Missouri 65039



James F. Lemon

COPY

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

Gerald and Joanne Reiersen,
18571 Alma Court,
Hartsburg, Missouri 65039,

Complainants,

v.

Blue Lagoon Sewer Corp.,

Respondent.

Case No. SC-2005-0083

ANSWER TO COMPLAINT

1. In answer to paragraph 1 of Complainants petition state that Respondent does not have sufficient information to affirm or deny said allegation.

2. In regard to paragraph 2 of Complainants allegation deny the allegations contained therein, stating specifically that Ken Jaeger is the owner of a private sewer system which provided sewer service to the Lost Valley Resort system. Further state that at the direction of the Department of Natural Resources, Respondent Ken Jaeger has begun the process of conveying the property to a continuing authority, conducting upgrades to the system, and generally establishing the system as a separate system. Further state that the proposed continuing authority is the Blue Lagoon Sewer Corporation a Missouri Not For Profit Corporation.

3. In answer to paragraph 3 of Complainants petition admit that Complainant did purchase the house with water sewer and electric hookups in place, but deny that any portion of that cost was agreed to be paid by Respondent. Further answering, deny that any problems with a back up into the home was a result of negligence in installation, but rather that any back up was as a result of actions taken by the homeowner. Further answering, deny that the lagoon did not comply with DNR

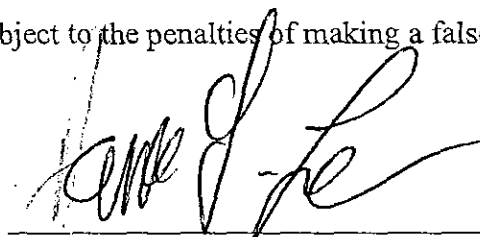
regulations in that it was licensed as a lagoon which did not require discharge but that as the load capacity on the lagoon has increased it has become clear that it will be necessary to upgrade the license, upgrade the facilities and take other actions necessary to remain in compliance with DNR regulations. Further answering, state that the amount of Complainant's bill is directly related to the costs of maintenance of the sewer system and the operation of the lagoon.

4. In regard to paragraph 4 of Complainants petition, state that the matters alleged in that paragraph are not appropriate matters for review by the Public Service Commission, are matters more appropriately dealt with by civil suit, but further Respondent specifically denies any liability for any alleged backing up of the sewer as a result of a clogged line.

5. In regard to the relief requested by the Complainant, state that Respondent does not believe that he is a private utility system such as is required to be regulated by the Public Service Commission at this time. Further however state that Complainant's right to utilize the sewage lagoon owned by Respondent is based solely upon a private contractual agreement between the parties, and that Complainant is in breach of that agreement by their failure to pay the sewage fees previously agreed upon. State that it is Respondent's intent to terminate Complainant's connection to the sewage system within 30 days of their notice of this answer under their contractual agreement.

6. Respondent denies each and every other allegation not specifically admitted or addressed.

The undersigned swears that the matters set forth above are true and correct to the best knowledge and belief of the undersigned, subject to the penalties of making a false affidavit or declaration.



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STATE OF MISSOURI)
)s s
COUNTY OF MARION)

Subscribed and sworn to before me this 4th day of November, 2004.



Leesa Gibson
NOTARY PUBLIC

My Commission expires:

Respectfully submitted this 5th day of November, 2004.