BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

Gerald and Joanne Reierson,)	
Complainants,)	
·)	
V.)	Case No. SC-2005-0083
)	
Kenneth Jaeger and)	
Blue Lagoon Sewer Corp.,)	
Respondents.)	

STAFF'S RECOMMENDATION TO DISMISS COMPLAINT CASE

COMES NOW the Staff of the Missouri Public Service Commission ("Staff"), by and through the undersigned counsel, and files this *Staff Recommendation to Dismiss Complaint Case* ("Staff's Recommendation to Dismiss") with the Missouri Public Service Commission ("Commission"), respectfully stating the following:

- 1. On October 4, 2004, Mr. Gerald Reierson and Mrs. Joanne Reierson (Reiersons) filed this complaint case asking the Commission to regulate the Blue Lagoon sewer system in the Lost Valley Development subdivisions, asserting that the sewer system was not being adequately operated. Robert Hellebusch filed a separate complaint case, Case No. SC-2005-0099, which was consolidated with this matter by a Commission order dated January 4, 2007. The Reiersons and Mr. Hellebusch will collectively hereafter be referred to as Complainants.
- 2. The Complainants' prayer for relief essentially was that a private utility regulated by the Commission, sewer district or home owner's association should take over operation of the system.

- 3. On May 1, 2008, in Case No. SO-2008-0358, the Office of the Public Counsel ("Public Counsel") filed a motion asking the Commission to appoint an interim receiver to take charge of the Blue Lagoon sewer system and asked the Commission to order its Staff to petition the Circuit Court to appoint a permanent receivership.
- 4. The Commission granted Public Counsel's motion, finding that Kenneth Jaeger, the Respondent and sole owner and operator of the Blue Lagoon sewer system, had effectively abandoned the sewer system and made no provision for the sewer system to be made safe and operate adequately for its customers.
- 5. On July 15, 2008, in Case No. SO-2008-0358, the Commission ordered the General Counsel of the Commission to petition the Circuit Court of Ralls County, Missouri for the appointment of a receiver of the sewer system.
- 6. Since that time, Staff has been in contact with the Missouri Department of Natural Resources, the Missouri Attorney General's Office, as well as the Complainants and other customers of the Blue Lagoon sewer system, actively working with them to address their concerns and seek available remedies for issues relating to the operations of the sewer system.
- 7. To date, Staff continues to seek an interim receiver who is qualified and interested in operating the Blue Lagoon sewer system. Whether this complaint case is active or not, Staff will continue those efforts. Staff is willing to notify the Commission if anything substantial changes.

8. With the above understanding, and as Complainants' requested relief has been addressed by the Commission's *Report and Order* in Case No. SO-2008-0358, Staff asserts that Complainants' Case No. SC-2005-0083 may be dismissed.

WHEREFORE, Staff respectfully submits this *Staff's Recommendation* for the Commission's consideration and information in response to the Commission's *Order to Show Cause*.

Respectfully submitted,

/S/ TANYA K. ALM

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed or hand-delivered, transmitted by facsimile or by electronic mail to all counsel of record on this 16th day of March, 2012.

/S/ TANYA K. ALM