

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

Gerald and Joanne Reiersen,)	
)	
Complainants,)	
)	
v.)	<u>Case No. SC-2005-0083</u>
)	
Kenneth Jaeger and)	
Blue Lagoon Sewer Corp.,)	
)	
Respondents.)	

ORDER DIRECTING STAFF TO FILE A STATUS REPORT AND A
RECOMMENDATION, AND FOR THE PARTIES TO FILE A
PROCEDURAL SCHEDULE

Issue Date: December 8, 2006

Effective Date: December 8, 2006

On October 4, 2004, the Reiersons filed a complaint with the Missouri Public Service Commission against Kenneth Jaeger and Blue Lagoon Sewer Corporation. After protracted procedural development of this matter, a prehearing conference was held on June 28, 2006. At the prehearing conference, the parties were instructed to discuss the issues the Commission should resolve, discuss the nature of any discovery each will conduct and the time necessary to complete discovery, discuss the stipulation of facts not at issue, and to prepare for an evidentiary hearing. The parties were also directed to discuss settlement.

On July 3, 2006, the Staff filed a notice with the Commission regarding the prehearing conference. In that notice, Staff stated that it was reasonable for the Commission to wait to set this matter for hearing "until the issue of whether the Cannon

Water Supply Dist. 1 will take over the system, and the engineering report from MECO Engineering Co. has been submitted to both DNR and the court.” Staff maintained that at that time Staff and the Commission should know the resolution of the issues of:

- a. Whether the water pollution issues with respect to the sewage treatment and collection system that have been raised by the Missouri Department of Natural Resources (“DNR”) and the Missouri Attorney General's Office (“AGO”) have been resolved;
- b. The status of the Respondents' efforts to address the compliance issues raised by the AGO and the DNR;

Staff further stated that even if other matters in the Complaint are resolved by the circuit court case, Respondents' actions pertaining to the issue of billing for service may remain a matter for resolution by this Commission.

The procedural development of this matter has been protracted and the Commission would like to move this case forward to ensure its resolution. The Commission will direct its Staff to file a status report regarding whether the issues delineated above have been resolved. The Staff should also advise the Commission as to whether the issues in this case are similar enough in nature with those in Case No. SC-2005-0099 that these two cases could be consolidated. Additionally, the parties shall jointly file a proposed procedural schedule culminating with an evidentiary hearing.

IT IS ORDERED THAT:

1. No later than December 18, 2006, the Staff of the Missouri Public Service Commission shall file a status report with regard to the issues it identified in its July 3, 2006 Notice to the Commission Concerning Prehearing Conference.

2. No later than December 18, 2006, the Staff of the Missouri Public Service Commission shall file a recommendation stating whether the issues in this case are similar enough in nature with those in Case No. SC-2005-0099 that these two cases could be consolidated.

3. No later than December 22, 2006, the parties shall jointly prepare and file a proposed procedural schedule. Should the Staff of the Missouri Public Service Commission believe this matter can be consolidated with Case No. SC-2005-0099, the proposed procedural schedule shall mirror the proposed procedural schedule ordered in that matter should the Commission consolidate these two matters.

4. This order shall become effective on December 8, 2006.

BY THE COMMISSION



Colleen M. Dale
Secretary

(S E A L)

Ronald D. Pridgin, Senior Regulatory
Law Judge, by delegation of authority
pursuant to Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,
on this 8th day of December, 2006.