

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

In the matter of the Application of Central)	
Jefferson County Utilities, Inc. for an order)	
authorizing the transfer and assignment)	Case No. SO-2007-0071
of certain water and sewer assets to Jefferson)	
County Public Sewer District and in connection)	
therewith, certain other related transactions.)	

RESPONSE TO REQUEST FOR LOCAL PUBLIC HEARING

COMES NOW Central Jefferson County Utilities, Inc. (Central Jefferson), and, in response to the Public Counsel's Request for Local Public Hearing, states as follows to the Missouri Public Service Commission (Commission):

1. On September 20, 2006, the Office of the Public Counsel (Public Counsel) filed a Request for Local Hearing in this matter. Central Jefferson does not object to the scheduling of a local public hearing in this case. However, Central Jefferson would like to take this opportunity to express a couple of concerns.

2. First, Central Jefferson asks that any such local hearing not be scheduled for the week of October 16, 2006. There is a personnel availability conflict for Central Jefferson that week.

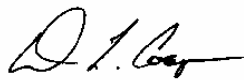
3. Second, the Public Counsel pleading refers to what it alleges to be "excessive rates." First, Central Jefferson does not believe that its current water and sewer rates are sufficient to "keep [its] public utility plants in proper repair for effective public service [and] . . . to ensure to the investors a reasonable return upon funds invested" as is required by law. *State ex rel. Washington University et al. v. Public*

Service Commission et al., 272 S.W. 971, 973 (Mo. Banc 1925). There has not been any Commission decision or any other determination of a particular result.

4. Further, it must be pointed out that by definition there are no “excessive rates.” The rates currently charged by Central Jefferson are in accordance with an order or decision of the Commission and deemed to be just and reasonable. Section 386.270, RSMo (“all rates . . . fixed by the commission shall be in force and shall be prima facie lawful . . . until found otherwise in a suit brought for that purpose . . .”). There is no allegation that Central Jefferson is charging more than the rates and charges found in its Commission-authorized and approved tariffs. Therefore, there can be no “excessive rates” at this point in time.

WHEREFORE, Central Jefferson does not object to the scheduling of a local public hearing in this case.

Respectfully submitted,



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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and accurate copy of the foregoing was sent via U.S. Mail or electronic mail on this 29th day of September, 2006, to:

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