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STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a Session of the Public Service
Commission held at its office
in Jefferson City on the 10th
day of June, 1997.

In the matter of the Application of Timber)
Creek Sewer Company, for permission,) Case No. SF-97-448
approval, and a certificate, to issue stock.)

ORDER APPROVING ISSUANCE OF STOCK

On April 10, 1997, Timber Creek Sewer Company (Timber Creek) filed an Application with the Commission requesting approval of the issuance of 2,500 shares of common stock to William C. Carter, Jr., an engineer, to retain Mr. Carter's professional services. Timber Creek states that the stock has a par value of \$1.00 per share.

On May 21, the Staff of the Commission (Staff) filed its recommendation. After notice, no responses to that recommendation were filed. In the recommendation, the Staff states that this type of transaction is not uncommon for small utility companies such as Timber Creek and that the agreement between Carter and Timber Creek provides that the stock may not be disposed of for a period of 10 years. The Staff finds the agreement to be reasonable.

The Staff continues that an engineer, retained by a small utility, can provide valuable services regarding design of facilities, long-term planning, repairs and modifications, and other operations

matters.

Based on pro forma statements of the company, the Staff concluded that the operation of the agreement with Mr. Carter would not have a negative impact on the credit worthiness of Timber Creek or its ability to attract new capital. Based on its overall review, the Staff recommends approval of the Application of Timber Creek.

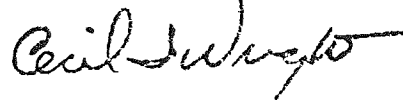
The Commission has considered the Application, the accompanying material and the recommendation of the Staff, and finds the requested stock issuance to be reasonable and in the public interest. The Commission agrees that equity investments such as the one proposed should be encouraged and that the vested interest of the company engineer in this case is of benefit to Timber Creek. The Commission will approve the requested stock issuance.

IT IS THEREFORE ORDERED:

1. That Timber Creek Sewer Company is authorized to issue 2,500 shares of its common stock, with a par value of \$1.00 per share, to William C. Carter, Jr., in exchange for continuing consulting services on behalf of Timber Creek Sewer Company, pursuant to a contract between the parties dated February 1, 1997.

2. That this order shall become effective on June 20, 1997.

BY THE COMMISSION

A handwritten signature in dark ink, appearing to read "Cecil I. Wright", with a long horizontal flourish extending to the right.

Cecil I. Wright
Executive Secretary

(S E A L)

ALJ: Derque

Zobrist, Chm., Crumpton
Drainer, and Murray, CC., Concur.