

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of the Application of Central Jefferson)
County Utilities, Inc. for an Order Authorizing the)
Transfer and Assignment of Certain Water and) **Case No. SO-2007-0071, et al.**
Sewer Assets to Jefferson County Public Sewer)
District and in Connection Therewith, Certain Other)
Related Transactions.)

ORDER DIRECTING STAFF TO INVESTIGATE AND FILE A REPORT

Issue Date: November 29, 2006

Effective Date: November 29, 2006

On August 15, 2006,¹ Central Jefferson County Utilities, Inc. (“Central Jefferson”) filed two identically captioned applications seeking the authorization to transfer and assign certain assets of its water and sewer operations to the Jefferson County Public Sewer District (“Sewer District”). To facilitate the proceedings, the Commission consolidated these cases designating Case No. SO-2007-0071 as the lead case.

On August 17, the Commission added the Missouri Department of Natural Resources and the Jefferson County Public Sewer District as parties to this action, and set an intervention deadline of September 6. Raintree Plantation Property Owners Association, Inc. filed a timely request to intervene, and was granted intervention.

On November 6, the Commission held a local public hearing in this matter. The transcripts from that hearing were filed with the Commission on November 20. During the hearing, home owners and property owners from the Raintree Plantation Subdivision raised many issues concerning the quality and safety of the services provided by Central

¹ All dates throughout this order refer to the year 2006 unless otherwise noted.

Jefferson. Those issues included, but were not limited to, the following:

- (1) Excessive hook-on fees and if these hook-on fees would still be paid to Central Jefferson after the transfer of assets to the Jefferson County Public Sewer District,
- (2) Infrastructure deterioration and lack of maintenance of that infrastructure,
- (3) Broken equipment that hasn't been fixed,
- (4) Inadequate trunk lines,
- (5) Ineffective straining system for nonorganic waste,
- (6) Lead level in well number one and how water from well number one is mixed with water in well number two,
- (7) Microbacterial contamination and inorganic contamination of the drinking water,
- (8) Water tower capacity issues – not enough capacity,
- (9) Water rates – before and after the sale,
- (10) Misrepresentation regarding the availability of water and sewer services prior to purchasing lots,
- (11) Lack of sewer capacity to support the current home owners resulting in the need to have trucks haul loads of sewage out of the subdivision,
- (12) Current home owners having to clean out manhole covers and collection boxes by hand,
- (13) Pump grinders than burn up,

- (14) Backflow of sewage into basements,
- (15) Raw sewage contaminating creeks and lakes,
- (16) Raw sewage contaminating lawns,
- (17) Failure to flush out fire hydrants,
- (18) Failure of Central Jefferson to provide safe and adequate service,

The Commission shall direct its Staff to investigate and report on, what, if any, impact a Commission order approving the transfer of Central Jefferson's assets to the Jefferson County Public Sewer District could have on the Commission's ability to seek penalties against Central Jefferson for violations of any Commission Rule, statute or Central Jefferson tariff provision.

IT IS ORDERED THAT:

1. No later than December 11, 2006, the Staff of the Missouri Public Service Commission shall investigate and file a report as directed in the body of this order.
2. This order shall become effective on November 29, 2006.

BY THE COMMISSION



**Colleen M. Dale
Secretary**

(S E A L)

Harold Stearley, Regulatory Law Judge,
by delegation of authority pursuant to
Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,
on this 29th day of November, 2006.