

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

In the Matter of Lincoln County Utilities)	
Co.'s Application to Sell its Sewer/)	
Treatment Facilities to the Public Water)	<u>Case No. SM-2006-0369</u>
Supply District No. 1 of Lincoln County,)	
Missouri.)	

**OFFICE OF THE PUBLIC COUNSEL'S RESPONSE
TO STAFF RECOMMENDATION**

COMES NOW the Office of the Public Counsel (Public Counsel) and for its Response to Staff Recommendation states as follows:

1. On June 25, 2008, the Staff of the Missouri Public Service Commission (Staff) filed its Staff Recommendation recommending that the Missouri Public Service Commission (Commission) approve the transfer of assets according to the terms of the agreement between Lincoln County Utilities Co. (LCU) and the Public Water Supply District No. 1 of Lincoln County, Missouri (the District).
2. Staff further recommended that the Commission approve the transaction in time for the closing to take place on July 11, 2008 as contemplated by the parties' agreement.
3. Staff also recommended that the Commission order LCU to inform the Commission of closing within three days after the closing takes place and that the Commission thereafter take action to cancel LCU's certificate of convenience and necessity and tariffs.
4. Counsel for Staff recommended that the Commission order LCU to update its statement of the impact of the transfer on the tax revenue of Lincoln County to reflect the Company's most current assessment from the taxing authority so that the Commission can provide this

information to the county clerk of Lincoln County as required by Section 393.190.1 RSMo (2000).

5. In its filing, Staff's attached Official Case File Memorandum states that, since this sale will result in a substantial rate impact upon LCU's customers, Staff has requested that LCU send a notice to its customers at the end of June.

6. Public Counsel has reviewed the Staff recommendation and does not object to its recommendations to the Commission. Public Counsel also states its support for a customer notice to be provided at the end of June.

WHEREFORE, Public Counsel respectfully submits that it has no objections to the Staff Recommendation.

Respectfully submitted,

OFFICE OF THE Public Counsel

/s/ Christina L. Baker

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, emailed or hand-delivered to the following this 26th day of June 2008:

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