

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

In the Matter of the Small Company Rate)
Increase Request of Mill Creek Sewers, Inc.)

Case No. SR-2005-0116

STATUS REPORT

COMES NOW the Staff of the Missouri Public Service Commission (Staff), by and through Counsel, and for its Status Report states the following to the Missouri Public Service Commission (Commission).

PROCEDURAL HISTORY

1. On March 23, 2005¹, the Commission issued an **Order Directing Filing** (March 23 Order), in which it directed the Staff to file two status reports regarding the potential transfer of the sewer collection and treatment system owned by Mill Creek Sewers, Inc. (Mill Creek) to the St. Louis Metropolitan Sewer District (MSD), with those reports to be filed on March 25 and April 1.

2. The Staff filed the two status reports required by the Commission's March 23 Order on March 25 and April 1, respectively.

3. As a part of its April 1 status report, the Staff stated that it would continue to file weekly status reports in this case. Consistent with that commitment, the Staff filed its third, fourth and fifth weekly status reports on April 8, April 15 and April 25, respectively.

4. As a part of its April 25 status report, the Staff stated that it would continue to file weekly status reports, or would advise the Commission that additional information is not available and that a status report would thus not be filed for a given week. Consistent with that commitment, the Staff filed its sixth and seventh status reports on April 29 and May 6, respectively, a Notice Regarding Status Report on May 13 and its eighth status report on May 20.

¹ Unless noted otherwise, all dates herein refer to the year 2005.

STATUS UPDATES

5. Regarding the status of the potential transfer of Mill Creek's sewage treatment and collection system to the MSD, the Staff offers the following information.

(a) On May 24, Joe Bindbeutel at the Attorney General's Office (AGO) had his secretary contact Dale Johansen of the Commission's Water & Sewer Department about having a meeting during the week of May 30 to discuss the potential transfer of Mill Creek's system to the MSD. During the morning of May 27, Mr. Johansen spoke with Mr. Bindbeutel's secretary and arrangements were made for a meeting to take place on either May 31 or June 1, depending on the availability of other AGO attorneys whom Mr. Bindbeutel wants to participate in the meeting. (Mr. Johansen will be advised of the specific date and time for the meeting later in the day on May 27.)

(b) No one from the Staff has recently talked with representatives of the MSD to discuss the status of the MSD's decision of whether to take over Mill Creek's system.

6. Regarding the status of the actions being taken with regard to the operation of Mill Creek's sewage treatment plant, the Staff offers the following information.

(a) On May 20, Steve Loethen of the Commission's Water & Sewer Department visited Mill Creek's sewage treatment plant to check on the operation of the plant. One of the sludge returns was again clogged but Mr. Loethen was able to correct that problem. Mr. Loethen also wasted sludge from the clarifier to the sludge holding tank and made a few other minor adjustments to the plant controls.

(b) Mr. Loethen returned to the sewage treatment plant on May 25 and found both sludge returns working properly with the plant being in overall good shape operationally. Mr. Loethen wasted more sludge to the holding tank, "scrubbed" the clarifier and adjusted the timers on the blowers. Mr. Loethen notes that it is his opinion that the plant is essentially "fixed" but will need routine visits to ensure it continues to operate properly.

(c) Regarding samples being taken of the plant's effluent, Mr. Loethen reported that he was aware that Midwest Testing (Midwest) had taken samples on April 8. Mr. Loethen contacted a representative of Midwest on May 26 to see if the results of those tests were available, but they were not. (Mr. Loethen doubts those samples will meet the plant's discharge standards because they were taken prior to the time that the majority of the operational improvements were made.) Mr. Loethen also asked if Midwest had plans to test more samples and was told that Mill Creek had not yet made arrangements for Midwest to do so.

PLANNED STAFF ACTIONS

7. Mr. Loethen and/or other Staff members will continue to periodically monitor the operation of Mill Creek's sewage treatment plant and will make recommendations to Mill Creek for operational adjustments as may be needed. A Staff representative will also be contacting Mill Creek regarding the need for the Company to have monthly effluent samples tested and reported to the DNR.

8. As noted previously, Mr. Johansen will be meeting with Mr. Bindbeutel on either May 31 or June 1 to discuss the potential transfer of Mill Creek's system to the MSD (other Staff members and other AGO attorneys may also participate in this meeting). Also, a representative of the Staff will be contacting a representative of the MSD to obtain information regarding the status of the MSD's review of the potential takeover of Mill Creek's system.

FUTURE STATUS REPORTS

9. The Staff again notes that it will continue to file weekly status reports, or will advise the Commission that additional information is not available and that a status report will thus not be filed for a given week.

WHEREFORE the Staff respectfully submits its ninth Status Report for the Commission's information and consideration in this case.

Respectfully Submitted,

DANA K. JOYCE
General Counsel

/s/ Keith R. Krueger

Keith R. Krueger
Deputy General Counsel
Missouri Bar No. 23857

Attorney for the Staff of the
Missouri Public Service Commission

P.O. Box 360
Jefferson City, MO 65102
573-751-4140 (telephone)
573-751-9285 (facsimile)
keith.krueger@psc.mo.gov (e-mail)

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed with first class postage, hand-delivered, transmitted by facsimile or transmitted via e-mail to all counsel and/or parties of record this 27th day of May 2005.

/s/ Keith R. Krueger