

**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, 2005 (unless noted otherwise all dates herein refer to the year 2005), 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, its Notice Regarding Status Report on May 13, its eighth and ninth status reports on May 20 and May 27, respectively, and a Notice Regarding Status Report on June 3.

#### **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 June 9, Staff members Dale Johansen and Keith Krueger met with Joe Bindbeutel and Harry Bozoian of the Attorney General's Office (AGO) and Aimee Davenport of the Department of Natural Resources (DNR) to discuss this matter. While the participants agreed that the transfer of Mill Creek's system to the MSD is the ultimate goal, they also agreed that both Mill Creek and the MSD still need to do work before decisions can be made on certain issues of interest to the AGO and the DNR. In particular, it was noted that it is not yet clear whether the MSD has completed the actions needed to make its decision regarding the potential transfer or whether the MSD had requested and obtained Mill Creek's cooperation in carrying out the needed actions. The AGO and DNR representatives noted that they need additional information as to whether the recent improvements to Mill Creek's sewage treatment plant have resulted in the proper operation of the plant. In that regard, Ms. Davenport noted that the DNR is aware that Mill Creek has recently submitted effluent monitoring reports, but that she did not know if those reports indicated that the plant's effluent was meeting the required standards. Ms. Davenport also noted that the DNR is planning to conduct an inspection of Mill Creek's system in the near future and that she would advise the Staff of when that inspection is going to be conducted so that the Staff can participate in it. She also suggested that the Staff contact the MSD to see whether an MSD representative would also like to participate in that inspection.

6. Regarding the status of the operation of Mill Creek's sewage treatment plant, the Staff offers the following information. On June 9, Steve Loethen of the Commission's Water & Sewer Department visited Mill Creek's sewage treatment plant to check on the operation of the plant. Mr. Loethen reports that the overall condition of the plant is very good, that the clarifier and effluent were clean and clear, and that the sludge was starting to look the right color and was obviously "settling" properly. Mr. Loethen also noted that the sludge tank was nearly full and would need to be pumped out shortly. While at the plant, Mr. Loethen called Jim Holmes of Mill Creek and advised him of the sludge hauling needs, and asked whether effluent samples had recently been taken. Mr. Holmes told Mr. Loethen that Midwest Testing had been contacted to take effluent samples and was scheduled to do so. Mr. Loethen later confirmed with a representative of Midwest that monthly sampling arrangements had been made.

#### **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 any operational adjustments that may be needed, and will also continue to monitor the actions that Mill Creek is taking with regard to monthly effluent samples being taken, analyzed and reported to the DNR.

8. Mr. Johansen will be sending a representative of the MSD (most likely Paul DeFord) an e-mail requesting a list of actions that the MSD still needs to take before it can decide whether to take over Mill Creek's system, and asking for a timetable under which the MSD will complete that decision-making process. Time permitting, this e-mail will be sent today (June 10), but no later than Monday, June 13. In particular, Mr. Johansen will ask whether the MSD has encountered any problems in obtaining information from Mill Creek or in gaining

access to the treatment plant for inspection purposes. If MSD identifies any such problems, Mr. Johansen will then contact the owner of Mill Creek to ensure that the problems are promptly resolved. Mr. Johansen will also ask whether the MSD would like to participate in the DNR's inspection 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 tenth Status Report for the Commission's information and consideration in this case.

Respectfully Submitted,

DANA K. JOYCE  
General Counsel

**/s/ Keith R. Krueger**

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**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 10th day of June 2005.

**/s/ Keith R. Krueger**