

**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 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, its eighth and ninth Status Reports on May 20 and May 27, respectively, a Notice Regarding Status Report on June 3, its tenth and eleventh Status Reports on June 10 and June 17, respectively, a Notice Regarding Status Report on June 24, its twelfth Status Report on July 1, a Notice Regarding Status Report on July 8, its thirteenth Status Report on July 15, a Notice Regarding Status Report on July 22, and its fourteenth, fifteenth and sixteenth Status Reports on July 29, August 5 and August 12, respectively.

STATUS UPDATES

5. Regarding Mill Creek's response to the DNR's report pertaining to the June 23 PSC/DNR joint inspection of Mill Creek's sewage treatment plant,¹ the Staff offers the following new information. On August 18, Ms. Lisa Langeneckert, an attorney representing Mill Creek, advised the Staff via an e-mail message that Mill Creek has executed a contract with a company named Testing Analysis and Control (TAC) for the operation of the sewage treatment plant. Under that contract, which goes into effect on September 1, TAC will conduct routine operations and maintenance inspections of the plant, will conduct the required testing and reporting functions related to the operation of the plant, will coordinate the removal of sludge from the plant, and will provide 24-hour emergency service for situations related to the operation of the plant, with all such activities to be carried out by a properly licensed wastewater system operator.

6. Regarding the current condition of Mill Creek's sewage treatment plant, the Staff notes that Ms. Langeneckert also advised the Staff that the plant blower motor that was not operating during the Staff's August 5 inspection of the plant has been repaired, and provided the Staff a copy of the paid invoice for that repair work.

¹ A copy of the DNR's inspection report was included with the Staff's thirteenth Status Report and a copy of Mill Creek's initial response to the report was included with the Staff's fifteenth Status Report.

7. Regarding the status of the St. Louis MSD's determination of whether it will take over Mill Creek's system, the Staff notes that it does not have any updated information to provide at this time.

8. Regarding the possibility that Missouri-American Water Company (MAWC) might be interested in taking over Mill Creek's system, the Staff notes that it has contacted a representative of MAWC about this matter, but that it still needs to provide MAWC some information about the system and has thus not yet received a response from MAWC.

FUTURE STAFF ACTIONS

9. The Staff will continue to periodically monitor the operation of Mill Creek's sewage treatment plant and will make recommendations to Mill Creek and/or TAC for any changes in the operation of the plant that are considered necessary.

10. The Staff will continue to monitor the MSD's progress in making its determination of whether it will take over Mill Creek's system. Additionally, the Staff will advise the MSD of any future planned joint PSC/DNR inspections, as far in advance as possible, so that the MSD will have the opportunity to participate in such inspections if it desires to do so.

11. The Staff will continue to monitor MAWC's consideration of whether it is interested in taking over Mill Creek's system. Additionally, the Staff will advise MAWC of any future planned joint PSC/DNR inspections, as far in advance as possible, so that MAWC will have the opportunity to participate in such inspections if it desires to do so.

FUTURE STATUS REPORTS

12. 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 seventeenth 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 19th day of August 2005.

/s/ Keith R. Krueger