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 <u>Status Report</u> 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 <u>Order Directing Filing</u> (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 Status Report on July 29.

STATUS UPDATES

5. Regarding the DNR's report pertaining to the June 23 PSC/DNR joint inspection of Mill Creek's sewage treatment plant, a copy of which was included with the Staff's thirteenth Status Report, the Staff offers the following information. An attorney representing Mill Creek has prepared and sent a response to the report to the DNR. A copy of that response, excluding the attachments referenced in the response, is attached hereto as Appendix A.

6. Regarding the condition of Mill Creek's sewage treatment plant, the Staff offers the following information. Steve Loethen of the Water & Sewer Department is inspecting the treatment plant today (August 5), and the Staff will include information gathered by Mr. Loethen during that inspection in its next status report.

7. 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. On August 3, Dale Johansen of the Water & Sewer Department contacted Ms. Susan Myers of the MSD, via e-mail, and asked if there were any updates available regarding the MSD's consideration of taking over the Mill Creek treatment and collection system. On August 4, Ms. Myers responded to Mr. Johansen, also via e-mail, and stated that there are no updates available at this time.

FUTURE STAFF ACTIONS

8. Steve 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. Mr. Loethen and/or other Staff member will also continue to monitor the actions that Mill Creek is taking with regard to sludge hauling, monthly sampling of the plant's effluent, and the hiring of a licensed plant operator.

9. 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.

FUTURE STATUS REPORTS

10. 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.

WHERFORE the Staff respectfully submits its fifteenth <u>Status Report</u> 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

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed with first class postage, handdelivered, transmitted by facsimile or transmitted via e-mail to all counsel and/or parties of record this 5th day of August 2005.

/s/ Keith R. Krueger

APPENDIX A

MILL CREEK RESPONSE TO DNR INSPECTION REPORT

CASE NO. SR-2005-0116



ATTORNEYS AT LAW

July 27, 2005

VIA OVERNIGHT MAIL

Mohamad Alhalabi, P.E. Regional Director Missouri Department of Natural Resources 7545 South Lindbergh St. Louis, MO 63125

> Re: Mill Creek Sewers, Inc. Castlereagh Estates MO 0084484

Dear Mr. Alhalabi:

Your letter to Joseph Afshari of July 6, 2005, a copy of which is enclosed has been referred to us for response. Consistent with our discussion with Aimee Davenport, Joseph Bindbeutel, and Harry Bozian, we are providing you with the status of Mill Creek Sewers. Inc., efforts to satisfy your recommendations.

With reference to Recommendation #1 in your letter, the sludge holding tank was pumped out on July 21, 2005. A copy of the Work Order from Commercial Pumping Services and related Hauled Waste Receipt from MSD is enclosed.

With reference to Recommendation #2 in your letter, the blower motor was repaired on or about July 12, 2005. Confirmation of the repair was noted in the Missouri Public Service Commission status report dated July 15, 2005, a copy of which is enclosed.

With reference to Recommendation #3 in your letter, Mr. Afshari is attempting to contract with a certified wastewater operator with at least a Level C Missouri Wastewater Operator's License but has been unable to retain one as of this date. We will update you within thirty (30) days regarding their continuing efforts to retain a certified wastewater operator.

With reference to Recommendation #4 in your letter, Mill Creek does not have DMR reports for the period April 2004 through March 2005.

With reference to Recommendation #5 in your letter, the vegetation on the slope was removed on July 21, 2005. A copy of a statement from the Boutte Lawn Care Service who performed the work is enclosed. In addition, two new warning signs have been installed, and a picture of the installed signage is enclosed.

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ATTORNEYS AT LAW

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Please contact me if you desire any further information.

Yours truly,

Bangeneckers

Lisa C. Langeneckert

mkp Enclosures (5) cc: Mr. Joseph Afshari Mr. Nick Niknejadi cc/encs: Joseph Bindbeutel, Esq. Harry Bozian, Esq. Aimee Davenport, Esq. Keith Krueger, Esq.