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May 10, 1999

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Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102

FILED

MAY 10 1999

Missouri Public
Service Commission

RE: Case No. SC-99-135 - House Springs Sewer Company, Inc.

Dear Mr. Roberts:

Enclosed for filing in the above-captioned case are an original and fourteen (14) conformed copies of a **STIPULATION AND AGREEMENT**.

This filing has been mailed or hand-delivered this date to all counsel of record.

Thank you for your attention to this matter.

Sincerely yours,

David J. Stueven
Assistant General Counsel
(573) 751-6726
(573) 751-9285 (Fax)

DJS/wf
Enclosure
cc: Counsel of Record

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

FILED

MAY 10 1999

Missouri Public
Service Commission

Staff of the Missouri Public Service
Commission

Complainant,

vs.

Case No. SC-99-135

House Springs Sewer Company

Respondent.

STIPULATION AND AGREEMENT

COMES NOW the Staff of the Missouri Public Service Commission ("Staff") and House Springs Sewer Company ("Respondent" or "House Springs"), by their undersigned counsel, and hereby stipulate and agree as follows:

1. On October 2, 1998, the Staff filed a Complaint against House Springs for failure to pay Commission-ordered assessments. House Springs filed an answer to the complaint on December 21, 1998.

2. As a result of discussions, the parties to this Stipulation and Agreement have reached an agreement to resolve Staff's Complaint against House Springs.

3. The Commission issued an order in Case No. SM-99-287 on April 22, 1999. This order authorized the sale of Imperial Utility Corporation's ("Imperial") sewer assets to Rock Creek Public Sewer District. Imperial and House Springs are owned and operated by the same entity, EPCO, Incorporated. Imperial, House Springs, and EPCO

Inc. are all currently under receivership in the Circuit Court of St. Louis County, Missouri. Patricia Fribis is the Receiver for all three companies.

4. The Commission conditioned the distribution of the net proceeds of the Imperial sale in its order in SM-99-287. Payment of the assessments, which Imperial and House Springs owe, must be made before the net proceeds of the Imperial sale may be distributed to the owners of Imperial. The parties to the Imperial sale anticipate the closing of the sale within a couple of weeks. However, the final distribution of the sale proceeds to the owners of Imperial is not anticipated in the near future.

5. The Respondent admits that it owes assessments to the Commission in the amount of \$41,093.52.

6. House Springs agrees that, in the event of a sale of House Springs' assets, House Springs will provide for payment, through the escrow agreement, of all assessments owed to the Commission.

7. House Springs agrees that it will cause the said assessments to be paid immediately upon the closing of the House Springs' assets or at such time as the net proceeds of the Imperial sale are distributed to the owners of Imperial, whichever occurs first.

8. The Staff agrees to file with the Commission a Motion to Dismiss with Prejudice the Complaint in this matter within one (1) week after full payment of the assessments owed by House springs is received by the Commission.

9. This Stipulation and Agreement has resulted from negotiations between the signatories and its provisions are interdependent. If the Commission does not approve this Stipulation and Agreement in total, it shall be void and neither party shall be bound,

prejudiced or in any way affected by any of the agreements or provisions thereof and, except as specified herein, no party shall be bound, prejudiced or in any way affected by any of the agreements or provisions hereof in any future proceeding, or in any proceeding currently pending under a separate docket.

10. If requested by the Commission, the Staff shall have the right to submit to the Commission a memorandum explaining its rationale for entering into this Stipulation and Agreement. Each party shall be served with a copy of any memorandum and shall be entitled to submit to the Commission, within five (5) business days of receipt of the Staff's memorandum, a responsive memorandum that shall also be served on all parties. All memoranda submitted by the parties shall be considered privileged in the same manner as are settlement discussions under the Commission's rules, shall be maintained on a confidential basis by all parties, and shall not become a part of the record of this proceeding or bind or prejudice the party submitting such memorandum in any future proceeding or in this proceeding, whether or not the Commission approves this Stipulation and Agreement. The contents of any memorandum provided by any party are its own and are not acquiesced in or otherwise adopted by the other signatories to the Stipulation and Agreement, whether or not the Commission approves and adopts this Stipulation and Agreement.


11. The Staff shall also have the right to provide, at any agenda meeting at which this Stipulation and Agreement is noticed to be considered by the Commission, whatever oral explanation the Commission requests. The Staff's oral explanation shall be subject to public disclosure, except to the extent it refers to matters that are privileged or otherwise protected from disclosure.

12. In the event the Commission issues an order approving this Stipulation and Agreement, the parties waive their respective rights, in the present case, to: call, examine or cross-examine witnesses, pursuant to Section 536.070(2); present oral argument and written briefs, pursuant to Section 536.080.1; have the transcript read by the Commission pursuant to Section 536.080.2; seek rehearing or reconsideration pursuant to Section 386.510; and seek judicial review pursuant to Section 386.510.


WHEREFORE, the parties to this agreement respectfully request that the Commission approve the Stipulation and Agreement.

Respectfully submitted,

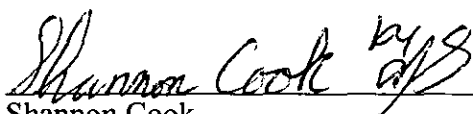
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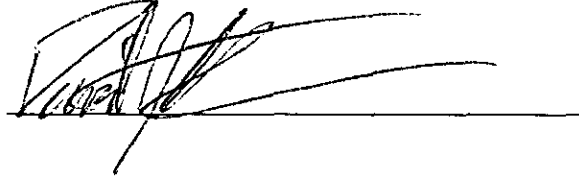
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Certificate of Service

I hereby certify that copies of the foregoing have been mailed or hand-delivered to all counsel of record as shown on the service list below this 10th day of May, 1999.

A handwritten signature in dark ink, appearing to read 'Mark S. Rubin', is written over a horizontal line.

**Service List for
Case No. SC-99-135
May 10, 1999**

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