

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

In the Matter of the Joint Application of)
Missouri-American Water Company and)
Tri States Utility, Inc. for Authority for)
Missouri-American Water Company to Acquire) File No. WO-2013-0517
Certain Assets of Tri States Utility, Inc. and,)
in Connection Therewith, Certain Other)
Related Transactions.)

RESPONSE OF GREAT SOUTHERN BANK TO STAFF’S REQUEST FOR EXTENSION

COMES NOW Great Southern Bank (“Great Southern” or “Bank”), by and through its counsel, Sandberg, Phoenix & von Gontard, P.C., and for its Response to Staff’s Request for an Extension in this proceeding, respectfully states as follows:

1. While this proceeding, itself, was not commenced until June 12, 2013, when Missouri-American Water Company (“MAWC”) and Tri States Utility, Inc. (“Tri States”) jointly filed an Application for authority for MAWC to acquire certain assets of Tri States (“Sale Application”), the subject of this proceeding, the water system operated by Tri States Utility, Inc., has been the subject of concern to this Commission at least since the Commission opened its investigation of such utility, on February 26, 2013.

2. This Commission issued an *Order Directing Notice, Setting Intervention Deadline, and Directing Filing*, on June 13, 2013, setting July 25, 2013 as the date by which the Staff was to complete its investigation and make its report to the Commission.

3. As noted in the Sale Application, Tri-States is currently the subject of a bankruptcy proceeding in the United States Bankruptcy Court for the District of Kansas (Case No. 13-20358-11-DLS); and Great Southern is the primary creditor in such bankruptcy.

4. On July 15, 2013, the Bankruptcy Court issued its order approving the sale of Tri States assets to MAWC, subject to approval of this Commission.

5. While Great Southern appreciates the interest of Staff and this Commission in making certain that the public served by the Tri States water system is not charged inappropriate rates for such water service, the Application filed in this proceeding seeks only to maintain the current rates of the system, which were put in place by the Commission in a proceeding that concluded on April 12, 2011, Docket No. WR-2011-0037.

6. At present, Tri States system is being managed by an outside engineering firm that, while experienced in utility operation, for all practical purposes, is being paid for by Great Southern and the other creditors of Tri States.

7. The cost of third party operation is greater than that of an employee workforce; and Great Southern and the other creditors are not in the business of providing public utility service.

8. The day to day operations of the Tri States' system are being handled by the historic employees of the system; and any delay in this proceeding prolongs the time during which such employees are required to deal with the uncertainty caused by the pendency of this proceeding. There is, therefore, a real risk that employees with historical knowledge and training may be lost to other jobs which do not have such uncertainty.

9. Respectfully, Great Southern requests this Commission, the Staff, MAWC, and OPC to recognize that this proceeding is about transitioning a troubled utility to a company that is capable of operating it. The Tri States system is, currently, in bankruptcy, being nursed along by its largest creditor, an outside engineering firm, and employees who are being asked to keep working to keep the water flowing, with full uncertainty as to the future of the system and their

CERTIFICATE OF SERVICE

Pursuant to 4 CSR 240-2.080 of the Commission's Rules of Practice and Procedure, I hereby certify that I have this day caused a copy of the foregoing to be served on all persons on the official service list in WO-2013-0517 via electronic mail.

Dated at St. Louis, Missouri this 26th day of July, 2013.

/s/ Sue A. Schultz