

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

In the Matter of the Application of)	
Old National Bank for Authority to)	File No. WM-2012-0314
Seize the Assets of Tri-States Utility, Inc.)	

**REPLY OF TRI-STATES UTILITY, INC.
TO STAFF RECOMMENDATION**

COMES NOW Tri-States Utility, Inc. ("Tri-States"), pursuant to the Missouri Public Service Commission's ("Commission") Order Extending Time For Filings issued in this matter on September 24, 2012, and for its Reply to Staff Recommendation, respectfully states as follows:

A. The Application Should Be Denied.

1. In its Recommendation filed September 7, 2012, the Staff concludes that Old National Bank's Application should not be approved and recommends that the Commission deny Old National's Application. In both its pleading and accompanying Memorandum (attached as Appendix A to the pleading), the Staff details the numerous infirmities associated with Old National Bank's failure to meet requirements for filing an application with the Commission, and provides its analysis and support for concluding that approval of said Application would be detrimental to the public interest. As many of these same arguments and authority were submitted in Tri-States' Response in Opposition to Application,¹ Tri-States respectfully concurs in Staff's conclusion that the subject Application should not be approved and that the Commission should deny same.

¹ Response of Tri-States Utility, Inc. In Opposition To Application, filed July 6, 2012, and incorporated herein by reference.

B. Mediation.

2. At Page 10 of its Appendix A, the Staff sets forth four specific actions that it recommends for inclusion in a Commission order. In addition to the above-described denial of the Application “based on Old National’s failure to adhere to the requirements of such a filing and for failure to establish that the approval of such *Application* is not detrimental to the public interest,” Staff also recommends that the Commission establish a mediation date and set a prehearing conference “to discuss alternative solutions to the situation.”

3. As referenced in previously filed Motions, Tri-States’ Response and Staff’s Recommendation, Tri-States and Old National Bank have engaged in extensive discussions exploring resolution of this matter. Without prejudice to its position that Old National Bank’s Application should be dismissed and/or denied, in the alternative, Tri-States respectfully advises the Commission that it is willing to engage in Staff’s suggested mediation “in an effort to resolve the matters amicably under Commission Rule 4 CSR 240-2.125.”

4. Tri-States respectfully suggests that Staff’s recommendation regarding the setting of a prehearing conference “to discuss alternative solutions to the situation” is premature, particularly given the pending prayers/recommendations that the Application be denied and the possibility of mediation for the stated purpose of “an effort to resolve the matters amicably.”

WHEREFORE, Tri-States Utility, Inc. respectfully submits its Reply to Staff Recommendation and requests that the Commission deny or dismiss all of Old National Bank's prayers for relief contained in the Application or, in the alternative, establish a mediation date as recommended by Staff pursuant to Commission Rule 4 CSR 240-2.125.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the above and foregoing document were sent by electronic mail, or hand-delivered, on this 25th day of September, 2012, to:

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