

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

Gerald and Joanne Reiersen,)	
)	
Complainants,)	
)	
v.)	<u>Case No. SC-2005-0083</u>
)	
Kenneth Jaeger and Blue Lagoon Sewer)	
Corp.,)	
)	
Respondents.)	

STAFF'S RESPONSE TO ORDER DIRECTING FILING

COMES NOW the Staff of the Missouri Public Service Commission and submits the following Response to Order Directing Filing.

1. On March 12, 2007, the Commission issued an Order Directing Filing, in which it ordered the Staff to inform the Commission of its understanding of whether Cannon Water District wishes to intervene in this case, and whether it consents to the request of Complainant Gerald Reiersen that Cannon Water District take over Blue Lagoon Sewer Corp. The Staff understands that the full name of the entity to which Mr. Reiersen referred is Cannon Water Supply District No. 1 of Ralls, Monroe and Marion Counties, Missouri (hereinafter "the Water District.").

2. On March 13, Gary H. Sokolik, attorney for the Water District, informed the undersigned counsel for the Staff that the Water District is open to consideration of the possibility of acquiring and operating the assets of the Blue Lagoon Sewer Corp. Mr. Sokolik stated, however, that before it acquires these assets, the Water District will need to receive and evaluate much more information about the adequacy of the existing

lagoon, piping, rights of way, and other facilities, about the adequacy of the size, location and soil characteristics of the land where the effluent may be applied, and about the adequacy of the facilities that may be used to apply the effluent to the proposed spray field.

3. Mr. Sokolik further stated that the Water District does not wish to intervene in this case at the present time.

WHEREFORE, the Staff submits its Response to Order Directing Filing.

Respectfully submitted,

/s/ Keith R. Krueger

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or emailed to all counsel of record this 14th day of March, 2007.

/s/ Keith R. Krueger