

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

In the Matter of the Application of U.S.       )  
Water Company to Sells its Water System    )  
Located in Lafayette County to the City of   )  
Lexington, Missouri.                               )

**Case No. WM-2011-0030**

**STATUS REPORT**

**COMES NOW** the Staff of the Missouri Public Service Commission (“Staff”), by and through its attorney, and submits to the Missouri Public Service Commission (“Commission”) its *Status Report* as follows:

1.       On August 3, 2010, U.S. Water Company (“Company”) filed an *Application* with the Commission seeking approval to sell and transfer its water system assets located in Lafayette County, Missouri to the City of Lexington, Missouri.

2.       The Commission approved the *Application* on October 6, 2011, subject to the condition that the Commission be notified of the date on which the City of Lexington takes possession of the system.

3.       On July 1, 2011, the Commission issued its *Order* directing Staff to file a status report by October 14, 2011.

4.       This pleading is meant to apprise the Commission of the status of the Company’s sale of its assets to the City of Lexington.

5.       Staff has received notice from the Company that the sale has not yet closed due to the inability to complete certain plant upgrades required by the Missouri Department of Natural Resources (“MDNR”), as the Staff has reported in previous status reports. Construction was delayed due to the high water levels of the Missouri River this past spring and summer. Staff has

been informed that the river level has now receded and the construction resumed on October 11, 2011. The Company informed Staff that the contractor is estimating that the job will be done in thirty (30) to forty-five (45) days, although this is subject to weather and final approval by MDNR.

6. Because of the uncertainties regarding completion of the construction project and the closing, Staff requests leave to file a further status report regarding the sale of U.S. Water Company's water system to the City of Lexington, Missouri, no later than December 14, 2011.

**WHEREFORE**, Staff respectfully submits this *Status Report* for the Commission's information and consideration, and further requests leave to make a further Status Report to the Commission no later than December 14, 2011.

Respectfully submitted,

/s/ Rachel M. Lewis

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### **CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been mailed or hand-delivered, transmitted by facsimile or by electronic mail to all counsel of record on this 14<sup>th</sup> day of October, 2011.

/s/ Rachel M. Lewis