

**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)	WM-2011-0030
Located in Lafayette County to the City of)	
Lexington, Missouri.)	

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 to the City of Lexington, Missouri.
2. After a review, investigation, and an affirmative *Recommendation* by Staff, the Commission issued its *Order Approving Application*, on October 6, 2010. The *Order* conditioned approval upon U.S. Water Company filing, within five days of the transfer’s effective date, notice of such transfer. Furthermore, the file has remained open for notice of the transfer, and the cancellation of any associated tariff, and certificate of convenience and necessity.
3. This pleading is meant to apprise the Commission of the status of the Company’s sale of its assets to the City of Lexington.
4. Staff has received verbal notice from the Company that the sale has not yet closed, and is projected to close in late February, or March, due to completion of certain projects, and certain sale details yet to be resolved.

WHEREFORE, the Parties respectfully submit this *Status Report* for the Commission's information and consideration.

Respectfully submitted,

/s/ Meghan E. McClowry

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, emailed, sent by facsimile or hand-delivered to all counsel of record this 9th day of February, 2011.

/s/ Meghan E. McClowry