

Staff of the Missouri Public Service
Commission,
Complainant,

v.

Smithview H2O Company,
John Kuhle and Kuhle H2O Company,

Respondents.

Smithview H2O Company,)
John Kuhle and Kuhle H2O Company,)
)
Respondents.)

COMES NOW the Staff of the Missouri Public Service Commission, by and through undersigned counsel, and for its *Response to Commission Order* hereby states:

2. On April 6, 2016, June 20, 2016, October 18, 2016, and January 26, 2017, Staff filed *Status Reports* to report on resolution of issues raised in Staff's *Complaint*.

3. On April 27, 2017, the Commission directed Staff to explain whether the complaint should be dismissed. The Commission's *Order* stated, "It appears that the problems that caused Staff to file its complaint have largely been resolved and that the complaint can be dismissed without prejudice to its refiling."

4. While the matters that were the subject of the *Complaint* have been largely resolved on a going-forward basis, the resolution that currently exists is reliant upon an outside contract manager-operator. Should the present contract arrangement cease for any reason, Smithview H2O Company would be in the same situation as it was when Staff filed its *Complaint*. Staff therefore cannot withdraw its *Complaint* until either Smithview H2O Company is sold or its assets are transferred to an owner who is able to assume the responsibilities of operating the system, which could provide for an ultimate resolution. Smithview H2O Company has not yet filed for a transfer of assets. Staff's assessment of Smithview H2O Company is that it is not healthy enough to take alternative measures if the current contract arrangement were to fall through.

5. Staff expects the contract manager-operator, through an affiliated company, to submit a transfer of assets case for the Smithview system. However, the timing of such filing remains uncertain. Accordingly, Staff requests that this case remain open until a sale or transfer of assets is complete.

WHEREFORE, Staff submits its *Response to Commission Order* and requests that this case remain open until a sale or transfer of assets is complete.

Respectfully submitted,

/s/ Marcella L. Forck

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CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing were served electronically to all counsel of record this 4th day of May, 2017.

/s/ Marcella L. Forck