

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

The Staff of the Missouri Public)	
Service Commission,)	
)	
Complainant,)	
)	
v.)	<u>Case No. WC-2006-0363</u>
)	
Franklin County Service Company, Melody)	
Lake Water & Sewer, LLC, Melody Lake)	
Ranch Associates, Inc., Gerald Johnston.)	
)	
Respondents.)	

STATUS REPORT

COMES NOW the Staff of the Missouri Public Service Commission ("Staff"), by and through counsel, and for its Status Report respectfully states the following to the Missouri Public Service Commission ("Commission").

1. The Staff has carefully considered the status of all of the matters in this case. This case began as a Staff Complaint that was filed on March 22, 2006. Staff's Complaint seeks penalties against Respondents for the illegal transfer and operation of the assets of a water and sewer company. Respondents filed their Response to the Complaint on July 5, 2006.

2. On April 24, 2006, Respondents Franklin County Service Company and Melody Lake Water & Sewer LLC filed their Joint Application for Transfer of Water and Sewer System (Joint Application) *in this case*.

3. While the propriety of the Joint Application being filed in this case rather than being filed as a separate case has not been addressed by the Parties or by the Commission, the Staff has no objection to the Joint Application being considered in this case.

4. The Staff plans to file its Recommendation in this case regarding the Joint Application by August 1, 2006. That recommendation will also address the possible resolution of Staff's Complaint.

WHEREFORE, Staff respectfully submits this Status Report.

Respectfully Submitted,

/s/ Robert V. Franson

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Missouri Public Service Commission

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CERTIFICATE OF SERVICE

I hereby certify that copies of this Status Report have been mailed with first class postage, hand-delivered, transmitted by facsimile or transmitted via e-mail to all counsel and/or parties of record this 18th day of July 2006.

/s/ Robert V. Franson