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**Staff Follow-up Report to the Staff's Previous Reports  
Suburban Water and Sewer Company, Inc. Water System  
November 13, 2007**

**Missouri Public  
Service Commission**

Prepared By  
Martin Hummel and Jim Merciel  
Water and Sewer Department

On July 20, 2007 and on September 20, 2007 the Public Service Commission Staff (Staff) reported on the conditions of the water system owned by Suburban Water and Sewer Company, Inc. (Suburban), providing service to water customers in Bon-Gor Lake Estates north of Columbia, Missouri.

The following comments are an update on status of Suburban's water system, in the same order as the recommendations of the July and September reports.

1. **OPERATOR** - The Staff has worked with the certified operator in flushing the system. With time, the operator should be fully familiar with the system and capable of insuring that safe continued service is provided, within the limits of the operator's authority. At the direction of its attorneys, the Company has not provided to the Staff a copy of the written contract with the operator. Consequently, the Staff does not know who, exactly, the operator has a contract with such as possibly one of Mr. Burnam's other companies, what the operator is required to do, what resources the Company will provide to allow the operator to accomplish sound operation, or what reports the operator is responsible to make.
2. **Meters** - The Staff believes that Suburban has installed meters on all service connections and that all water delivered to customers is being metered. Although the Staff has not checked each and every meter, the multi-unit rental properties, with which the Staff was aware of not being metered, are metered now. Additionally, the Staff observed a number of new meters that have replaced older meters. Some meter boxes are in poor condition, which could affect the efficiency of meter reading. Also, meters located in meter boxes that do not completely enclose the meter could be at risk of freezing in extremely cold weather. The condition of the meter boxes, however, does not affect accurate metering.
3. **Standpipe condition** - The Staff is of the understanding that an inspection of the standpipe was made and a report exists, but at the direction of the Company attorneys the Staff has not been allowed to see the report. The Staff expects that the standpipe could be beyond repair, and that it could functionally fail at any time, either structurally or causing discolored water.
4. **Standpipe plan** - The Staff has not received any plan from the Company as to the Standpipe rehabilitation or replacement. The Staff does not know of any contingency plan by the Company should failure occur, except to turn on the emergency connection with Consolidated Public Water Supply District #1, which could create a financial

Staff Exhibit No. 41  
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hardship on the Company. An example of another alternative would be for the Company to have a contract for the provision of a mobile tank.

5. **As-built plans of the distribution system** – The Staff has a paper plan sheet labeled "as-built layout". The Staff has not made direct observations of exposed pipe or valves, but is relying on the Company's consulting engineer for the accuracy of what is shown. This "layout" was used by the Staff and the operator in flushing the system. While the "layout" may minimally suffice for operating the system, it may need to have corrections added in the future as excavations for work reveal better information. The plan does not show the location of any other utilities proximate to the water pipelines, and it does not specify the type and size of valves. As of November 2, 2007 a copy had been provided to the Missouri DNR at its Northeast Regional Office in Macon.
6. **Flush valves** – 4 new flush valves were observed, along with additional pipeline control valves. The system operator and the Staff operated these new flush valves along with the single pre-existing flush valve, and believes that successful flushing was accomplished.
7. **Meter reading** – Apparently, the master meter and the customer meters are being read. However, the attorneys for the Company are not willing to share that information with the Staff; consequently, the Staff can not comment on the adequacy of the data collected. It is also critical that the master meter is functioning accurately in order to determine meaningful unaccounted-for water levels.
8. **Report of water sold vs. water produced** – This report is not expected to be received by the Water and Sewer Department until December 2007 and is dependent on accurate, complete and comprehensive data collected in October, November and December. At the direction of the attorneys for the Company, the Staff is unable to communicate with Suburban Staff to assist or comment on the progress of this effort.

**In Summary:**

Suburban has made considerable progress. Customer meter installation appears to be complete. Flush valve installation is complete and the system has been flushed. Flushing will need to be undertaken periodically in the future. The Staff awaits Suburban's discovery responses, and hopes for an opportunity for full communication with Suburban's employees and agents. Suburban should be in a position to show unaccounted- for water (loss) by December 31.

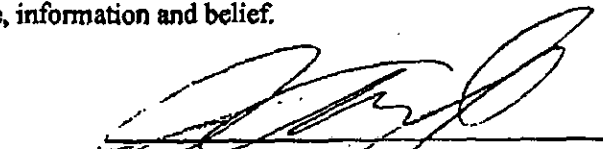
As a result of the meter installation, several leaks on service lines reportedly have been discovered and repaired.

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

AFFIDAVIT OF JAMES A. MERCIEL, JR.


STATE OF MISSOURI            )  
  ) ss            Case No. WC-2008-0030  
COUNTY OF CALLAWAY        )

James A. Merciel, Jr., of lawful age, on his oath states: (1) that he is the Assistant Manager – Engineering in the Water and Sewer Department of the Missouri Public Service Commission; (2) that he participated in the preparation of the foregoing *Staff Follow-up Report to the Staff's Previous Reports*; (3) that he has knowledge of the matters set forth in the foregoing *Staff Follow-up Report to the Staff's Previous Reports*; and (4) that the matters set forth in the foregoing *Staff Follow-up Report to the Staff's Previous Reports* are true and correct to the best of his knowledge, information and belief.



James A. Merciel, Jr., P.E.  
Assistant Manager - Engineering  
Water & Sewer Department  
Utility Operations Division

Subscribed and sworn to before me this 13<sup>th</sup> day of November 2007.



Notary Public




SUSAN L. SUNDERMEYER  
My Commission Expires  
September 21, 2010  
Callaway County  
Commission #06942066

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

AFFIDAVIT OF MARTIN HUMMEL

STATE OF MISSOURI            )  
  ) ss            Case No. WC-2008-0030  
COUNTY OF CALLAWAY        )

Martin Hummel, of lawful age, on his oath states: (1) that he is a Utility Regulatory Engineer in the Water and Sewer Department of the Missouri Public Service Commission; (2) that he participated in the preparation of the foregoing *Staff Follow-up Report to the Staff's Previous Reports*; (3) that he has knowledge of the matters set forth in the foregoing *Staff Follow-up Report to the Staff's Previous Reports*; and (4) that the matters set forth in the foregoing *Staff Follow-up Report to the Staff's Previous Reports* are true and correct to the best of his knowledge, information and belief.



Martin Hummel  
Utility Regulatory Engineer  
Water & Sewer Department  
Utility Operations Division

Subscribed and sworn to before me this 13<sup>th</sup> day of November 2007.

  
Notary Public



SUSAN L. SUNDERMEYER  
My Commission Expires  
September 21, 2010  
Callaway County  
Commission #06842088