

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Application of Jerry Reed,)	
d/b/a Woodland Acres Water System, for a)	
Certificate of Convenience and Necessity to)	Case No. WA-2009-0031
Provide Water Service in St. Clair County,)	
Missouri)	

STAFF'S STATUS REPORT

COMES NOW the Staff of the Missouri Public Service Commission (Staff), through Counsel, and files this Status Report with the Missouri Public Service Commission (Commission). For its Report, Staff respectfully states the following to the Commission:

1. On June 3, 2008, Counsel for Staff sent correspondence to Mr. Jerry Reed (Mr. Reed or Applicant), which asserted he was charging for water service within the Woodland Acres Water System, and was required to file for a Section 393.170 RSMo (2000) Certificate of Public Convenience and Necessity (CCN).

2. On July 21, 2008, Mr. Reed filed an application for a CCN to provide water service in St. Clair County, Missouri.

3. On July 29, 2008, the Commission issued its Order and Notice, notifying the Applicant that "the application may not conform to the Commission's rules concerning applications in general or to those specifically concerning the authority Applicant seeks." Subsequently, Counsel for Staff assisted Mr. Reed's counsel in determining the application's deficiencies. Also, Jerry Scheible, Staff Utility Regulatory Engineer, worked with Mr. Reed to obtain technical information necessary to evaluate the application.

4. On August 21, 2008, the Commission issued its Order Directing Staff Recommendation, ordering Staff to file a recommendation no later than October 15, 2008.

5. Throughout this case, Staff and Counsel for Staff have provided information to Mr. Reed and his counsel on various options for a water system of this size, including organization under Sections 355.025 RSMo (2000) and 393.900 RSMo (Supp. 2007).

6. After Staff completed its investigation of the water system, and conveyed rate information to Mr. Reed, he conveyed to Staff that it was his belief that organization as a not-for-profit corporation was a more viable option for the system.

7. On October 15, 2008, Counsel for Staff requested the Commission allow Mr. Reed sixty (60) days to make a good faith effort to organize Woodland Acres Water System as a not-for-profit corporation, and on October 21, 2008, the Commission approved this course of action.

8. Staff has monitored the progress of the organization closely, and on December 19, 2008, informed the Commission that a contract has been drafted to transfer ownership from Mr. Reed to Woodland Acres Property Owners Association, Inc., (HOA) a Missouri not-for-profit corporation, of St. Clair County, Missouri.

9. Mr. Reed has conveyed to Staff that the HOA sent surveys to the water customers to determine if a majority approves the transfer of ownership from Mr. Reed to the HOA. The surveys are due back to the HOA on January 23, 2009, and Staff will contact Mr. Reed soon thereafter to determine the status of the water system transfer.

10. Staff requests the Commission allow it to continue to monitor and assist the transfer of ownership to comply with Commission statutes and rules, and file a status report no later than February 19, 2009. Should the transfer fail, Staff intends to submit its recommendation at that time.

WHEREFORE, the Staff prays the Commission will allow it to file a progress report or recommendation in this matter no later than February 19, 2009.

Respectfully submitted,

/s/Jennifer Hernandez

Jennifer Hernandez

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Missouri Public Service Commission

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CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing was mailed or electronically mailed to all parties to this action on this 20th day of January, 2009.

/s/ Jennifer Hernandez