

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

Office of the Public Counsel,	)	
	)	
Complainant,	)	
	)	
v.	)	Case No. WC-2002-155
	)	
Warren County Water and Sewer	)	
Company and Gary L. Smith,	)	
	)	
Respondents.	)	

**STAFF'S RESPONSE TO MOTION FOR CONTINUANCE**

**COME NOW** the Staff of the Missouri Public Service Commission and, for its Response to Motion for Continuance, states to the Missouri Public Service Commission as follows.

1. On May 29, 2002, Warren County Water and Sewer Company and Gary L. Smith, Respondents herein, filed their motion for an order continuing or staying these proceedings, which are scheduled for an evidentiary hearing next week, June 3-6, 2002.

2. The Staff opposes this Motion for Continuance.

3. The Staff recognizes that the Company and Mr. Smith have been negotiating with others to take over the management of the Company, or to purchase the Company. The Staff approves of these efforts, and believes that they should be encouraged. The Staff believes that the sale of the Company would serve the best interest of the customers of the Company and would be in the public interest. The Staff does not believe, however, that a sale is imminent, and does not believe that the customers of the Company would benefit from a continuance.

4. The Company has a long record of inadequate service to its customers. The Staff believes that it is imperative that the Commission address the matters raised in the complaint

filed by the Office of the Public Counsel as soon as possible. The customers of the Company have been dissatisfied with their service for many years, as evidenced most recently by the testimony that they gave at the local public hearing in this case. The Staff has not been able to contact the customers of the Company to discuss this Motion for Continuance, but believes that they would be opposed to any delay in addressing these important issues.

5. The movants have not proposed any alternative dates for the hearing in this case. The hearing is scheduled for four days, and the Staff is not aware of any time in the near future that a four-day hearing might be placed on the Commission's calendar. Accordingly, it appears that if the Motion for Continuance is granted, there might be an unacceptably long delay before the hearing could be held.

6. The information that the movants have provided about the status of negotiations is vague at best. Although the execution of a management contract, as suggested in the Motion, might be of some benefit, the Staff believes that ultimately a sale will have to be arranged. It does not appear that a sale is imminent. In fact, the movants stated that they hope "to have a proposal for Commission approval for sale of the Company within six months." This is not acceptable to the Staff. The Staff further believes that real estate title problems and other problems may complicate any possible sale of the Company

7. The Staff further submits that, in the circumstances of this case, it might even be necessary for the Company to seek Commission approval of a management agreement, which would still leave the Company in the control of Mr. Smith, and would not resolve the need for the Company to make capital improvements to its water and sewer systems.

**WHEREFORE,** the Staff requests that the Commission deny the Motion for Continuance that was submitted by the Company and Mr. Smith.

Respectfully submitted,

DANA K. JOYCE  
General Counsel

**/s/ Keith R. Krueger**

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### **Certificate of Service**

I hereby certify that copies of the foregoing have been mailed or hand-delivered to all counsel of record this 30th day of May 2002.

**/s/ Keith R. Krueger**

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