BEFORE THE PUBLIC SERVICE COMMISSION STATE OF MISSOURI



In the matter of:

		Se rvice Commissio n
The joint application of)	neissimmed up the second
Missouri-American Water Company)	
and both Osage Water Company and)	Case No. WO-2005-0086
Environmental Utilities, LLC)	

ISSUES AND WITNESSES TO BE PRESENTED BY THE DEPARTMENT OF NATURAL RESOURCES AND CLEAN WATER COMMISSION AT THE HEARING

The Clean Water Commission and Department of Natural Resources offer the following list of issues in this matter:

Issues

Whether the applicants can meet their burden of showing that the proposed transfer of assets is not detrimental to the public by proving the following:

- 1) EITHER that the facilities are presently operable and will continue to be operated, without interruption, in a manner that is acceptable to both the Public Service Commission and Department of Natural Resources, OR, if any are in need of repair or replacement or upgrades in order to be operable, that OWC, EU, MAWC, or any combination of these entities, as a condition of assets transfer approval, will make all necessary repairs and improvements to ensure immediate and continuing service that is safe, adequate, and in compliance with environmental laws and regulations; and
- 2) That OWC, EU, MAWC, or any combination of these entities, will accept as a condition of transfer approval the obligation to pay all outstanding fees and penalties owed to the Department of Natural Resources, whether out of the sale proceeds or otherwise;
- 3) That OWC, EU, MAWC, or any combination of these entities, will accept as a condition of transfer approval the obligation, whether out of the sale proceeds or otherwise, to satisfy the judgment obtained by the Clean Water Commission in Case No. CV104-39-CC, in the Circuit Court of Camden County.

The Clean Water Commission and Department of Natural Resources take no position regarding what sales price or rate base or future rates or other conditions would be reasonable, fair, necessary, appropriate, and lawful, in order for the Applicants to satisfy the Commission's and Department's issues as set forth above.

Witnesses

<u>Catherine Engelmeyer</u>, DNR, regarding outstanding permit fees and penalties for non-payment thereof.

<u>Paul Dickerson</u>, DNR, regarding the compliance and enforcement status of the facilities.

Scott Robinett, DNR, regarding inspections of the facilities.

The Commission and Department may have to call other witnesses regarding inspections of the facilities.

Respectfully submitted,

JEREMIAH W. (JAY) NIXON

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CERTIFICATE OF SERVICE

I hereby certify that I caused a true and correct copy of foregoing to be delivered by

United States mail, postage prepaid, this day of __anuary_

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