

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

In the Matter of Application of Canyon Treatment)
Facility, LLC for Permission, Approval and a)
Certificate of Convenience and Necessity)
Authorizing it to Acquire, Construct, Install, Own,)
Operate, Control, Manage, and/or Maintain a Sewer)
System for the Public Located in Stone County,)
Missouri.)

Case No. SA-2010-0219

STAFF'S TENTH STATUS REPORT

COMES NOW the Staff of the Missouri Public Service Commission (Staff), by and through the undersigned counsel, and respectfully provides *Staff's Tenth Status Report* (*Status Report*) to the Missouri Public Service Commission (Commission) stating the following:

1. Staff has continued to file status reports to advise the Commission that the parties continue to discuss several potential options for resolution, including a potential transfer of the Canyon Treatment Facility, LLC (Canyon Treatment or Company) sewer system at issue to the Stone County Sewer District (Sewer District).

2. In the *Seventh Status Report*, Staff informed the Commission that Staff received a copy of a *Contingent Agreement for Transfer* (*Contingent Agreement*) between Canyon Treatment, Box Canyon Watershed Association, Inc., Horse Trading, LLC, and the Sewer District for the transfer of the sewer system at issue in this case, as well as Commission Case No. SC-2010-0161. The signatories to the *Contingent Agreement* had anticipated entering into a definitive Asset Transfer Agreement no later than June 15, 2011.

3. Canyon Treatment and the Sewer District did not enter into a definitive Asset Transfer Agreement by June 15, 2011. It appears that the Sewer District is waiting on federal funding, which may or not come to fruition.

4. In the meantime, Staff continues to discuss this matter internally and to analyze the information received from the parties, including the intervenors in this case. Staff requests additional time to prepare a response to the Application in an effort to provide a complete analysis and recommendation to the Commission or to further provide a status report on the matter.

WHEREFORE the Staff submits this *Status Report* for the Commission's information and consideration, and states it will file a response or status report with the Commission no later than December 21, 2011.

Respectfully submitted,

/s/ Rachel M. Lewis

Rachel M. Lewis
Deputy Counsel
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CERTIFICATE OF SERVICE

I hereby certify that I have provided a true and correct copy of the above pleading via electronic mail to W.R. England III and Brian T. McCartney, attorneys for Canyon Treatment Facility, LLC, at trip@brydonlaw.com and bmccartney@brydonlaw.com; David Woodsmall, attorney for VPG Partners, VI, LLC, at dwoodsmall@fcplaw.com; Kenneth N. Hall, attorney for Royal Vista, LLC, at khall@rmpllp.com; and the Office of the Public Counsel at opcservice@ded.mo.gov this 27th day of October, 2011.

/s/ Rachel M. Lewis