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,)	Case No. SA-2010-0219
Operate, Control, Manage, and/or Maintain a Sewer)	
System for the Public Located in Stone County,)	
Missouri.	

STATUS REPORT

COMES NOW the Staff of the Missouri Public Service Commission (Staff), by and through the undersigned counsel, and respectfully provides the following status report to the Commission:

- 1. On November 3, 2010, the Staff filed its *Third Status Report And Motion To Stay Procedural Schedule And File Status Reports*, which advised the Commission that the parties to this case continued to discuss several potential options for compromise or resolution, including a potential transfer of the sewer system at issue to the Stone County Sewer District (Sewer District). At that time, the parties were optimistic that Canyon Treatment Facility, LLC (Canyon Treatment) and the Sewer District could reach a contingent agreement for the transfer of the system by the end of November 2010.
- 2. Canyon Treatment has advised the Staff that discussions on the agreement are ongoing, and that the Sewer District has hired an appraiser to determine a fair market value of the sewer system. The Sewer District's Board of Directors is hopeful that the appraiser will submit an appraisal to the Board before their next meeting scheduled for December 15, 2010. Canyon Treatment advises that December 15th is the earliest the Sewer District's Board could authorize a contingent purchase agreement.

WHEREFORE the Staff submits this status report for the Commission's information and consideration, and will file another status report to update the Commission on or before February 7, 2011.

Respectfully submitted,

/s/Jennifer Hernandez

Jennifer Hernandez Associate Staff Counsel Missouri Bar No. 59814

Attorney for the Staff of the Missouri Public Service Commission P. O. Box 360
Jefferson City, MO 65102
(573) 751- 8706 (Telephone)
(573) 751-9285 (Fax)
jennifer.hernandez@psc.mo.gov

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 10th day of December 2010.

/s/ Jennifer Hernandez