

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

In the Matter of Missouri-American            )  
Water Company for a Certificate of            )  
Convenience and Necessity Authorizing    )  
it to Install, Own, Acquire, Construct,    ) File No. \_\_\_\_\_  
Operate, Control, Manage and Maintain    )  
A Water System in an area of St. Charles   )  
County, Missouri.                                )

**APPLICATION AND, IF NECESSARY,  
MOTION FOR WAIVER**

**COMES NOW** Missouri-American Water Company (MAWC) pursuant to Sections 393.140 and 393.170, RSMo and 4 CSR 240-2.060, 4 CSR 240-3.600, and 4 CSR 240-4.020(2)(B), and for its Application and, If Necessary, Motion for Waiver, states as follows to the Missouri Public Service Commission (Commission):

**BACKGROUND**

1. This Application is being filed by MAWC to obtain a certificate of convenience and necessity to install, own, acquire, construct, operate, control, manage and maintain a water system in St. Charles County, Missouri.

2. MAWC is a Missouri corporation with its principal office and place of business at 727 Craig Road, St. Louis, Missouri 63141. MAWC is a Missouri corporation in good standing. A certified copy of MAWC’s certificate of good standing was submitted in Case No. SA-2007-0316 and is incorporated by reference. MAWC currently provides water service to the public in and around the cities of St. Joseph, Joplin, Brunswick, Mexico, Warrensburg, Parkville, Riverside, Jefferson City, and parts of St. Charles, Warren, Jefferson, Morgan, Pettis, Benton, Barry, Stone, Greene, Taney, Christian, and Platte Counties, and most all of St. Louis County, Missouri. MAWC currently provides water service to approximately 457,300 customers.

MAWC provides sewer service to approximately 4,760 customers in Callaway, Jefferson, Pettis, Cole, Morgan, Platte, Taney, Stone, Christian, and Warren Counties, Missouri. MAWC is a “water corporation,” a “sewer corporation” and a “public utility” as those terms are defined in Section 386.020 RSMo, and is subject to the jurisdiction and supervision of the Commission as provided by law. MAWC has no overdue Commission annual reports or assessment fees. There is no pending action or final unsatisfied judgment or decision against MAWC from any state or federal agency or court which involves customer service or rates, which action, judgment or decision has occurred within three years of the date of this Application other than cases pending before this Commission – Cases Nos. WC-2014-0138, WC-2015-0171, WC-2015-0311, WF-2015-0207, and WO-2014-0362, and the appeal of Case No. WO-2015-0211, which is pending before the Missouri Court of Appeals.

3. Communications respecting this Application should be addressed to the undersigned counsel and:

Missouri-American Water Company  
727 Craig Road  
St. Louis, Missouri 63141  
Attention: Ms. Jennifer Smith  
Phone - (314) 996-2339  
Email - [Jennifer.Smith@amwater.com](mailto:Jennifer.Smith@amwater.com)

#### **CERTIFICATE**

4. MAWC requests permission, approval and a Certificate of Convenience and Necessity to install, own, acquire, construct, operate, control, manage and maintain a water system for the public in an area of St. Charles County, Missouri, as set forth on the map attached to this Application as **Appendix A**. This area is generally known as the Jaxson Estates subdivision. There are approximately 64 customers at this time. It is anticipated that there will be approximately 70 customers by the time of closing.

5. A legal description of the area sought to be certificated for water service is attached to this Application as **Appendix B**.

6. Attached hereto and marked as **Appendix C** is a list of ten residents or land owners within the proposed service area.

7. Attached hereto and marked as **Appendix D-HC** is a feasibility study for the water and sewer systems, including estimated expenses and revenues during the first three years of operation by MAWC. No external financing is anticipated. Appendix D-HC has been identified as Highly Confidential in accordance with Commission Rule 4 CSR 240-2.135, as it contains market specific information and information representing strategies employed in contract negotiations.

8. MAWC will not require any franchises or permits from municipalities, counties, or other authorities in connection with the proposed systems.

9. To provide service to the proposed area, MAWC will purchase a water distribution system from Ciana Realty, LLC, a Missouri limited liability company (Seller). A copy of the Asset Purchase Agreement governing this transaction is attached hereto as **Appendix E-HC** (Agreement). Appendix E-HC has been identified as Highly Confidential in accordance with Commission Rule 4 CSR 240-2.135, as market specific information and information representing strategies employed in contract negotiations.

10. MAWC proposes to provide service at the current flat rate of \$30/month, until MAWC's next rate case, at which time it shall be consolidated with MAWC's St. Louis Metro District for ratemaking purposes.<sup>1</sup> MAWC proposes to utilize the rules and regulations currently applicable to the St. Louis Metro District.

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<sup>1</sup> Further, MAWC will need to install meters before the Jaxson Estate customers may be subject to a volumetric rate.

11. The grant of the requested certificate (and approval of the underlying transaction) will result in regulated water service to be provided to the current and future residents of the Jaxson Estates subdivision. The water system would be acquired by MAWC, a Missouri public utility, and be subject to the jurisdiction of the Commission. MAWC has considerable expertise and experience in providing water and sewer utility services to residents of the State of Missouri and is fully qualified, in all respects, to own and operate the water system currently being operated in Jaxson Estates.

### **CONTINGENT REQUEST FOR WAIVER**

12. This case is not likely to be a contested case within the meaning of Commission rule 4 CSR 240-4.020(2) because previous applications addressing the same issues presented in this filing have generally not become contested proceedings. However, in the event that the Commission nevertheless concludes that the filing of this Application is likely to be a contested case, Applicants request a waiver of the sixty (60) day notice for good cause shown as permitted by Commission rule 4 CSR 240-4.020(2)(B).

13. The reason for this request relates to the nature of an asset purchase negotiation as that which resulted in the execution of the subject Agreement and the filing of this Application. Sixty days prior to the filing, the parties did not have an agreement. Further, because of the nature of a transaction such as this, this Application has been filed as soon as possible after the execution of the Agreement. It would serve no purpose to wait sixty days before filing the application for Commission approval. Accordingly, to the extent that the Commission may find it to be applicable, the parties request a waiver from the provisions of Commission Rule 4 CSR 240-4.020(2) to allow for the filing of this Application.

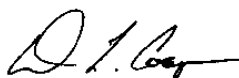
**WHEREFORE**, MAWC requests the Commission grant it permission, approval and a Certificate of Convenience and Necessity authorizing MAWC to:

a) install, acquire, build, construct, own, operate, control, manage and maintain a water system for the public within the areas referred to above;

b) acquire the assets identified herein of Ciana Realty, LLC; and,

c) take such other actions as may be deemed necessary and appropriate to accomplish the purposes of the Agreement and the Application and to consummate related transactions in accordance with the Agreement.

Respectfully submitted,



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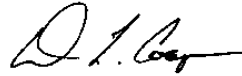
ATTORNEYS FOR MISSOURI-AMERICAN  
WATER COMPANY

**CERTIFICATE OF SERVICE**

I do hereby certify that a true and correct copy of the foregoing document has been sent by electronic mail this 4<sup>th</sup> day of September, 2015, to:

General Counsel's Office  
[staffcounsel@psc.mo.gov](mailto:staffcounsel@psc.mo.gov)

Office of the Public Counsel  
[opc@ded.mo.gov](mailto:opc@ded.mo.gov)




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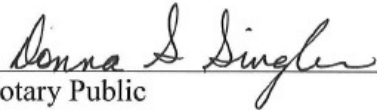
**AFFIDAVIT**

State of Missouri    )  
                                  )  
County of St. Louis    )        ss

I, Phil Wood, having been duly sworn upon my oath, state that I am the Vice President of Operations of Missouri-American Water Company, that I am duly authorized to make this affidavit on behalf of MAWC, that the matters and things stated in the foregoing application and appendices thereto are true and correct of the best of my information, knowledge and belief.



Subscribed and sworn before me this 4th day of September, 2015.

  
\_\_\_\_\_  
Notary Public

My Commission Expires July 17, 2015



## **APPENDICES**

Appendix A	Map of Area
Appendix B	Legal Description
Appendix C	List of Ten Residents or Land Owners
Appendix D-HC	Feasibility Study
Appendix E-HC	Asset Purchase Agreement – Highly Confidential