

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

In the Matter of Missouri-American)
Water Company for Certificates of)
Convenience and Necessity Authorizing)
it to Install, Own, Acquire, Construct,) File No. _____
Operate, Control, Manage and Maintain)
Water and Sewer Systems in and around)
the Village of Wardsville, 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 240-3.305, 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):

SUMMARY

On December 8, 2016, the Board of Trustees of the Village of Wardsville (Wardsville) entered into an Asset Purchase Agreement with MAWC, which outlines MAWC’s purchase of the Wardsville water and sewer systems.

By this application, MAWC requests certificates of convenience and necessity from the Commission to provide water and sewer service in and around the City of Wardsville utilizing the water and sewer systems to be purchased from the Village of Wardsville.

BACKGROUND

1. This Application is being filed by MAWC to obtain certificates of convenience and necessity to install, own, acquire, construct, operate, control, manage and maintain water and sewer systems in and around the Village of Wardsville, 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 provides sewer service to 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 – File No. WO-2017-0012.

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

David Treece, Operations Manager
Missouri-American Water Company
906 West High Street
Jefferson City, Missouri 65109
(573)635-6113
david.treece@amwater.com

CERTIFICATE

4. MAWC requests permission, approval and Certificates of Convenience and Necessity to install, own, acquire, construct, operate, control, manage and maintain water and sewer systems for the public in an area in and around the Village of Wardsville, Missouri, as set forth on the maps attached to this Application as Appendix A.

5. MAWC proposes that the area to be certificated for sewer service be described as: “The Village of Wardsville and the surrounding area.”

6. Attached hereto and marked as Appendix B-HC is a list of ten residents or land owners within the proposed service area. It has been identified as Highly Confidential pursuant to the Commission’s rules because it contains customer-specific information.

7. Attached hereto and marked as Appendix C-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. The feasibility study has been identified as Highly Confidential pursuant to the Commission’s rule because the information can be used to derive strategies employed, to be employed, or under consideration in contract negotiations and market analysis relating to services for use in providing services to customers.

8. To provide service to the proposed area, MAWC will purchase water and sewer systems from the Village of Wardsville, Missouri (Wardsville). Wardsville is a Missouri Village, located in Cole County.

9. The Wardsville water system consists of separate wells, 80,040 ft. of various size water mains, and two storage tanks (one ground tank and one elevated) with a total storage capacity of 400,000 gallons and provides service to approximately 492 customers.

10. The Wardsville sewer system currently consists of approximately 51,120 feet of various types and size sewer mains, with 5 pumping stations and 2 grinder pumps that provides sewer service to approximately 395 customers within the Village of Wardsville.

11. On December 7, 2016, the Wardsville Board of Trustees passed *Ordinance No. 236 – An Ordinance Authorizing the Chairman of the Board of Trustees to Execute an Asset Purchase Agreement with Missouri-American Water Company*. An Asset Purchase Agreement (APA) was then executed on December 8, 2016. A copy of that APA, without schedules, is attached hereto as **Appendix D**.

12. Wardsville will deliver at closing an executed Franchise Agreement. MAWC will furnish a copy of the franchise at such time as it is available.

13. MAWC proposes to provide service pursuant to the rates currently charged by the Village of Wardsville and to utilize the rules and regulations currently found in MAWC's water tariff book Mo. PSC No. 13 and in sewer tariff book Mo. PSC No. 10, until such time as the rates or rules and regulations may be modified according to law.

14. The grant of the requested certificates (and approval of the underlying transaction) will result in regulated water and sewer service to be provided to the current and future residents of Wardsville and the surrounding area. The water and sewer assets of Wardsville 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 systems currently being operated in and around the Village of Wardsville.

CONTINGENT REQUEST FOR WAIVER

15. 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).

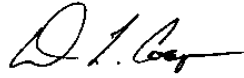
16. The reason for this request relates to the nature of an asset purchase negotiation as that which resulted in the execution of the subject Agreement and the filing of this Application. Sixty days prior to the filing, the parties did not have an agreement. Further, because of the nature of a transaction 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 Certificates of Convenience and Necessity authorizing MAWC to:

- a) install, acquire, build, construct, own, operate, control, manage and maintain water and sewer systems for the public within the area referred to above;
- b) acquire the water and sewer assets identified herein of the Village of Wardsville, Missouri; 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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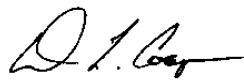
ATTORNEYS FOR MISSOURI-AMERICAN
WATER COMPANY

CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the foregoing document has been sent by electronic mail this 19th day of December, 2016, to:

General Counsel's Office
staffcounsel@psc.mo.gov

Office of the Public Counsel
opcservice@ded.mo.gov



AFFIDAVIT

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

I, Cheryl Norton, having been duly sworn upon my oath, state that I am the President 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.

Cheryl A. Norton

Subscribed and sworn before me this 19 day of December, 2016.

Cindy M. Ferguson
Notary Public

My Commission Expires 8/12/2020

