

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

In the Matter of Liberty Utilities (Missouri Water))
LLC’s Application for a Certificate of Convenience and)
Necessity Authorizing it to Construct, Install, Own,)
Operate, Maintain, Control, and Manage a)
Sewer System in Cape Girardeau County, Missouri)
Case No. SA-2020-0067

APPLICATION

COMES NOW Liberty Utilities (Missouri Water) LLC, and for its Application for a Certificate of Convenience and Necessity Authorizing it to Construct, Install, Own, Operate, Maintain, Control, and Manage a Sewer System in Cape Girardeau County, Missouri, respectfully states as follows to the Missouri Public Service Commission (the “Commission”):

I. General Information – Liberty Utilities

1. Liberty Utilities (Missouri Water) LLC (“Liberty Utilities”) is a Missouri limited liability company with its principal office located at 602 Joplin Street, Joplin, Missouri, 64801. Liberty Utilities is a subsidiary of Liberty Utilities Co. and is part of the Liberty Utilities Co. Central Region. The Central Region encompasses a number of other Liberty Utilities Co. subsidiaries, including The Empire District Electric Company, The Empire District Gas Company, Liberty Utilities (Arkansas Water) Corp., and Liberty Utilities (Midstates Natural Gas) Corp.

2. Liberty Utilities Co. is a Delaware corporation that owns and operates regulated utilities in the United States and is an indirect subsidiary of Algonquin Power & Utilities Corp. (“APUC”). APUC is the ultimate corporate parent and is publicly traded on the Toronto and New York Stock Exchanges.

3. Liberty Utilities, as defined in paragraph one above, provides water and sewer services to approximately 3,000 water and/or sewer customers in its Missouri service areas, as certificated

by the Commission. Liberty Utilities is a “water corporation,” a “sewer corporation,” and a “public utility,” as those terms are defined by RSMo. §386.020 and, therefore, is subject to the general regulatory jurisdiction of the Commission as provided by law.

4. A copy of Liberty Utilities’ Certificate of Good Standing was attached as Appendix A to the Joint Application filed in Commission File No. WM-2018-0023. In Commission File No. SN-2014-0036, Liberty Utilities filed a fictitious name certificate showing the name “Liberty Utilities” is registered to Liberty Utilities (Missouri Water) LLC. These documents are incorporated by reference and made a part of this Application for all purposes.

5. Liberty Utilities has no overdue Commission annual reports or assessment fees. There is no pending action or final unsatisfied judgment or decision against Liberty Utilities 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.

6. Pursuant to RSMo. 393.170 and Commission Rules 20 CSR 4240-2.060 and 20 CSR 4240-3.305, Liberty Utilities seeks a Certificate of Convenience and Necessity (“CCN”) in order to provide sewer service to an area in Cape Girardeau County, Missouri, known as Savers Farm Subdivision (“Savers Farm”).

II. General Information – Cape Land and Savers Farm

7. Savers Farm, a new development with five phases to be completed by 2020, is currently served by an unregulated sewer system owned and operated by Cape Land & Development LLC (“Cape Land”), a Missouri limited liability company in good standing with its principal office located at 2985 Boutin Drive, Cape Girardeau, Missouri, 63701.

8. Cape Land received authorization to construct and operate the sanitary sewer system for Savers Farm, Missouri Department of Natural Resources permit number MO-0137839, effective September 1, 2017.

9. Currently, there are approximately 110 customers connected to the sewer system. There are currently no rates or charges being imposed for sewer service.

10. Savers Farm is located approximately seven miles from Liberty Utilities' Cape Rock service area, to which Liberty Utilities provides sewer service pursuant to a CCN issued by the Commission.

III. The Acquisition and Request for a CCN

11. On August 19, 2019, Liberty Utilities and Cape Land executed an Asset Purchase Agreement (“APA”), a copy of which is attached as **Application Exhibit A**. Exhibit A has been designated Confidential in accordance with Commission Rule 20 CSR 4240-2.135(2)(A)(3) and (6), as it contains market specific information and information representing strategies employed in contract negotiations.

12. Liberty Utilities seeks a CCN authorizing it to construct, install, own, operate, maintain, control, and manage a sewer system to serve residents of Savers Farm. The area for the requested CCN is described and depicted in the attached **Application Exhibit B**.

13. With regard to the required statement as to the same or similar utility service, regulated and nonregulated, available in the area, Liberty Utilities notes that the following entities provide the same or similar service in the general area: Central States Water Resources – Hillcrest Utility Operating Company; the city of Jackson, Missouri; the Village of Gordonville; the City of Cape Girardeau, Missouri; and the Cape Girardeau County PWSD #2. None of these entities provide sewer service within Savers Farm.

14. Attached as **Application Exhibit C** is a list of ten residents or landowners within the proposed service area. Exhibit C has been designated Confidential in accordance with Commission Rule 20 CSR 4240-2.135(2)(A)(1), as it contains customer-specific information.

15. Liberty Utilities seeks a waiver of the requirement to provide a feasibility study containing plans and specifications for the utility system and estimated cost of the construction of the utility system during the first three years of construction, as no construction on the part of Liberty Utilities is contemplated in the first three years.

16. Pursuant to the APA, Liberty Utilities proposes to acquire substantially all operating assets of Cape Land used to provide sewer service to Savers Farm, as specifically described in and under the terms and provisions further described in the APA. The assets being acquired are sufficient to allow Liberty Utilities to provide safe and adequate sewer service to Savers Farm.

17. Liberty Utilities will not require any franchises or permits from municipalities, counties, or other authorities in connection with the proposed sewer system and the provision of service to Savers Farm, with the exception of the permit described in paragraph eight above.

18. An estimate of the number of customers, revenues, and expenses during the first three years of operations is attached as **Application Exhibit D**. Exhibit D has been designated Confidential in accordance with Commission Rule 20 CSR 4240-2.135(2)(A)(3) and (6), as it contains market specific information and information representing strategies employed in contract negotiations.

IV. Public Interest, Financing, and Rates

19. The grant of the requested CCN is not detrimental to the public interest of the state of Missouri, and, in fact, will be consistent with and will promote the public interest.

20. Liberty Utilities is fully qualified, in all respects, to own and operate the sewer system currently being constructed and operated by Cape Land and to otherwise provide safe and reliable sewer service to the residents of Savers Farm.

21. Liberty Utilities has sufficient operating cash to sustain ongoing operations and is committed to providing regulated utility services to its customers for years to come. Further, the financial support and backing of Liberty Utilities and APUC demonstrates that Liberty Utilities has and will continue to have sufficient access to capital for ongoing operations and infrastructure needs.

22. No financing approval or encumbrance of assets is being requested as part of this Application or otherwise in conjunction with the operation of the sewer system by Liberty Utilities.

23. The proposed acquisition should not affect the assessed value of assets Liberty Utilities would acquire and operate, nor have an impact on tax revenues of any political subdivisions where those assets are located. Following consummation of the transaction, assets owned and operated by Liberty Utilities would continue to be subject to taxation in a manner that does not materially differ from how those assets are taxed while owned and operated by Cape Land.

24. For sewer service by Liberty Utilities to customers in Savers Farm, Liberty Utilities proposes to utilize the rates, rules, and regulations currently on file with and approved by the Commission for Liberty Utilities' Cape Rock Village Sewer service area, until such time as they are modified according to Commission procedure and other applicable law.

25. As noted above, there are currently no rates or charges being imposed for sewer service to residents of Savers Farm. The system is still owned and operated by the developer, Cape Land, has not been turned over to a homeowners' association.

26. Liberty Utilities is regulated by this Commission, and, if the CCN is granted as requested, all sewer services provided to residents of Savers Farms by Liberty Utilities, and all rates and charges therefore, will be subject to the jurisdiction of the Commission.

WHEREFORE, pursuant to RSMo. 393.170 and Commission Rules 20 CSR 4240-2.060 and 20 CSR 4240-3.305, Liberty Utilities seeks a CCN in order to provide sewer service to the area known as Savers Farm. Liberty Utilities requests such additional relief as is just and proper under the circumstances.

Respectfully submitted,

/s/ Diana C. Carter

Diana C. Carter MBE #50527

Liberty Utilities (Missouri Water) LLC

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CERTIFICATE OF SERVICE

I hereby certify that the above document was filed in EFIS on this 25th day of November, 2019, and sent by electronic transmission to the Staff of the Commission and the Office of the Public Counsel.

/s/ Diana C. Carter

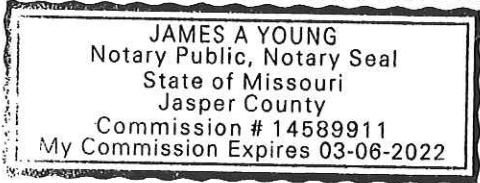
VERIFICATION

STATE OF MISSOURI)
)
COUNTY OF JASPER)

I, Sheri Richard, having been duly sworn upon my oath, state that I am the Director of Rates and Regulatory Affairs of Liberty Utilities Central, that I am duly authorized to make this verification on behalf of Liberty Utilities, and that the matters and things stated in the forgoing Application are true and correct to the best of my information, knowledge and belief.

Sheri Richard

Subscribed and sworn before me this day of November, 2019.



[Signature]
Notary Public

3/6/2022
Commission Expires