

STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION  
Jefferson City

June 19, 1979

CASE NO. WA-79-136

Gentlemen:

Enclosed find certified copy of Report and/or Order in the  
above numbered case.

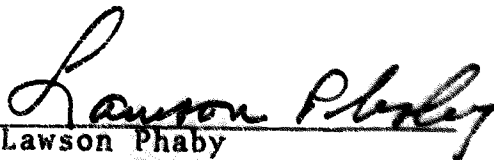
Batson Development Company  
William C. Batson, Jr., President  
Route 1, Box 238A  
Poplar Bluff, Missouri 63901

Norman L. Chadwick  
Attorney at Law  
306 Vine Street  
Commerce Bank Bldg.  
Poplar Bluff, Missouri 63901

uncertified copy:

Public Counsel  
Jefferson City, Missouri

Sincerely,

  
Lawson Phaby  
Acting Secretary

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

CASE NO. WA-79-136

In the matter of  
The approval of Batson Development  
Company, for permission, approval  
and a certificate of convenience  
and necessity authorizing it to  
construct, install, own, operate,  
control, manage and maintain a  
sewer system and a water system  
for the public, located in an  
unincorporated area in Butler  
County, Missouri.

The Commission authorized Applicant authority to provide water and sewer service subject to the condition that the rates and charges be for an eighteen month interim period.

APPEARANCES: Norman L. Chadwick, Attorney at Law, 306 Vine Street,  
Commerce Bank Building, Poplar Bluff, Missouri 63901,  
for Applicant.

Gary W. Duffy, Assistant General Counsel, P. O. Box 360,  
Jefferson City, Missouri 65102, for the Staff of the  
Missouri Public Service Commission.

REPORT AND ORDER

Introduction

On December 12, 1978, Batson Development Company (Applicant) filed its application with the Commission, seeking a certificate of convenience and necessity to install, own, acquire, construct, operate, control, manage and maintain a sewer and water system for the public in an unincorporated area of Butler County, Missouri. The record reflects that Applicant desires a separate certificate for each system.

After due notice to all interested parties, the matter was heard on the 15th day of February, 1979, at the Commission hearing facilities located in the City of Jefferson, Missouri. No parties desired to intervene in this proceeding. Permission was granted at the conclusion of the hearing to allow Applicant to submit four (4) late-filed exhibits. All late-filed exhibits have been received with the exception of two construction permits from the Department of Natural Resources. At the close of the hearing, Applicant and Staff waived the reading of the transcript and expressed their desires not to submit briefs or orally argue this matter.

(4)

### Findings of Fact

The Missouri Public Service Commission, having considered all of the competent and substantial evidence upon the whole record, makes the following findings of fact:

Batson Development Company (Applicant) is a Missouri corporation with its principal place of business located at Route 1, Box 238A, Poplar Bluff, Missouri 63901. It proposes to render water and sewer service in an unincorporated portion of Butler County, Missouri. A complete legal description of the requested water and sewer service areas is attached hereto and made a part hereof as Appendix A and B respectively.

William C. Batson, Jr., as an individual has developed a subdivision called Batson Mini-Farms. In regard to the water system, Mr. Batson will develop it and turn it over to Applicant in its entirety. The cost of the sewer system will be included in the price of the lots sold. The sewer system will also be turned over to Applicant.

The water system will encompass 385 acres situated three miles west of Poplar Bluff. The sewer system will consist of 90 acres within the 385 acres. The homes not included in the sewer system but served by the water system are served by septic tanks.

The water system is in operation with some future improvements remaining to be done. The meters are in place, however, no charges are being made until approval of the Commission has been received. The water system consists of a deep well pump and a standing pipe 60 feet high with a capacity of 16,000 gallons. Two hundred sixty-five homes are to be served by the water system. The 16,000 gallon capacity is large enough to accommodate 77 homes, thus additional capacity will be required as development continues. At present 20 homes are occupied with development expected to be approximately 77 homes in the next 18 months.

The sewer system is in the process of being constructed. It is an aerated system with a compressor that continuously pumps oxygen. Eight-inch mains are used throughout the system. The sewer service area at full development is expected to serve approximately 100 homes. At present, three homes have been built with 21 additional homes anticipated being placed on the system in the next 18 months. The system's capacity is 26,000 gallons per day or enough to serve approximately 80 homes. Thus in the future, additions will have to be made to

the system. This has been taken into consideration by the parties in construction of the system.

The office of Applicant is located in Mr. Batson's home at the same address as noted above. Twenty-four hour a day service will be made available. Applicant's telephone number for such emergencies is 686-2991. Mr. Batson's family will operate and maintain the systems.

Applicant proposes and the Commission finds that the following charges are reasonable in light of the feasibility study and evidence submitted in this matter subject to review in 18 months.

WATER:

CHARGE

- |                           |               |
|---------------------------|---------------|
| 1) Connection Fee         | \$125.00      |
| 2) Monthly minimum charge | 6.00          |
| 3) First 10,000 gallons   | 1.40 per 1000 |
| 4) Over 10,000 gallons    | .50 per 1000  |

SEWER:

- |                   |          |
|-------------------|----------|
| 1) Connection fee | \$250.00 |
| 2) Monthly charge | 10.00    |

The Staff of the Missouri Public Service Commission recommends that the authority to charge these rates be granted on an interim basis of 18 months. Further, that the certificate shall be conditional upon Applicant filing with the Commission the proper Department of Natural Resources construction permits for the respective systems. In addition, Staff recommends and the Commission finds that Applicant shall keep in inventory a standby pump for the water system in the event of pump failure. The Commission finds that the public convenience and necessity will be promoted by granting a conditional certificate of convenience and necessity to Applicant to serve the proposed service areas.

Conclusions

The Missouri Public Service Commission has arrived at the following conclusions:

The Commission is of the opinion and concludes that the proposed water and sewer systems are necessary and convenient for the public service and should be authorized on a conditional basis. Upon satisfactory proof to the Commission that the water and sewer lines and plants have in fact been deeded to Applicant and upon receipt of the two construction permits from the Department of Natural Resources for the lines and plants in the respective service areas, the conditional certificate herein granted will be made permanent.

It is further the opinion of the Commission that for a period of 18 months, the above-mentioned charges are authorized. The Commission shall review the legitimacy of such rates in 18 months from the effective date of the tariff.

The Commission further concludes that the public convenience and necessity will be promoted by the granting of the requested authorities since there is no other water or sanitary sewage disposal systems available in the area to be developed.

It is, therefore,

ORDERED: 1. That Batson Development Company, Route 1, Box 238A, Poplar Bluff, Missouri 63901, be, and it is, hereby granted a conditional certificate of convenience and necessity to construct, install, own, operate, control, manage and maintain a sanitary sewage disposal system in an unincorporated area in Butler County, Missouri, more fully described in Appendix A attached hereto.

ORDERED: 2. That Batson Development Company, Route 1, Box 238A, Poplar Bluff, Missouri 63901, be, and it is, hereby granted a conditional certificate of convenience and necessity to construct, install, own, operate, control, manage and maintain a water system in an unincorporated area in Butler County, Missouri, more fully described in Appendix B attached hereto.

ORDERED: 3. That Batson Development Company be, and hereby is, authorized to file tariffs reflecting rates for connection and service in accordance with the rates it proposed to charge at the February 15, 1979, hearing noted above. Said tariff shall be in effect for 18 months from the date the same are approved, subject to review at such time.

ORDERED: 4. That Batson Development Company shall maintain records in accordance with the Uniform System of Accounts for sewer companies of its size.

ORDERED: 5. That Batson Development Company shall file rules in accordance with 4 CSR 240-60, and should be filed within 30 days of the effective date of this Report and Order or before commencing operations, whichever comes first.

ORDERED: 6. That the authorities granted herein are conditional on William C. Batson assuming financial responsibility for the difference, if any, between expenses and revenues, if revenues should be less than expenses during Batson Development Company's first 18 months of operation.



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101112131415161718192021222324252627282930313233343536373839404142434445464748495051525354555657585960616263646566676869707172737475767778798081828384858687888990919293949596979899100  
DIVISION OF REVENUE  
ORDERED: 7. That Batson Development Company shall furnish the Commission with journal entries reflecting the transfer of the systems from William C. Batson to Batson Development Company within thirty (30) days of receipt of same.

ORDERED: 8. That nothing herein contained shall be construed by the Commission as a finding of value for rate-making purposes of the properties herein involved nor as an acquiescence in the value placed on said properties by the parties.

ORDERED: 9. That upon satisfactory proof given to the Commission that all necessary operating permits have been obtained for the water and sewer systems, and that the water and sewer lines, including the respective plants, have been conveyed to Batson Development Company, and that a tariff, rules and regulations for the operation for the water and sewer companies have been filed for approval of the Commission, the Commission will issue its permanent certificates to Batson Development Company authorizing it to operate and maintain a water and sewer system in the respective areas.

ORDERED: 10. That this Report and Order shall become effective on the 19th day of July, 1979.

BY THE COMMISSION

*Lawson Phaby*

Lawson Phaby  
Acting Secretary

(S E A L)

Fraas, Chm., McCartney, Slavin  
and Dority, CC., Concur.

Dated at Jefferson City, Missouri,  
this 19th day of June, 1979.

Cancelling P.S.C.MO. No. \_\_\_\_\_

(K) Issued  
Original  
Revised

SHEET NO. \_\_\_\_\_

SHEET No. \_\_\_\_\_

BATSON DEVELOPMENT COMPANY

Name of Issuing Corporation

For Batson Mini Farms, Third, Fourth &amp; Fifth

Community, Town or City  
Additions in Butler County, Missouri

All of that part of the Southwest Quarter of the Southeast Quarter of Section 24 and all that part of the Northwest Quarter of the Northeast Quarter, the Southwest Quarter of the Northeast Quarter, and the Northeast Quarter of the Northwest Quarter of Section 25 all in Township 25 North, Range 5 East of the 5th Principal Meridian, Butler County, Missouri, described as follows: From the Southeast corner of the Southwest Quarter of the Northeast Quarter of Section 25; thence, N 00° 10' 05" E, along and with the East line of the Southwest Quarter of the Northeast Quarter, a distance of 560.37 feet to the Point of Beginning; thence, S 89° 20' 20" W a distance of 124.8 feet to the cul-de-sac right-of-way; thence, Southwesterly, along and with said cul-de-sac right-of-way, an arc distance of 112.69 feet; thence, S 89° 20' 20" W a distance of 10.0 feet; thence, S 01° 10' 13" W a distance of 160.0 feet; thence, S 89° 20' 20" W a distance of 320.0 feet; thence, S 00° 50' 11" W a distance of 120.0 feet; thence, S 00° 48' 45" W a distance of 120.0 feet; thence, S 89° 20' 20" W a distance of 136.0 feet; thence, S 02° 24' 27" E a distance of 119.15 feet to the South line of the Southwest Quarter of the Northeast Quarter; thence, N 89° 04' 16" W a distance of 652.16 feet to the West line of the Southwest Quarter of the Northeast Quarter; thence N 00° 01' 51" E, along, and with said West line, a distance of 1299.40 feet; thence, N 89° 59' 09" W a distance of 340.33 feet; thence, N 00° 10' 04" E a distance of 1316.0 feet to the North line of the Northeast Quarter of the Northwest Quarter; thence, N 89° 20' 20" E, along and with said North line, a distance of 677.0 feet; thence, N 00° 17' 03" W a distance of 652.25 feet; thence, S 89° 41' 47" E a distance of 333.0 feet; thence, S 00° 19' 14" E a distance of 646.64 feet to the South line of the Southwest Quarter of the Southeast Quarter of Section 24; thence, N 89° 20' 20" E, along and with said South line, a distance of 653.9 feet; thence, measure S 00° 10' 05" W, along and with the East line of the Northwest Quarter of the Northeast Quarter, a distance of 1202.3 feet; thence, S 00° 10' 05" W, along and with the East line of the Northwest Quarter of the Northeast Quarter and the Southwest Quarter of the Northeast Quarter, a distance of 890.85 feet to the Point of Beginning.

\*Indicates new rate or text

+Indicates change

DATE OF ISSUE \_\_\_\_\_  
month day yearDATE EFFECTIVE \_\_\_\_\_  
month day yearISSUED BY \_\_\_\_\_  
name of officertitle \_\_\_\_\_  
address



Cancelling P.S.C.M.O. No. \_\_\_\_\_

APPENDIX B

(Held at)

(Original)

(Revised)

SHEET No. \_\_\_\_\_

BATSON DEVELOPMENT COMPANY

Name of Issuing Corporation

For Batson Mini Farms, Third, Fourth &amp; Fifth

Community, Town or City

Additions in Butler County, Missouri

All the North one-half of the Northeast Quarter of Section 36, all the West half of the Southeast Quarter of the Southeast Quarter of Section 25; all of the West half of the Southeast Quarter of Section 25; all of the West half of the Northeast Quarter of Section 25; all of the North half of the Northwest Quarter of Section 25; all the Southwest Quarter of the Northwest Quarter of Section 25; and also all that part of the Southwest Quarter of the Southeast Quarter of Section 24 described by metes and bounds as follows:  
Beginning at the Southeast corner of the Southwest Quarter of the Southeast Quarter of Section 24, Township 25 N, Range 5 East; thence S 89° 20' 20" W, along and with said South line a distance of 653.90 feet to a point of beginning; thence, N 00° 19' 14" W, a distance of 646.64 feet; thence N 89° 41' 47" W a distance of 333.0 feet; thence, S 00° 17' 03" E a distance of 652.25 feet; thence, S 89° 20' 20" E a distance of 333.0 feet to the point of beginning.

LATE-FILED

APPLICANT

Exhibit No.

4

Date 5/1/79

Case No.

WA-79-136

Reporter

Stratman

Rec'd 5-1-79.

pls.

\*Indicates new rate or text

+Indicates change

DATE OF ISSUE

month day year

DATE EFFECTIVE

month day year

ISSUED BY

name of officer

title

address

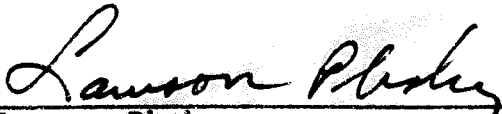


STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission,  
at Jefferson City, this 19th day of June 1979.

  
Lawson Phaby  
Acting Secretary