

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

Jefferson City
December 13, 1979

CASE NO. WA-80-86

James F. Morris, President
The Willows Utility Company
2200 East Sunshine
Commerce Terrace Bldg., Suite 100
Springfield, Missouri 65804

Leland C. Bussell
Attorney at Law
1515 South Glenstone
P. O. Box 3218 G. S.
Springfield, Missouri 65804

Gentlemen:

Enclosed find certified copy of ORDER in the above-
numbered case.

Sincerely,

D. Michael Hearst
D. Michael Hearst
Secretary

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

RECEIVED BY THE PUBLIC SERVICE COMMISSION ON SEPTEMBER 19, 1979

CASE NO. WA-80-86

In the matter of the application of the Willows Utility Company, a Missouri corporation, for permission, approval and a certificate of convenience and necessity authorizing it to improve, operate, control, manage and maintain a water supply and sewer collection system for the public located in an unincorporated area in Greene County, Missouri.

APPEARANCES: Leland C. Bussell, Attorney at Law, 1515 S. Glenstone, P. O. Box 3218 G. St., Springfield, Missouri 65804, for Applicant.

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

REPORT AND ORDER

On September 19, 1979, the Willows Utility Company (Applicant), a Missouri corporation filed an application with the Missouri Public Service Commission requesting authority to operate and maintain a water supply and sewer collection system located in an unincorporated area in Greene County, Missouri. On September 21, 1979 the matter was set for hearing on October 30, 1979. On the motion of the General Counsel filed October 10, 1979 the hearing was re-scheduled after due notice to all interested parties on the 12th day of October, 1979. The hearing was duly held on November 5, 1979 in the Commission's hearing room on the tenth floor of the Jefferson State Office Building, Jefferson City, Missouri. At the conclusion of the hearing, the parties waived reading of the transcript and none of the parties desired to brief or orally argue the matter.

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:

(6)

Applicant is a Missouri corporation organized in May of 1979. A copy of the Articles of Incorporation and the Certificate of Incorporation are on file with the Commission. Mr. James F. Morris is president of the corporation and the business address is 2200 East Sunshine, Commerce Terrace Bldg., Suite 100, Springfield, Missouri 65804.

Applicant requests permission, approval, and a Certificate of Public Convenience and Necessity to improve, own, acquire, construct, operate, control, manage and maintain a public water system and a sewer system in a 51.2 acre subdivision and certain adjoining properties approximately two miles east of Republic, Missouri, along U.S. Highway No. 60 in Greene County, Missouri. A complete legal description of the area to be served is attached hereto and made a part hereof as Appendix A. At time of application the application was filed on behalf of Chalet Cities of Springfield, a Missouri limited partnership which was dissolved. The Willows, a Missouri limited partnership, is the Applicant of record in this case.

The Applicant had an engineering feasibility study performed.

Future plans call for adding a second treatment plant and sand filtration of the effluent as use warrants and as requirements of the Department of Natural Resources are met. It is estimated that these modifications will cost \$48,900.00. This amount will be obtained by a six (6) month's short-term financing through banks. There is an existing well, standpipe storage tank, distribution system along with an existing waste water treatment plant and collection system.

There are no public utilities or governmental jurisdictions rendering water or sewer service within the area proposed to be served. The area is being developed into a residential area by The Willows of Springfield, a limited partnership, with a number of homes currently under construction. The area was formerly used as a mobile home park and there are still a small number of occupied mobile homes presently receiving service from the Applicant as a private utility without charge. There are 209 lots within the subdivision and three adjoining commercial tracts within the area proposed to be served.

The Willows Utility Company will receive its water from an existing well drilled in 1970 to a depth of 1,172 feet and cased to a depth of 383 feet. The water system in operation at this time is producing approximately 200 gallons per minute. The existing water supply is being checked periodically by the Department of Natural Resources.

A Smith and Loveless lift station and treatment plant with an operation capacity of approximately 35,200 gallons per day is presently in existence.

The Applicant will provide a 24-hour phone answering service to be operated by the full-time person who manages the water and sewer systems. Applicant will comply with Commission accounting requirements and is aware that Commission approval is needed for certain future actions it may take, e.g., obtaining long-term financing, adjusting rates and charges, pledging assets, etc.

The Staff of the Commission made several recommendations concerning the rates to be charged and the proposed service. The Commission finds that Applicant shall comply with the following procedures. The interim rates for water service, for all customers, will be \$5 for the first 1,000 gallons of water per month, plus \$1 for each additional thousand thereafter. For residential sewer customers the amount to be charged will be a flat rate of \$10 per month. For commercial customers, the rate will be \$10 per month for the first 6,000 gallons of water consumption and \$1 per thousand gallons thereafter.

A one-time water connection fee for new service of \$150 will be charged which will cover the cost of the service line, meter, meter setting, the appurtenances up through the meter setting to be installed at the time of connection where there is presently no water connection. For an existing residence with service there will be a charge of \$10 for new ownership water service to cover the cost of bookkeeping and meter reading.

There will be a \$25 inspection fee for new sewer service connection which will cover the cost of the Company's inspection of the connection at the property line and the service line on up to the house.

A \$10 fee will be imposed for a temporary turn-off by the request of the customer. A \$10 fee will be imposed for a turn-on for a new customer, for turn-on after non-payment of a bill or for a turn-on after a requested turn-off which requires an additional trip after the requested turn-off.

The existing service lines, for both water and sewer, where the feasibility for usage is not possible should be properly capped and sealed to avoid the possibility of leaks or storm water infiltration.

The Company should either have a standby well pump on hand or ensure the ready availability of one (within one to two days) through a local supplier.

Conclusions

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

The Commission concludes that the proposed water and sewer systems for the Willows Utility Company are necessary and convenient for the public service and should be approved.

The Willows, a limited partnership, and/or Morris Loan and Investment Company will subsidize and be responsible for the operating losses anticipated during the first four years of operation and for such period of time as is necessary for the Applicant to become self-sufficient. The Willows Utility Company shall contribute or donate the present water and sewage properties and plants.

Applicant has the financial and technical ability to serve the requested service area and it is economically feasible for Applicant to render the contemplated service as a public utility. The Commission concludes that the public convenience and necessity will be served and promoted by granting the authority sought herein.

It is, Therefore,

ORDERED: 1. That the Willows Utility Company, 2200 East Sunshine, Commerce Terrace Building, Suite 100, Springfield, Missouri 65804, be, and it is, hereby granted a certificate of public convenience and necessity to operate, control, manage and maintain a water supply system serving the area described on Appendix A attached hereto.

ORDERED: 2. That the Willows Utility Company, 2200 East Sunshine,

Commerce Terrace Building, Suite 100, Springfield, Missouri 65804, be, and it is, hereby granted a certificate of public convenience and necessity to operate, control, manage and maintain a sewer collection system serving the area described on Appendix A attached hereto.

ORDERED: 3. That before instituting the service herein authorized or within sixty (60) days of the effective date of this Report and Order, whichever shall occur first, the Willows Utility Company shall file subject to the approval of this Commission, separate schedules of interim rates for water service and sewer service, to be effective for eighteen (18) months reflecting the rates contained in the Findings of Fact of this Report and Order; but, such rates are subject to review at the end of said period.

ORDERED: 4. That The Willows Utility Company, prior to instituting the service herein authorized, or within thirty (30) days of the effective date of this Report and Order, whichever occurs first, shall file with this Commission proof that the water and sewer facilities have been donated to it at no cost by The Willows.

ORDERED: 5. That nothing contained herein shall be construed as a finding by the Commission of the value for rate-making purposes of the properties herein involved, nor as an acquiescence in the value placed upon said properties by Applicant.

ORDERED: 6. That The Willows Utility Company shall submit to the Commission evidence of approval of the water system and sewage system by the Department of Natural Resources within thirty (30) days of the effective date of this Report and Order or upon receipt of such approval.

ORDERED: 7. That this Report and Order shall become effective on December 27, 1979.

(Seal)

McCartney, Fraas, Bryant, CC., Concur.
Slavin, Chm., Absent.
Dority, C., Not Participating

Dated in Jefferson City, Missouri, on
this 13th day of December, 1979.

BY THE COMMISSION

D. Michael Hearst
D. Michael Hearst
Secretary

APPENDIX A

Beginning at the NE corner of Sec. 16, Twn. 28N, Rng. 23W, thence South along the East line of said Sec. 16, $S00^{\circ}02'31''$ W 432.63 ft. to an iron pin for a new point of beginning; thence $N62^{\circ}31'53''$ E, 345.43 ft. to an iron pin; thence $N38^{\circ}24'38''$ E 73.41 ft. to an iron pin; thence $N27^{\circ}28'07''$ W, 110 ft. to an iron pin on the South right-of-way of U.S. Hwy. 60; thence $N62^{\circ}31'53''$ E, 110.32 ft. along said right-of-way to a Hwy. right-of-way marker; thence $N77^{\circ}26'56''$ E, 241.63 ft. to an iron pin; thence $N89^{\circ}37'27''$ E, 304.26 ft. to an existing nail; thence $S00^{\circ}28'40''$ E, 559.69 ft. to an existing iron pin; thence $N89^{\circ}19'48''$ E, 386.99 ft. to an existing iron pin on the East line of the NW 1/4 of the NW 1/4 of Sec. 15, Twn. 28N, Rng. 23W; thence $S00^{\circ}13'16''$ E along the said East line 747.43 ft. to a stone at the SE corner of the said NW 1/4, NW 1/4; thence $S89^{\circ}37'41''$ W, 1332.74 ft. to an iron pin at the SW corner of the said NW 1/4, NW 1/4; thence $S89^{\circ}31'39''$ W, 1331.76 ft. to an iron pin at the SW corner NE 1/4, NE 1/4 Sec. 16 Twn. 28N, Rng. 23W; thence $N00^{\circ}02'05''$ E, 367.70 ft. along the West line of the said NE 1/4, NE 1/4 to an iron pin at the South line of Hwy. 60; thence $N62^{\circ}32'18''$ E, 566.01 ft. along said right-of-way to an iron pin; thence leaving said right-of-way $S27^{\circ}28'00''$ E, 94.35 ft. to an iron pin; thence along a curve concave to the Southwest having a radius of 103.68 ft., a length of 46.76 ft. and a chord bearing $S88^{\circ}12'17''$ E, 46.36 ft. to an iron pin; thence $S73^{\circ}17'06''$ E, 48.15 ft. to an iron pin; thence along a curve concave to the Northeast having a radius of 76.39 ft., a length of 55.26 ft. and a chord bearing $N83^{\circ}59'23''$ E 54.07 ft. to an iron pin; thence $N62^{\circ}48'08''$ E, 192.32 ft. to an iron pin; thence $N36^{\circ}08'33''$ E, 180.00 ft.; thence $N27^{\circ}28'07''$ W, 90.00 ft. to an iron pin on the South right-of-way of U.S. Hwy. 60; thence $N62^{\circ}31'53''$ E, 119.78 ft. along said right-of-way to an iron pin; thence leaving said right-of-way $S27^{\circ}28'07''$ E, 70.50 ft. to an iron pin; thence along a curve concave to the Northeast having a radius of 69.50 ft., a length of 109.17 ft. and a chord bearing $S72^{\circ}28'07''$ E, 98.29 ft. to an iron pin; thence $N62^{\circ}31'53''$ E, 193.27 ft. to an iron pin at the new point of beginning, said tract containing 51.2 acres in Greene County, Missouri.

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 13th day of December 1979


D. Michael Hearst
Secretary