## BEFORE THE PUBLIC SERVICE COMMISSION STATE OF MISSOURI

In the Matter of Missouri-American Water	)	
Company for a Certificate of Convenience	)	
and Necessity Authorizing it to Install, Own,	)	File No. SA-2021-0017
Acquire, Construct, Operate, Control, Manage,	)	
And Maintain a Sewer System in and around	)	
The City of Hallsville, Missouri.	)	•

## BOONE COUNTY REGIONAL SEWER DISTRICT'S APPLICATION TO INTERVENE

COMES NOW Boone County Regional Sewer District ("District") under 4 CSR 240-2.075, and applies to intervene and become a party in the above-referenced case, and for its Application to Intervene respectfully states as follows:

- The District is a common sewer district organized pursuant to Chapter 204,
   RSMo and a political subdivision of the State of Missouri.
- 2. The District, along with the City of Columbia and Boone County, Missouri, is approved by the Missouri Clean Water Commission as a Level 2 Continuing Authority under 10 CSR 20-6.010(2)(B) and (2)(F).
- 3. For decades, the District has expended public funds to develop and refine an overarching plan for wastewater collection and/or treatment services in Boone County that promotes the protection of the environment and is as cost effective to the District's customers as possible.
- 4. All of the District's similarly-situated customers pay the same rate Districtwide. The District is able to offer the same rates to its similarly-situated customers

because of its ability to amortize debt associated with projects to eliminate lagoons and connect to more modern wastewater collection and/or treatment facilities.

- 5. The District currently provides wastewater collection and/or treatment services on a regional or watershed basis in incorporated and unincorporated areas of Boone County to approximately 7,148 customers, including existing customers around and close to the City of Hallsville, Missouri ("City").
- 6. The District also has future customers that are located around and close to the City.
- 7. The District currently has two Cooperative Agreements with the City which obligate the City to provide sewer services to the District's existing customers in Sunnyslope Subdivision and Silver Creek Subdivision, both of which are located in unincorporated Boone County. Under these agreements, the District is a customer of the City and is contractually obligated to pay the City a fee for sewer service and take certain other actions including paying for certain maintenance costs and repairs and providing monthly reports. The initial term of both Cooperative Agreements commenced in 2019 and expires in 2039.
- 8. The District, as part of its aforementioned overarching plan for Boone County, sought to acquire substantially all sewer assets of the City and construct a new wastewater treatment facility that would serve all customers in and around the City, and resolve various ongoing environmental issues with the City's current facility. Such a transaction would allow the District to amortize these costs and share them among all its ratepayers, not just the ratepayers directly served by the new facility.

- 9. The City instead entered into an Asset Purchase Agreement ("APA") with Missouri-American Water Company ("MAWC"). By its application, MAWC seeks to acquire substantially all the sewer assets of the City and to operate the City's "sewer system for the public in an area in and around the City of Hallsville, Missouri." MAWC App. at ¶ 5.
- At this time, the District is not privy to all terms of the APA; however, if 10. the APA is approved and MAWC honors the above-referenced Cooperative Agreements, the District will become a customer of MAWC. This is problematic for a couple of reasons: (1) The approval will interfere with the District's statutory authority to set its own rates with respect to District ratepayers serviced by MAWC because MAWC's rates must be approved by this Commission; and (2) When MAWC replaces the existing facility with a new facility due to necessity (which will occur), the current rates MAWC asks the Commission to approve will increase greatly to the detriment not only of the District's ratepayers served by MAWC (for whom the District will be forced to create a new subdistrict) but also other ratepayers of MAWC. In contrast, if the District constructed the new facility, the District would be able to amortize the associated debt for the construction costs and spread it over all the ratepayers served by the new facility and all the District's other ratepayers. Consequently, the District believes that if the Commission approves MAWC's acquisition such approval likely will have a direct, negative impact on the District and its ratepayers, and the public interest.

- 11. On July 23, 2020, the Commission issued an Order Directing Notice and Setting Deadlines for Intervention Applications and Staff's Recommendation in this docket. That Order established a deadline of August 24, 2020.
- 12. The District is requesting permission to intervene because, for the above reasons, the District has a direct, immediate and unique interest in this proceeding that is different from that of the general public and which may be adversely affected by the Commission's final order in this case.
- 13. No other party to this proceeding can adequately represent the interest of the District.
- 14. Furthermore, the District believe that if the Commission approves
  MAWC's acquisition such approval will likely be detrimental to the public interest.
- 15. Granting the District's request to intervene will aid the Commission, protect and advance the public interest, and will allow the District to protect its interest and that of its ratepayers and the public.
- 16. All correspondence, pleadings, orders, decisions and communications regarding this proceeding should be sent to:

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17. The District opposes MAWC's request for the Commission to grant
MAWC a Certificate of Convenience and Necessity, for approval of the APA between

MAWC and the City, for rate approval, and for a waiver of the requirement in 20 CSR 4240-4.017(1) of the requirement to file a notice 60 days prior to filing its case because no good cause exists for granting a waiver.

WHEREFORE, Boone County Regional Sewer District respectfully requests the Commission grants its Application for Intervention in this docket.

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Attorney for Boone County Regional Sewer District

## <u>VERIFICATION</u>

SUBSCRIBED AN	D SWORN to before me on this 20th day of August, 2020.
SUBSCRIBED AN	D SWORN to before me on this 20th day of August, 2020.
	Jennifer S. Griffin
	MA CA
and correct to the best of n	edge of the matters stated herein, and that said matters are true my knowledge and belief.
District that I have brown	is affidavit on behalf of Boone County Regional Sewer
RSMo, state that I am an a	ttorney for Boone County Regional Sewer District, that I am
I, Jennifer S. Griffi	n, of lawful age, under penalty of perjury and under § 509.030,
COUNTY OF COLE	
	)
STATE OF MISSOURI	•

## **CERTIFICATE OF SERVICE**

The undersigned certifies that a true and correct copy of the foregoing document has be sent via electronic mail or U.S. mail this 20th day of August, 2020, to:

Missouri Public Service Commission Staff Counsel Department 200 Madison Street, Suite 800 P.O. Box 360 Jefferson City, MO 65102 staffcounselservice@psc.mo.gov

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Sewer District