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BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Moore Bend Water Company's)
Revised Tariff, Changing the Corporate Name) **Case No. WM-2000-4**
to Moore Bend Water Company, Inc.,) **Tariff No. 200000007**

ORDER APPROVING SALE OF ASSETS

On July 1, 1999, Brenda Plummer (Plummer), President of Moore Bend Water Company, Incorporated (Corporation) filed a letter-form application to change the name of Moore Bend Water Company (Moore Bend) to Moore Bend Water Company, Incorporated. The Corporation also filed an adoption notice and a revised tariff sheet with a requested effective date of August 1, 1999, noticing the change of the articles of incorporation of Moore Bend Water Company to the corporate name of Moore Bend Water Company, Incorporated. The proposed tariff was assigned tariff number 200000007. The Corporation also attached a copy of its 1999 Annual Registration Report, filed with the Missouri Secretary of State. The current certificate of convenience and necessity for Plummer's water utility was issued in the name of Mickey Plummer and Brenda Plummer (Mr. and Mrs. Plummer) d/b/a Moore Bend Water Company, in case number WM-96-196.

On July 30, 1999, the Staff of the Missouri Public Service Commission (Staff) filed its Motion to Suspend Tariff and Convert Case

to Request for Transfer of Assets. Staff stated that its investigation so far, including a telephone conversation with Plummer, revealed that Moore Bend is seeking not merely a change of the name of the company, but a transfer of the assets from the individual owners of Moore Bend to the Corporation, which is an entity that is separate and distinct from the present owners of Moore Bend.

Staff stated that Moore Bend requires the approval of the Commission for the transfer of its assets to the Corporation, pursuant to Section 393.190, RSMo. Staff requested a suspension of the tariff to permit the conversion of this case to an application for transfer of assets. Staff stated that Moore Bend has no debt and that, if the transfer of assets is approved, the Corporation will be funded with 100% equity. Staff stated that, if the case is converted to an application for transfer of assets, the Staff will conduct a thorough investigation of the Corporation and file its recommendation regarding action to be taken by the Commission.

Staff stated that Plummer does not oppose the conversion of the case to an application for the transfer of assets and the suspension of the tariff. (In fact, Plummer faxed the Commission on July 30, 1999, and requested an extension of the tariff.)

On August 10, 1999, the Commission issued its Order Converting Case and Suspending Tariff, which, *inter alia*, ordered that the tariff sheet filed on July 1, 1999, by Moore Bend Water Company for the purpose of changing the name of the company to Moore Bend Water Company,

Incorporated, be suspended for a period of one hundred twenty (120) days, i.e., from August 1, 1999, until November 29, 1999. The Order also directed the Staff to conduct a thorough investigation of the Corporation and to file its recommendation regarding action to be taken by the Commission no later than September 6, 1999.

On August 26, 1999, Staff filed its Recommendation for Approval of Transfer of Assets. Staff stated in its memorandum that, having investigated the situation and proposal, Staff's position is that even as a transfer of assets case, this is a very simple matter. Staff stated that Mr. and Mrs. Plummer were operating Moore Bend as individuals with 100% equity financing, as had been proposed and was noted in the Commission's order in WM-96-196. Staff noted that Mr. and Mrs. Plummer are also the sole owners of the Corporation and intend for it to operate with 100% equity financing. Staff argued that since there is no change in capital structure, no proposed change in rates and no change in operations, that this transaction is not detrimental to the public interest. As a result, the Staff recommended that Mr. and Mrs. Plummer d/b/a Moore Bend Water Company transfer their water system assets to Moore Bend Water Company, Inc., as proposed.

However, the Staff stated that the adoption notice tariff sheet filed by Plummer should be slightly modified. In this regard, the Staff recommended that the Commission reject the adoption notice tariff sheet currently pending, and order the Corporation to file an adoption notice tariff sheet identical to the one that is included with this Order as

Attachment 1. The Staff stated that this adoption notice tariff sheet could be filed after the effective date of an order to be issued by the Commission, and bear an effective date of fifteen (15) days after the said effective date. Staff stated that this would be considerably earlier than the present November 29, 1999, suspension deadline. Staff also recommended that the current certificate of convenience and necessity be canceled and that a new certificate of convenience and necessity be issued to Moore Bend Water Company, Inc., effective on the effective date of the adoption notice tariff.

The Commission has considered the application along with the recommendation of Staff and concludes that the application should be granted. The parties have apparently not notified the affected customers of the proposed sale, but the Commission finds this unnecessary since the ownership of the purchasing entity is the same as the ownership of the selling entity, i.e., Mr. and Mrs. Plummer. No requests for intervention have been received and no party has requested a hearing. The requirement for a hearing is met when the opportunity for hearing has been provided and no proper party has requested the opportunity to present evidence. State ex rel. Rex Deffenderfer Enterprises, Inc. v. Public Service Commission, 776 S.W.2d 494, 496 (Mo. App. 1989). Since no one has requested a hearing, the Commission may grant the relief requested based on the application.

The Commission will also reject the adoption notice tariff sheet currently pending, and will order Moore Bend Water Company, Inc. to file

an adoption notice tariff sheet identical to the one that is included with this Order as Attachment 1. The tariff should bear an effective date of fifteen (15) days after the effective date of this order. The Staff will also be ordered to file its memorandum concerning approval of the new adoption notice tariff no later than five (5) days after the effective date of the tariff.

IT IS THEREFORE ORDERED:

1. That Mickey Plummer and Brenda Plummer, doing business as Moore Bend Water Company, are authorized to sell all of their assets to Moore Bend Water Company, Inc., for the amount agreed upon between the two entities. Mickey Plummer and Brenda Plummer, doing business as Moore Bend Water Company, are authorized to take all lawful acts necessary to complete the transaction herein approved.

2. That Mickey Plummer and Brenda Plummer, doing business as Moore Bend Water Company, shall, within 90 days of the completion of the transaction herein approved, file in this case, and provide a copy to the Staff of the Missouri Public Service Commission, a copy of all journal entries made in connection with the transaction.

3. That nothing in this order shall be considered a finding by the Commission of the value for ratemaking purposes of the transactions herein involved.

4. That the Commission reserves the right to consider any ratemaking treatment to be afforded the transactions herein involved in a later proceeding.

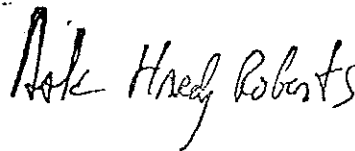
5. That the adoption notice tariff sheet currently pending is rejected.

6. That Moore Bend Water Company, Inc. shall file an adoption notice tariff sheet identical to the one that is included with this order as Attachment 1 with an effective date of September 25, 1999.

7. That the Staff of the Missouri Public Service Commission shall file its memorandum concerning approval of the adoption notice tariff ordered above no later than 3:00 p.m. on September 30, 1999.

8. That this order shall become effective on September 10, 1999.

BY THE COMMISSION



Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

(S E A L)

Bill Hopkins, Senior Regulatory Law Judge,
by delegation of authority pursuant to
4 CSR 240-2.120(1), (November 30, 1995)
and Section 386.240, RSMo 1994.

Dated at Jefferson City, Missouri,
on this 31st day of August, 1999.

Name of Utility: Moore Bend Water Company

Service Area: Moore Bend Subdivision

Rules Governing Rendering of
Water Service

ADOPTION NOTICE

Water system assets were transferred from Mickey and Brenda Plummer, d/b/a Moore Bend Water Company to Moore Bend Water Company, Inc., with approval granted in Case No. WO-2000-4. Accordingly, Moore Bend Water Company, Inc. hereby adopts, ratifies, and makes its own in every respect as if the same had been originally filed by it all tariffs, schedules, rules, notices or other instruments filed with the Public Service Commission, State of Missouri, by Mickey and Brenda Plummer, d/b/a Moore Bend Water Company currently on file with and approved by the Commission.

- * 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

R E C E I V E D

SEP 01 1999

COMMISSION COUNSEL
PUBLIC SERVICE COMMISSION