

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a Session of the Public Service
Commission held at its office
in Jefferson City on the 16th
day of April, 1996.

In the Matter of the Application of)	
Raymond and Ellarea Willis, d/b/a)	
Moore Bend Water Company, to Sell and)	Case No. WM-96-196
Transfer Their Water System to Mickey)	
and Brenda Plummer.)	

**ORDER APPROVING SALE AND
GRANTING A CERTIFICATE OF CONVENIENCE AND NECESSITY**

On December 19, 1995, Raymond and Ellarea Willis, d/b/a Moore Bend Water Company (Moore Bend), filed an application with the Commission requesting approval to sell and transfer the assets of its public water supply system to Mickey and Brenda Plummer, the proposed buyers, for the sum of \$29,000.00. This proposed transfer is part of a larger transaction involving other assets not related to the regulated water system.

Together with its application, Moore Bend filed a copy of the executed contract of sale and various other documents explaining the details of the proposed transaction. Moore Bend also filed a copy of the notice of the proposed sale, sent to the 99 current customers of Moore Bend, by order of the Commission.

On March 29, 1996, the Staff of the Commission (Staff) filed its recommendation. In that recommendation, the Staff stated that examination of the financial position of the buyers revealed a sufficient net worth to make the proposed purchase. The Staff stated that the

buyers are business people and seem to be aware of the nature of the water utility business. In addition, the buyers intend to retain the services of the seller as operator. The Staff added that the capital structure resulting from the proposed sale would consist of 100% equity and no debt. The Staff stated that this was adequate considering the small size of the utility.

The Staff further stated that the buyers have agreed to retain the existing rates and adopt the tariffs currently on file for Moore Bend. The Staff and the buyer have also agreed that the depreciation rates currently on file for Moore Bend need to be updated. The parties have agreed that the depreciation rates will be reviewed in the context of a future rate proceeding.

Finally, the Staff stated that it believed the proposed sale would not be detrimental to the public interest and requested the Commission postpone ratemaking treatment and order the buyers to adopt the current Moore Bend tariffs.

The Office of the Public Counsel, by its attorney, stated it had no objection to the proposed sale.

Based upon the information furnished to it by the applicants and the Staff, the Commission finds the proposed sale of assets is not detrimental to the public interest and should be approved. The Commission finds that the buyers are financially capable of purchasing Moore Bend and have taken steps to insure the continued safe and efficient operation of the service. The Commission will approve the proposed purchase, grant a certificate of convenience and necessity to

the buyers, and order the buyers to adopt the tariffs currently on file for the operation of Moore Bend.

IT IS THEREFORE ORDERED:

1. That the application to sell the assets of a public water service, d/b/a Moore Bend Water Company, under the terms and conditions as set out in that application, is hereby approved subject to the terms and conditions as set out in this order.

2. That, upon the closing of the approved sale and the transfer of assets, the certificate of convenience and necessity issued to the sellers, Raymond and Ellarea Willis, d/b/a Moore Bend Water Company, is canceled and a certificate of convenience and necessity is issued to the buyers, Mickey and Brenda Plummer, d/b/a Moore Bend Water Company, for the operation of the subject system.

3. That, prior to commencing operation, the buyers, Mickey and Brenda Plummer, will file notice with the Commission adopting the currently filed tariffs and rates of Moore Bend Water Company.

4. That this order shall become effective on April 26, 1996.

BY THE COMMISSION



**David L. Rauch
Executive Secretary**

(S E A L)

Zobrist, Chm., McClure, Kincheloe,
Crumpton, and Drainer, CC., Concur.