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**BEFORE THE PUBLIC SERVICE COMMISSION**  
**OF THE STATE OF MISSOURI**

In the Matter of the Joint Application of       )  
Batson Development Co., Inc. to Sell and       )  
Transfer Its Sewer Franchise, Works and       )  
System to Pike Creek Sewer District.       )  
Case No. SM-99-249

**ORDER FOR SUPPLEMENTAL STAFF INVESTIGATION**

On December 4, 1998, Batson Development Company (Batson) and Pike Creek Sewer District (Pike) filed a Joint Application requesting that the Commission authorize the sale by Batson to Pike of Batson's franchise, works or system necessary to provide sewer service in Batson's certificated area. Upon sale, the customers of Batson will be served by Pike, an unregulated political subdivision of the State of Missouri.

The Joint Application requested, *inter alia*, that the Commission enter its order approving the sale and also authorizing Batson to distribute the proceeds of the sale to the shareholders of Batson.

On December 10, 1998, the Commission ordered, *inter alia*, that Batson send notice to each of its customers by sending a copy of the order.

On March 3, 1999, the Staff of the Missouri Public Service Commission (Staff) filed its memorandum recommending that the Commission approve the sale.

The Commission has examined the pleadings and the Staff memorandum. Since the buyer is a utility which is not regulated by the

Commission, the Commission has decided that it needs the answers to these questions before it can approve the sale:

- a) Whether \$45,000 as the sale amount of the property (real, personal, and mixed) is the fair market value?
- b) How and when was Pike Creek Sewer District formed (including copies of appropriate documentation, similar to what a corporation would have to provide)?
- c) What is the book value of the property (real, personal, and mixed) to be sold?
- d) How and when were the ratepayers of Batson notified?
- e) What authority, if any, allows the Commission to enter its order authorizing Batson to distribute the proceeds of the sale to the shareholders of Batson?

**IT IS THEREFORE ORDERED:**

1. That the Staff of the Missouri Public Service Commission prepare a memorandum no later than April 19, 1999, answering the questions above.

2. That this order shall become effective on March 29, 1999.

**BY THE COMMISSION**

A handwritten signature in black ink, reading "Dale H. Roberts". The signature is written in a cursive style with a large, stylized "D" and "R".

**Dale H. 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 19th day of March, 1999.

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COMMISSION COUNSEL  
PUBLIC SERVICE COMMISSION