

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the matter of the application of the Clarence)
Cannon Wholesale Water Commission for amended)
Report and Order granting permission and approval)
and certificate of convenience and necessity.)

CASE NO. WA-92-137

APPEARANCES: Gary H. Sokolik, Attorney at Law, 130 Main Street,
Perry, Missouri 63462, for Clarence Cannon
Wholesale Water Commission.

Hearing

Examiner: C. Gene Fee

REPORT AND ORDER

By an application filed December 19, 1991, Clarence Cannon Wholesale Water Commission (CCWWC or Applicant) filed an application seeking an amendment of its certificate of public convenience and necessity authorizing it to construct, install, own, operate, control, manage and maintain a wholesale water supply system.

Notice of the application was given to potentially interested persons by the Commission's order issued on December 31, 1991. Since no person sought to intervene by the specified date of January 22, 1992, and neither Public Counsel nor the Commission Staff has requested a hearing, this Report and Order is based upon the verified application filed by CCWWC, the supporting exhibits, and the Commission Staff recommendation filed March 18, 1992.

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:

CCWWC is a joint municipal utility commission established to provide wholesale water service to cities and public water districts in northeast Missouri. The contracting parties which formed CCWWC are Public Water Supply

District No. 1 of Audrain County, Missouri; Cannon Water Supply District No. 1 of Ralls, Monroe and Marion Counties, Missouri; Public Water Supply District No. 2 of Monroe County, Missouri; Public Water Supply District No. 1 of Knox County, Missouri; City of Perry, Missouri; City of Paris, Missouri; City of Madison, Missouri; Public Water Supply District No. 1 of Marion County, Missouri; City of New London, Missouri; Thomas Hill Public Water Supply District No. 1 of Randolph County, Missouri; Public Water Supply District No. 1 of Shelby County, Missouri; City of Shelbyville, Missouri; City of Huntsville, Missouri; and, Public Water Supply District No. 1 of Macon County, Missouri.

By a Report and Order issued in Case No. WA-90-3, CCWWC was granted permission to provide wholesale water service to those contracting parties. The application in this matter recites that because of its terrain, right-of-way acquisition, and construction expense and convenience, it was necessary to deviate from its authorized line certificates in minor respects. The application further recites that the City of Farber, Missouri, has become a member of CCWWC and has entered into a water purchase agreement with the Applicant and the Applicant also expects the City of Vandalia, Missouri, will become a purchaser of water.

At present CCWWC has its facilities under construction in its service area consisting of the property where the treatment plant is located and a one-half mile wide line certificate area where the transmission mains to various customers are located.

The Staff has expressed the opinion that the proposed expansion is feasible in that financing for construction is available through issuance of bonds and the Applicant's plant capacity is adequate. The Staff also reports that the City of Farber has agreed to pay the cost of wholesale water service through a take-or-pay contract similar to that signed by the other members. It

is also anticipated that the City of Vandalia will soon become a member and enter into a similar take-or-pay contract.

The Commission Staff has recommended approval of the instant application on the condition of the filing by CCWWC of an updated metes and bounds description and map of its amended service area for inclusion in its tariff within 30 days from the effective date of the Report and Order in this case.

The Commission has reviewed the application and Staff's recommendation and is of the opinion that the Staff's recommendation is reasonable and proper and should be adopted. In the Commission's opinion it is clearly in the public interest that a sufficient supply of water be available to the additional contracting parties, that the Applicant be authorized to construct the necessary mains to transport that water and that the minor route deviations necessitated by unforeseen construction difficulties and other events should be authorized.

Conclusions of Law

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

CCWWC is subject to the Commission's jurisdiction pursuant to Sections 386.025 and 393.295, RSMo 1986. CCWWC is also a political subdivision of the State of Missouri organized and existing under the Missouri Joint Municipal Utility Commission Act in Section 393.700 et seq, RSMo 1986.

The requirement for a hearing contained in Section 393.170 has been met when the opportunity for hearing is provided and no party request the opportunity to present evidence or cross-examine witnesses. *State ex rel. Rex Deffenderfer Enterprises, Inc. vs. Public Service Commission*, 776 S.W.2d 494, 496, (Mo. App. 1989). Since no person has sought intervention or hearing the Commission concludes that an oral hearing is unnecessary and may base its findings on the evidence submitted by verified statement.

IT IS THEREFORE ORDERED:

1. That Clarence Cannon Wholesale Water Commission, 227 North Main, Paris, Missouri 65275 be granted permission and approval and a certificate of public convenience and necessity to construct and maintain a water system in an unincorporated areas of Monroe, Ralls, Marion, Knox and Randolph Counties as described by a metes and bounds description attached to this Report and Order as Appendix 1.

2. That Clarence Cannon Wholesale Water Commission shall file for Commission approval an updated tariff showing the current metes and bounds description and map reflected by this amendment to its certificated service area within thirty (30) days from the effective date of this Report and Order.

3. That this Report and Order shall become effective on April 7, 1992.

BY THE COMMISSION

Brent Stewart

Brent Stewart
Executive Secretary

(S E A L)

McClure, Chm., Rauch and
Kincheloe, CC., Concur.
Mueller and Perkins, CC.,
Absent.

Dated at Jefferson City, Missouri,
on this 27th day of March, 1992.

EXHIBIT 2 - Description of area for which amended certificate is sought.

All that part of the South one-half of Sec. 31, Twn. 55 N., R. 8 W., Monroe County, Missouri, lying South of the middle of the North Fork of the Salt River (now known as Mark Twain Lake).

Also one-fourth mile on each side of the following described lines, to-wit:

1) Begin at the intersection of Missouri Rt. JJ with the West line of Sec. 34, Twn. 54 N., R. 14 W., Randolph County, Missouri, thence South along the West line of said Sec. 34 and the West lines of Sec.'s 3, 10, 15 and 22 to the Northwest corner of the Southwest quarter of the Southwest quarter of said Sec. 22; thence East along the east-west quarter quarter section line of the Southwest quarter of Sec. 22 to the north-south quarter section line of said Sec. 22 in Twn. 53 N., R. 14 W.; thence South with the said north-south quarter section line to the South line of said Sec. 22; thence Eastwardly with the South lines of Sec.'s 22, 23 and 24 to its intersection with an old railroad grade in the Southwest corner of said Sec. 24; thence Northeastly with the said old railroad grade to its intersection with the east-west quarter quarter section line of the Southwest quarter of said Sec. 24; thence (leaving said old railroad grade) East along the said quarter quarter section line to the East line of the Southwest quarter of said Sec. 24; thence East Northeastly to the East quarter corner of said Sec. 24, said point being on the range line between R. 14 W. and R. 13 W.; thence continuing East Northeastly to the Northeast corner of Sec. 19, Twn. 53 N., R. 13 W.; thence East on the North line of Sec. 20, Twn. 53 N., R. 13 W. to the Northeast corner of said Sec. 20; thence Northeastly to the North quarter quarter corner of the Northeast quarter of Sec. 16; thence continuing East Northeastly to the intersection of the east-west quarter quarter section line of the Southeast quarter of Sec. 9 with the East line of said Sec. 9; thence continuing East Northeastly to the Northeast corner of Sec. 10; thence continuing East Northeastly to the East quarter corner of Sec. 2; thence continuing East Northeastly to the Northeast corner of Sec. 1, Twn. 53 N., R. 13 W., said point being on the township line between Twn. 53 N. and Twn. 54 N., and on the line between Randolph County and Monroe County; thence Northeastly to the Northeast corner of the Northwest quarter of the Northeast quarter of Sec. 31, Twn. 54 N., R. 12 W., Monroe County, Missouri; thence continuing Northeastly to the Northeast corner of Sec. 29; thence Northeastly to the Northeast corner of the Southwest quarter of Sec. 21; thence East Northeastly to the South right-of-way line of the Norfolk & Western Railroad in said Sec. 21, Twn. 54 N., R. 12 W.; thence in a generally East Northeastly direction with the South right-of-way line of said railroad through Sec.'s 21, 22, 15, 14, 13 and 12 to its intersection with the range line between R. 12 W. and R. 11 W.; thence continuing in a generally Eastwardly direction with the South right-of-way line of said railroad through Sec.'s 18, 7 and 8, Twn. 54 N., R. 11 W. to its intersection with U. S. Highway 24; thence (leaving said railroad right-of-way) generally Eastwardly with the South right-of-way line of U. S. Highway 24 through Sec.'s 8, 9, 10, 11, 12 and 13, Twn. 54 N., R. 11 W. to the North line of said Sec. 13; thence East along the North line of said Sec. 13 to the range line between R. 11 W. and R. 10 W.; thence continuing East along the North line of Sec.'s 18 and 17, Twn. 54 N., R. 10 W. to the North quarter corner of said Sec. 17; thence North to a point on the South right-of-way line of the Norfolk & Western Railroad in the Southwest quarter of the Southwest quarter of Sec. 8; thence Eastwardly with the South right-of-way

line of said railroad in Sec.'s 8 and 9 to its intersection with U. S. Highway 24 in the Southwest quarter of said Sec. 9; thence Northeasterly with the North right-of-way line of said U. S. Highway 24 through Sec.'s 9 and 10 in Twn. 54 N., R. 10 W. to its intersection with the East line of the Northwest quarter of the Southwest quarter of said Sec. 10; thence North to the Northeast corner of the Southwest quarter of the Southwest quarter of Sec. 3, Twn. 54 N., R. 10 W.; thence Northeasterly to the intersection of the east-west quarter section line of Sec. 34, Twn. 55 N., R. 10 W. with the West line of Missouri Highway 15; thence North Northeasterly with the West line of said Highway 15 to the North line of Old U. S. Highway 24; thence Eastwardly with the North line of said Old U. S. Highway 24 through Sec.'s 26 and 25, Twn. 55 N. R. 10 W. and with the North line of U. S. Highway 24 through Sec.'s 30 and 29, Twn. 55 N., R. 9 W. to the intersection of the Northward prolongation of Missouri State Rt. U with said U. S. Highway 24; thence Southwardly with said prolongation and with the East right-of-way line of said Rt. U to the North line of Sec. 32; thence East along the North lines of Sec.'s 32, 33 and 34 to the Northeast corner of said Sec. 34; thence Southeasterly to the intersection of the East line of the Southwest quarter of Sec. 36 with the North right-of-way line of said Rt. U; thence Eastwardly with the North right-of-way line of said Rt. U through Sec. 36, Twn. 55 N., R. 9 W. and through Sec.'s 6, 5 and 4 of Twn. 55 N., R. 8 W. to its intersection with the West line of Sec. 3; thence South with the West lines of Sec.'s 3, 10, 15 and 22 in Twn. 54 N., R. 8 W., to the Southwest corner of said Sec. 22; thence Eastwardly with the South lines of Sec.'s 22, 23 and 24 in Twn. 54 N., R. 8 W. and Sec. 19, Twn. 54 N., R. 7 W. to the Southeast corner of said Sec. 19, said point being on the county line between Monroe County and Ralls County; thence continue Eastwardly with the South lines of Sec.'s 20, 21, 22, 23 and 24 in Twn. 54 N., R. 7 W., Ralls County, Missouri to its intersection with the North right-of-way of Missouri Highway 19; thence North and Northeasterly with the North right-of-way line of said Highway 19 through said Sec. 24 and through Sec.'s 19, 18, 17, 8, 9, 4 and 3 in Twn. 54 N., R. 6 W., and through Sec.'s 34 and 35 in Twn. 55 N. R. 6 W. to its intersection with the West line of the East on-half of the Northeast quarter of said Sec. 35; thence (leaving said right-of-way) North with the West line of the East one-half of the Northeast quarter of said Sec. 35 to the North line of said Sec. 35; thence Northeasterly to the Northeast corner of the Southeast quarter of the Southeast quarter of Sec. 26, Twn. 55 N., R. 6 W.; thence East with the North line of the South one-half of the South one-half of Sec. 25, Twn. 55 N., R. 6 W. to its intersection with the North line of said Highway 19; thence in a generally East Northeasterly direction with the North right-of-way of said Highway 19 through Sec. 25, Twn. 55 N., R. 6 W., and through Sec.'s 30, 29, 20, 21, 16, 15, 14, 11, 12 and 1, Twn. 55 N., R. 5 W., to a point one-fourth mile West of the East line of said Sec. 1; thence North parallel with and one-fourth mile West of the East line of said Sec. 1 to Ralls County Road No. 120 in Spanish Land Survey No. 1753, being the point of terminus.

2) Beginning at the intersection of the East right-of-way line of Missouri Highway 15 with the South line of Sec. 26, Twn. 55 N., R. 10 W. in Monroe County, Missouri, thence Northerly with the said East right-of-way line of said Highway 15 through Sec.'s 26, 23, 14 and 11 to its intersection with the West right-of-way line of Monroe County Road No. 412; thence Northerly with the West line of said County Road No. 412 to its intersection with Monroe County Road No. 553; thence West and Northerly with said County Road No. 553 to the North line of Sec. 35, Twn. 56 N., R. 10 W.; thence continue Northerly with the West right-of-way line of

Monroe County Road No. 556 through Sec.'s 26, 27, 22 and 15 in Twn. 56 N., R. 10 W. to the county line between Monroe County and Shelby County; thence West with said county line to the South quarter corner of Sec. 9, Twn. 56 N., R. 10 W., Shelby County, Missouri; thence North with the West lines of the East one-halves of Sec.'s 9 and 4 in Twn. 56 N., R. 10 W. to the North line of said Sec. 4 (also being the township line between Twn. 56 N. and Twn. 57 N.); thence continue North with the West lines of the East one-halves of Sec.'s 33, 28 and 21 in Twn. 57 N., R. 10 W.; thence West with the North line of said Sec. 21 to the Northwest corner thereof; thence North Northwesterly to the intersection of the North line of Sec. 17 with the East line of Missouri Highway 15; thence Northerly with the East line of said Highway 15 through Sec.'s 8 and 5 in Twn. 57 N., R. 10 W. and through Sec.'s 32 and 29 in Twn. 58 N., R. 10 W. to the Northeast corner of the Southwest quarter of said Sec. 29; thence West to the Southeast corner of the Southwest quarter of the Northwest quarter of said Sec. 29; thence North with the East line of the West one-half of the Northwest quarter of said Sec. 29 and with the West lines of the East one-half of the Southwest quarter and East one-half of the Northwest quarter of Sec. 20 and with the West line of the Southeast quarter of the Southwest quarter of Sec. 17, Twn. 58 N., R. 10 W. to the Northwest corner of said quarter quarter section; thence West with the North line of the Southwest quarter of the Southwest quarter of said Sec. 17 to the Northwest corner thereof; thence North with the East line of Sec.'s 18 and 7 to the Northeast corner of said Sec. 7; thence West to the South quarter corner of Sec. 6; thence North with the West line of the East one-half of said Sec. 6 to the township line between Twn. 58 N. and Twn. 59 N.; thence continue North with the West line of the East one-half of Sec. 31, Twn. 59 N., R. 10 W. to the Northwest corner of the Southwest quarter of the Northeast quarter thereof; thence West with the South line of the North one-half of the Northwest quarter of said Sec. 31 and with the South line of the North one-half of the Northeast quarter of Sec. 36, Twn. 59 N., R. 11 W. to the Southwest corner thereof; thence North with the West line of the East one-half of said Sec. 36 and with the West lines of the East one-halves of Sec.'s 25 and 24, Twn. 59 N., R. 11 W. to the North line of said Sec. 24; thence West with the South line of Sec.'s 13 and 14 to the West line of the East one-half of said Sec. 14; thence North with the West lines of the East one-halves of Sec.'s 14, 11 and 2 to the center of said Sec. 2; thence West with the South line of the East one-half of the Northwest quarter of said Sec. 2 to the Southwest corner thereof; thence North with the West line of the East one-half of the Northwest quarter of said Sec. 2, Twn. 59 N., R. 11 W. to the county line between Shelby County and Knox County; thence continue North with the West lines of the East one-half of the Southwest quarter and East one-half of the Northwest quarter of Sec. 35, Twn. 60 N., R. 11 W., Knox County, Missouri to the Northwest corner of the East one-half of the Northwest quarter of said Sec. 35; thence Northeasterly to the Northeast corner of a tract described as the Northwest quarter of the Southeast quarter of Sec. 26, Twn. 60 N., R. 11 W. except the East 21 rods thereof, the point of terminus.

3) Beginning at the intersection of the North right-of-way line of Missouri State Rt. U and the West right-of-way line of Missouri Highway 107 in Sec. 4, Twn. 54 N., R. 8 W., Monroe County, Missouri, thence Northerly with the West line of said Highway 107 through said Sec. 4 and through Sec.'s 33 and 28 in Twn. 55 N., R. 8 W. to its intersection with the West line of said Sec. 28; thence North with the West line of said Sec. 28 and with the West lines of Sec.'s 21, 16, 9 and 4 to its intersection with the North right-of-way line of U. S. Highway 24; thence Northeasterly with the North line of said U. S. Highway 24 to its

intersection with the Southwardly prolongation of the West line of Sec. 35, Twn. 56 N., R. 8 W.; thence North along said prolongation and with the West lines of Sec.'s 35, 26, 23 and 14 in Twn. 56 N., R. 8 W. to the county line between Monroe County and Marion County; thence continue North with the West lines of Sec.'s 11 and 2 in Twn. 56 N., R. 8 W., Marion County, Missouri to the West quarter corner of said Sec. 2; thence Northeasterly to the Northeast corner of the Southwest quarter of the Northwest quarter of said Sec. 2; thence North with the East line of the Northwest quarter of the Northwest quarter of said Sec. 2 to the North line of said section, also being the township line between Twn. 56 N. and Twn. 57 N.; thence East with said township line and with the north lines of Sec.'s 2 and 1, Twn. 56 N., R. 8 W. and with the North line of Sec. 6, Twn. 56 N., R. 7 W. to the Northeast corner of said Sec. 6, also being the Northwest corner of Ralls County, Missouri, the point of terminus.

4) Beginning at the intersection of the North line of Sec. 26, Twn. 54 N., R. 7 W., Ralls County, Missouri with the East line of the West one-half of the East one-half of the Northwest quarter of said Sec. 26, thence South to a point 30 feet South of the South right-of-way of Missouri Highway 154, the point of terminus.

5) Beginning at the intersection of the North line of Sec. 25, Twn. 54 N., R. 7 W., Ralls County, Missouri with the West right-of-way line of Missouri Highway 19, thence Southerly along the West line of said Highway 19 through Sec.'s 25, 36 and 35 in Twn. 54 N., R. 7 W. and through Sec.'s 2, 11, 14, 23, 26 and 35 in Twn. 53 N., R. 7 W. to the township line between Twn. 53 N. and Twn. 52 N., said line also being the line between Ralls County and Audrain County; thence East along the said county line through Sec. 36, Twn. 53 N., R. 7 W., and through Sec.'s 31, 32, 33, 34, 35, and 36 in Twn. 53 N., R. 6 W. and through Sec.'s 31 and 32 in Twn. 53 N., R. 5 W. to its intersection with Missouri State Rt. F, the point of terminus.

6) Beginning at the intersection of the County line between Ralls County and Audrain County with the East line of Sec. 4, Twn. 52 N., R. 6 W., Audrain County, Missouri, thence South along the East line of Sec.'s 4, 9, 16, and 21, Twn. 52 N., R. 6 W., Audrain County, Missouri to a point 30 feet south of the South right-of-way line of U. S. Highway 54, the point of terminus.