

STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION

At a Session of the Public Service  
Commission held at its office  
in Jefferson City on the 23rd  
day of February, 1996.

In the matter of the application of )  
the Clarence Cannon Wholesale Water )  
Commission for order granting amended ) Case No. WA-96-171  
certificate of public convenience )  
and necessity. )

**ORDER GRANTING AUTHORITY FOR LINE EXTENSION AND  
AMENDING CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY**

On November 22, 1995 the Clarence Cannon Wholesale Water Commission (CCWWC or Applicant) filed its Application in which it requested Commission permission and approval to extend its water mains to provide water service to the City of Vandalia, Missouri, at a point Northeast of the City in order to serve a women's prison to be constructed and operated in that location by the Missouri Department of Corrections. Authority to extend CCWWC's water mains would require a simultaneous expansion to extend the Applicant's certificated area to include this extended line.

On December 11, 1995 the Commission issued its Order and Notice in this matter. This notice set January 2, 1996 as the deadline for applications for intervention. No applications for intervention have been filed. On January 25, 1996 the Water & Sewer Department Staff of the Public Service Commission (Staff) filed its Memorandum in which it recommended approval of the Application as filed. Staff notes that the Applicant was previously granted an extension of its certificated area so that CCWWC would be able to provide wholesale water service to the City of Vandalia. This action occurred in Commission Case No. WA-92-137. However,

in order for the City of Vandalia to provide water service to the new prison, this additional line extension is necessary.

Staff has reviewed CCWWC's Application and the attached Exhibits and states that it has identified no areas of concern regarding the specific matters raised in the Application or contained in the Exhibits. Staff states that it believes this Application is in the public interest inasmuch as the result of a grant of application requested herein will result in an adequate supply of potable water being made available for the new prison through CCWWC's wholesale service to the City of Vandalia. Staff further notes that CCWWC has received a grant of funds from the Missouri Department of Natural Resources (DNR) and under the terms and conditions of that grant, CCWWC must expend the grant funds by June 30, 1996. Therefore, Staff recommends this matter receive expedited consideration.

Staff has also noted its discovery that CCWWC does not currently have a rate tariff sheet related to providing service to the City of Vandalia on file with the Commission. Staff has discussed this matter with the General Manager of CCWWC and has been informed that water service is not now provided to Vandalia but that such service is anticipated when the prison is completed "sometime late in 1997." In light of the DNR requirement that its grant funds be expended by June 30, 1996, and the fact that the facilities which are needed to provide service to Vandalia and the prison cannot be built without Commission approval, these facts support a grant of the line extension and expanded certificated area prior to the approval of tariff sheets for service to this area.

In fact, Staff has recommended the Commission issue an order approving the Application and simultaneously requiring CCWWC to comply with the following provisions. First, CCWWC should be required to file

revisions to the tariff sheets that are now affected by the expansion of its certificated area approved in this case. Second, the approval of the expansion of CCWWC's certificated service area should become effective on the effective date of the tariffs to be filed pursuant to the Commission's order approving the Application. Third, CCWWC should be required to file a notice in the case papers informing the Commission that the necessary contract for service with the City of Vandalia has been executed. Fourth, CCWWC should not begin construction of the new facilities before the effective date of the Commission's approval of the service area expansion nor before the execution of the contract for service with Vandalia.

The Commission has reviewed the Application and the attachments thereto along with the Staff recommendation and the entirety of the file and makes the following findings of fact. The Commission finds that the Clarence Cannon Wholesale Water Commission is a political subdivision of the state of Missouri organized and existing under the Missouri Joint Municipal Utility Commission Act, Sections 393.700 et seq. and CCWWC is a water corporation as that term is defined in Section 386.020 RSMo 1994. In Case No. WA-92-137, the Commission allowed CCWWC to extend its certificated area to allow it to provide wholesale water service to the cities of Farber and Vandalia, Missouri. CCWWC has received a grant through DNR for the purpose of extending its water mains and such grant contains a provision that the funds provided therein must be expended by June 30, 1996.

The Commission finds that the site upon which the prison and the City of Vandalia's connection to the CCWWC is to be constructed is just West of Missouri State Route F at its intersection with the county line between Ralls and Audrain Counties, Missouri, and such location is the existing terminus of the Applicant's certificated area. CCWWC has the

capacity to produce and supply wholesale water service to the City of Vandalia for the proposed prison and the City of Vandalia is in need of such water to enable it to have a sufficient supply of potable water to supply the needs of such prison.

The Commission finds that it is in the public interest to ensure the provision of safe and adequate water supply to the public as contemplated by this Application. The Commission further finds that the provision of wholesale water service from CCWWC to the City of Vandalia is also in the public interest inasmuch as it helps to ensure Vandalia with a safe and adequate supply of drinking water for its citizens. Therefore, the Commission finds it in the public interest to extend the area for which permission, approval, and certification have previously been granted to the Clarence Cannon Wholesale Water Commission and the Commission finds it in the public interest to grant approval for construction and extension of the line requested herein. The Commission will condition this grant upon the Applicant's compliance with the four conditions requested by the Staff as set out in its recommendation and as ordered hereinbelow.

**IT IS THEREFORE ORDERED:**

1. That the service area for Clarence Cannon Wholesale Water Commission, and its certificate of public convenience and necessity, be extended to include the area described in the Application, to wit:

Beginning at the intersection of Missouri State Route F with the South line of Sec. 32, Twn. 53 N., R.5W., said line also being the line between Ralls and Audrain Counties, Missouri, thence East along said county line through Sec.'s 32 and 33 in Twn. 53 N., R.5W. to the East line of said Sec. 33, the point of terminus.

2. That Clarence Cannon Wholesale Water Commission shall file revisions to its tariff sheets which are affected by the expansion of its certificated area as approved in this case.

3. That the Commission's approval of the expansion of Clarence Cannon Wholesale Water Commission's certificated area shall become effective on the effective date of the tariffs ordered to be filed in ordered Paragraph No. 2.

4. That Clarence Cannon Wholesale Water Commission shall file a notice in this case informing the Commission that the necessary contract for service with the City of Vandalia has been executed and such shall be filed within seven days of execution.

5. That Clarence Cannon Wholesale Water Commission shall not begin construction of the new facilities prior to the effective date of the Commission's approval of the service area and the Commission's approval of the tariff sheets ordered in Paragraph No. 2.

6. That this order shall become effective on March 5, 1996.

BY THE COMMISSION



David L. Rauch  
Executive Secretary

(S E A L)

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