

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

In the Matter of RDG Development,)
LLC for a Certificate of Convenience)
and Necessity Authorizing it to Own,)
Operate, Maintain, Control and Manage) Case No. _____
a Sewer System in Callaway County,)
Missouri.)

APPLICATION AND REQUEST FOR WAIVER

COMES NOW RDG Development, LLC. (RDG), pursuant to Sections 393.140, RSMo, 393.170, RSMo 2000, 4 CSR 240-2.060 and 4 CSR 240-3.305, and, for its Application states as follows to the Missouri Public Service Commission (Commission):

BACKGROUND

1. This Application is being filed by RDG to obtain from the Commission a certificate of convenience and necessity to own, operate, maintain, control and manage a sewer system in Callaway County, Missouri.
2. RDG is a Missouri limited liability company duly organized and existing under the laws of the State of Missouri with its principal office and place of business located at P.O. Box 932, Fulton, MO 65251. Attached hereto as **Appendix 1** is a Certificate of Good Standing issued by the Missouri Secretary of State related to RDG. RDG has no pending action or final unsatisfied judgments or decisions against it from any state or federal agency or court which involve customer service or rates having occurred within three years from the date of this Application. RDG has no annual report or assessment fees which are currently overdue. RDG has experience operating a wastewater facility.
3. Communications respecting this Application should be addressed to the undersigned counsel and:

Mr. Rodney Glenn
RDG Development, LLC
P.O. Box 932
Fulton, MO 65251
573.864.4402 (telephone)

CERTIFICATE

4. RDG requests permission, approval and a Certificate of Convenience and Necessity to own, operate, maintain, control and manage a sewer system for the public in areas located in Callaway, Missouri, as set forth on the map attached to this Application as **Appendix 2**. A legal description of the area to be certificated is attached hereto as **Appendix 3**.

5. This area encompasses one existing development (Greenwood Hills Subdivision) whose sewer system is not currently regulated by the Commission. No other sewer service is currently available in this area.

6. There are approximately thirty-three (33) residential connections currently being served by this sewer system. Attached hereto as **Appendix 4** is a list of ten residents or landowners from the area for which a certificate is sought.

7. The subject sewer system has already been constructed and is in operation. RDG did not construct the system and has no plans associated with the construction in its possession. There is no further construction planned at this time during the first three years of operation. The system utilizes a two-cell lagoon. Sludge is retained in the lagoon. The system is gravity fed.

8. The system will be owned by RDG. No financing will be required at this time to acquire or construct the system.

9. Attached hereto as **Appendix 5** is a document containing proposed rates and an estimate of the number of customers, revenues and expenses during the next three (3) years of operation.

10. RDG proposes to generally use the sample rules and regulations for sewer systems maintained by the Commission's Water and Sewer Department to govern its provision of sewer service to this area.

11. RDG not aware of any franchise (either city or county) that would be required in order for it to provide service in this area. A permit for the operation of this facility has been issued by the Missouri Department of Natural Resources (DNR), a copy of which is attached hereto as **Appendix 6**. RDG is not aware of any other governmental approval that it must obtain.

12. The area RDG proposes to certificate has a need for an operating sewer system and otherwise has no sewer service available. RDG's experience in the operation of this sewer system gives it the ability to provide this service in an efficient manner. For these reasons, a grant of the application will further the public convenience and necessity.

REQUEST FOR WAIVER

13. Commission Rules 4 CSR 240-3.305(1)(A)5 requires that "plans . . . for the utility system" be provided with an application for a certificated area. RDG has provided with its application a general description of the system.

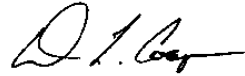
14. RDG did not construct this system and instead purchased this system from another owner. RDG does not have any plans for the construction of the utility system and has no way to obtain such plans.

15. RDG hereby requests a waiver from Commission Rules 4 CSR 240-3.305(1)(A)5 such that it is not required to file the "plans . . . for the utility system" with this application.

WHEREFORE, RDG requests the Commission grant it permission, approval and a Certificate of Convenience and Necessity authorizing it to own, operate, maintain, control and

manage a sewer system for the public within the area referred to above, and to issue such other orders as the Commission may deem appropriate.

Respectfully submitted,



Dean L. Cooper Mo. Bar 36592
BRYDON, SWEARENGEN & ENGLAND P.C.
312 East Capitol Avenue
P.O. Box 456
Jefferson City, MO 65102-0456
Telephone: (573) 635-7166
Facsimile: (573) 635-0427
dcooper@brydonlaw.com

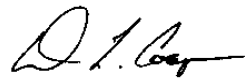
ATTORNEYS FOR RDG DEVELOPMENT, LLC

CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the foregoing document has been sent by electronic mail this 14th day of September, 2009, to:

General Counsel's Office
Missouri Public Service Commission
General Counsel's Office
gencounsel@psc.mo.gov

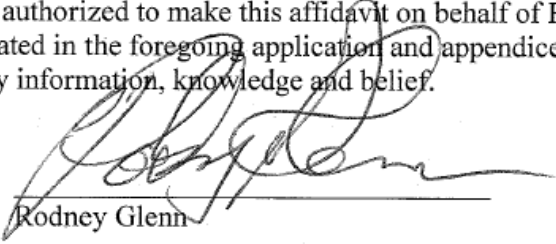
Office of the Public Counsel
Attn: Christina Baker
Office of the Public Counsel
opcservice@ded.mo.gov
christina.baker@ded.mo.gov



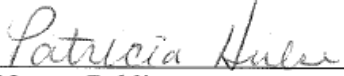
AFFIDAVIT

State of Missouri)
) ss
County of Cole)

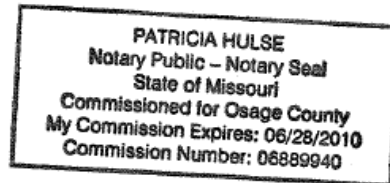
I, Rodney Glenn, having been duly sworn upon my oath, state that I am the sole member of RDG Development, LLC, that I am duly authorized to make this affidavit on behalf of RDG Development, that the matters and things stated in the foregoing application and appendices thereto are true and correct of the best of my information, knowledge and belief.


Rodney Glenn

Subscribed and sworn before me this 10th day of September, 2009.


Notary Public

My Commission Expires 6/28/2010



APPENDICES

- Appendix 1 Certificate of Good Standing
- Appendix 2 Map of Area
- Appendix 3 Legal Description
- Appendix 4 List of Ten Residents/Landowners
- Appendix 5 Rates and Estimated Number of Customers, Revenues and Expenses
- Appendix 6 DNR Permit

APPENDIX 1

STATE OF MISSOURI



Robin Carnahan
Secretary of State

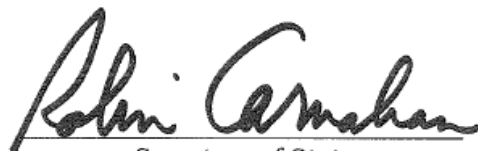
**CORPORATION DIVISION
CERTIFICATE OF GOOD STANDING**

I, ROBIN CARNAHAN, Secretary of the State of Missouri, do hereby certify that the records in my office and in my care and custody reveal that

**RDG DEVELOPMENT, L.L.C.
LC0575634**

was created under the laws of this State on the 18th day of March, 2004, and is in good standing, having fully complied with all requirements of this office.

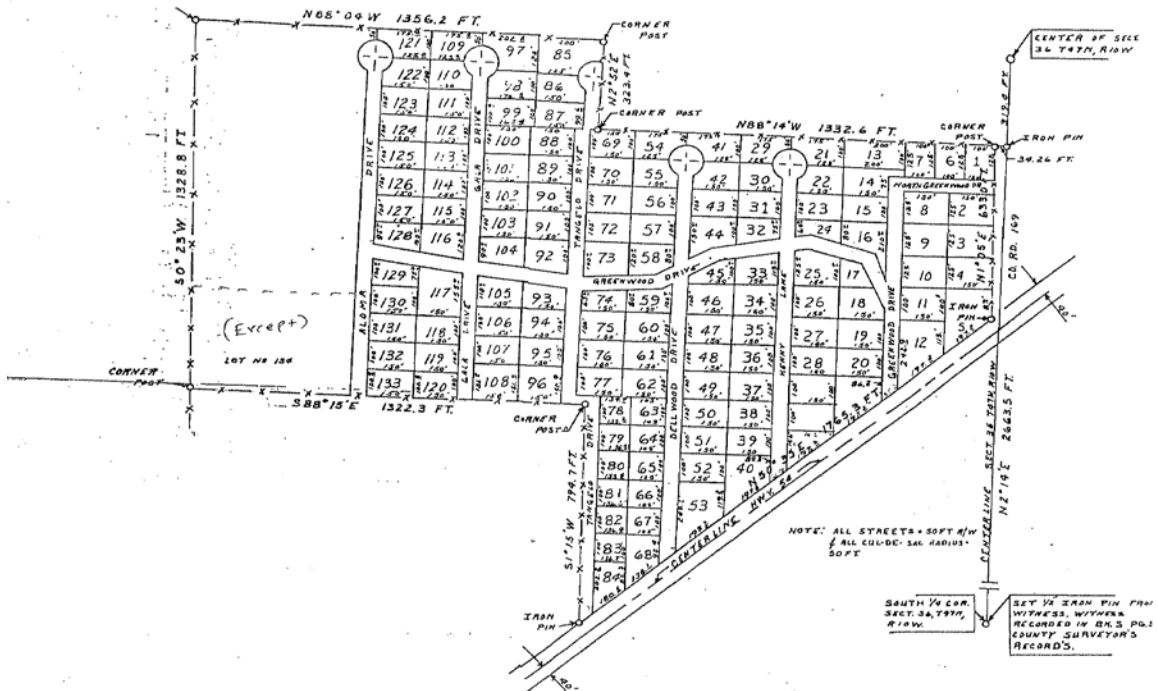
IN TESTIMONY WHEREOF, I have set my hand and imprinted the GREAT SEAL of the State of Missouri, on this, the 31st day of August, 2009


Secretary of State



Certification Number: 12102406-1 Reference:
Verify this certificate online at <http://www.sos.mo.gov/businessentity/verification>

APPENDIX 2



APPENDIX 3

The following described real estate situated in Callaway County, Missouri, to-wit:

LOCATED IN THE GREENWOOD HILLS SUBDIVISION, IN THE SW ¼ SECTION 36
T47N, R10 W:

BEGINNING AT A SET ½" IRON PIN FOR THE SOUTH ¼ CORNER OF SECTION 36
T47N, R10W WITNESS RECORDED IN BK. 5, PG. 38 COUNTY SURVEYORS RECORDS;
THENCE: N 2° 14'E 2663.5 FT. ALONG THE CENTER SECT. LINE TO A SET ½" I.P. FOR
THE CENTER OF SECT. 36 T47N, R10W BK Q PG. 174 OF COUNTY SURVEY RECORDS;
THENCE: S 5° 14'W 319.4 FT. ALONG THE CENTER SECT. LINE TO A SET IRON PIN,
IN LINE WITH FENCE WEST; THENCE: N 88° 14'W 34.26 TO A CORNER POST ON THE
WEST R/W OF COUNTY ROAD NO. 169. POINT OF BEGINNING.

THENCE: N 88° 14'W 1332.6 FT. ALONG EXIST. FENCE TO A CORNER POST; THENCE:
N 2° 52'E 323.4 FT. ALONG EXIST. FENCE TO A CORNER POST; THENCE: N 88° 04'W
1356.2 FT. ALONG EXIST. FENCE TO A CORNER POST; THENCE: S 0° 23'W 1328.8 FT.
ALONG EXISTING FENCE TO A CORNER POST; THENCE: S 88° 15'E 1322.3 FT.
ALONG EXIST. FENCE TO A CORNER POST; THENCE: S 1° 15' W 794.7 FT. TO A IRON
PIN SET ON THE NORTH R/W OF HWY. 54 (R/W 40 FT. FROM CENTER LINE).

APPENDIX 4

List of Ten Owners/Residents Within Area to Certificated:

All addresses Fulton, MO 65251

- 1) Jeff White, 4585 Carmel Drive
- 2) Ted Harrison, 4747 Carmel Drive
- 3) Alvin Logan, P.O. Box 6101
- 4) Kory & Amanda Fox, 7012 Aleico Drive
- 5) Chad & Jennifer Leslie, 7013 Greenwood Hills
- 6) Chris Dobbs, 7033 County Road 307
- 7) Summer's Construction, 7057 Greenwood Hills
- 8) Tim Mcalpin, 7071 Greenwood Hills
- 9) James Bamber, 7091 Kenny Drive
- 10) Nancy Terrell, 7095 Kenny Drive

APPENDIX 5

Rates

The following monthly sewer service charge will be in effect for Customers of RDG:

Flat Rate - \$71.66 per unit/per month

This rate does not include any municipal, state or federal taxes computed on either billing or consumption bases. Any such taxes applicable shall be added as separate items in rendering each bill.

The following additional schedule of service charges and fees will also apply:

Late Payment Fee – 5% of bill

Returned Check Fee - \$20.00

Transfer Fee - \$25.00 for change of customer accounts at same service location when no physical disconnection occurs

Disconnection Fee -- \$40.00

Reconnection Fee After Physical Disconnection during normal business hours -- \$40.00

Reconnection Fee After Physical Disconnection for times other than normal business hours -- \$80.00

Estimated Number of Customers = 33

APPENDIX 5, CONTINUED

Estimated Revenues and Expenses

Annual Cost of Service

Operation and Maintenance Costs	\$20,920.00
Depreciation	\$2,425.00
Income Taxes (*0.62)	\$1,984.00
<u>Return on Rate Base at 10%</u>	<u>\$3,200.00</u>
Cost of Service	\$28,529.00
Revenue Credits (Estimate of Other Fees to Be Received) (6 * \$25)	(\$150.00)
Amount to be recovered through monthly Rates	\$28,379.00

Operation and Maintenance Costs

Operator – Responsible for customer response, collection and delivery of samples and other operational requirements	\$7,200
Bookkeeping Services	\$4,500
Office Supplies/ Postage	\$500
Tax Preparation	\$300
Liability Insurance	\$1,000
Annual Permit Fees	\$300
Testing of Samples	\$480
Mowing of Facilities (18 times @ \$200)	\$3,600
General Maintenance	\$500
PSC Assessment (8.5%)	\$2,040
<u>Legal Fees - Annual</u>	<u>\$500</u>
Total Operation and Maintenance Costs	\$20,920

APPENDIX 5, CONTINUED

Rate Base

Computer Software – Quickbooks – 5 years	\$500
Cash Working Capital	\$3,000
Legal Expenses Associated with Obtaining Certificate and Setting Up Utility – 20 years	\$2,500
Purchase of Sewer System – 20 years	\$20,000
<u>Mowers and other equipment - 5 years</u>	<u>\$6,000</u>
Total Rate Base	\$32,000