STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a Session of the Public Service Commission held at its office in Jefferson City on the 25th day of January, 1995.

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In the matter of the application of St. Louis County Water Company for permission, approval, and a certificate of convenience and necessity authorizing it to construct, install, own, operate, control, manage, and maintain a water system for the public, located in the City of Peerless Park, St. Louis County, Missouri.

CASE NO. WA-95-146

ORDER GRANTING CERTIFICATE

On October 31, 1994, St. Louis County Water Company (Company) filed an application with the Commission for a certificate of public convenience and necessity to provide water service in the City of Peerless Park, Missouri (City). On November 3, 1994, the Commission issued an Order And Notice directing its Records Department and Information Office to send notice of the application. The Commission stated that if no one filed an application to intervene or motion for hearing, the Company would be allowed to submit evidence in support of the application by verified statement. No application to intervene nor motion for hearing was filed.

The Company is a water corporation and public utility subject to the jurisdiction of the Commission and is currently providing water service to the public in Missouri. The Company and the City have entered into a Water Main Acquisition Agreement which provides that the City will pay the cost to install all mains and other facilities necessary to provide service, including two connections to the Company's system, one of which also involves a private developer. The City has also agreed to pay the

expenses incurred by the Company if and when the Company is required to relocate any main installed in a public right-of-way, in lieu of utilizing private easements which do not subject the Company to relocation expense. The Company will reimburse the City in the amount of \$1,700 for each fire hydrant installed on the system, as ordered by the respective fire authority.

On January 13, 1995, the Staff of the Commission (Staff) filed a memorandum recommending approval of the Company's application. Staff states that there are no other public utilities or governmental bodies presently providing water service within the City and the proposed service area is contiguous to the Company's current service area. Staff also states that the area is being developed mostly for commercial and industrial purposes, and adequate water service and fire protection will facilitate such development. Furthermore, Staff states that customers in the proposed service area will be subject to the same rates as the Company's existing customers and that the Company will be able to provide adequate water and fire protection service to the customers in the proposed service area without being detrimental to existing customers.

Upon review of the Company's application and Staff's recommendation, the Commission finds that providing a clean and reliable source of water to the proposed service area is in the public interest, and that the Company's proposal is reasonable. Thus, the Commission determines that the Company's application for a certificate of convenience and necessity is in the public interest and should be approved.

IT IS THEREFORE ORDERED:

- 1. That St. Louis County Water Company is hereby granted a certificate of convenience and necessity to construct, install, own, operate, control, manage and maintain a water system in the City of Peerless Park, Missouri, as contemplated by its application and this Order.
- 2. That St. Louis County Water Company shall update its tariff within ten (10) days of the effective date of this Order by filing a revised map and legal description consistent with the service area approved by this Order.
- 3. That nothing in this Order shall be considered as a finding by the Commission of the reasonableness of the expenditures herein involved, nor of the value for ratemaking purposes of the properties herein included, nor as an acquiescence in the value placed on said properties by St. Louis County Water Company.
- 4. That the Commission reserves the right to consider the ratemaking treatment to be afforded the facilities constructed pursuant to the certificate of convenience and necessity granted herein, and its resulting cost of capital, in any later proceeding.
 - 3. That this Order shall become effective on February 7, 1995.

BY THE COMMISSION

David L. Rauch Executive Secretary

(SEAL)

Mueller, Chm., McClure, Perkins, Kincheloe and Crumpton, CC., Concur.