BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the matter of the application of West 16th) Street Sewer Company, Inc., for permission and) approval authorizing it to acquire, construct,) install, own, operate, control, manage and) maintain a sewer system for the public located) in an unincorporated area in Pettis County,) Missouri.

CASE NO. SA-90-288

APPEARANCES: <u>Thomas E. Allen</u>, Attorney at Law, 2107 S. Brentwood Boulevard, St. Louis, Missouri 63144, for West 16th Street Sewer Company, Inc.

HEARING EXAMINER: Beth O'Donnell

REPORT AND ORDER

On April 20, 1990, West 16th Street Sewer Company, Inc. (Applicant) filed a verified application seeking a certificate of public convenience and necessity authorizing it to provide sewer service in an unincorporated area in Pettis County, Missouri. On May 25, 1990, the Commission issued its order and notice of this application and established an intervention deadline of June 25, 1990.

No interventions were filed but the Commission's Staff (Staff) requested a hearing which was set by order issued January 4, 1991. On January 25, 1991, the Staff filed a memorandum in this case recommending that the Commission grant the requested certificate without hearing. By notice issued January 29, 1991, the Commission cancelled the hearing scheduled for February 15, 1991.

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.

Applicant is a Missouri corporation duly organized and existing under the laws of the State of Missouri. Applicant's principal place of business and office is located at 1609 South Limit, Sedalia, Missouri 65301. A map of the proposed area to be served is attached to the application as Exhibit 2 and a metes and bounds description of the proposed area is attached to the application as Exhibit 3. Applicant states that no other public utilities or governmental bodies are currently rendering sewer service within the area proposed to be served and that there are no incorporated municipalities within this area. Applicant further states that Pettis County has no franchise requirements for the operation of this proposed sewer system. Applicant has received a discharge permit from the Missouri Department of Natural Resources.

The Staff recommends that the Commission grant Applicant a certificate of convenience and necessity without a hearing. Staff states that Applicant has agreed to charge \$18 per month for its services and to invest \$600 per customer in utility plant. In addition, Applicant has agreed to make improvements to the sewage treatment plant as requested by Staff as soon as the weather permits. Staff further recommends that the rate agreed to by Applicant and Staff be approved by the Commission subject to review by Staff within 18 months. In addition, Staff recommends that the Commission direct Applicant to file a complete original tariff for sewer service within 60 days of the effective date of this Report and Order and to keep its books and records in accordance with the Uniform System of Accounts.

Based upon the verified application and the recommendation of Staff, the Commission determines that Applicant is qualified and financially able to operate the sewer system described in the application. The Commission further determines that there is a need for adequate sewer services in the proposed service area and that it is in the public interest to grant the authority requested. The Commission finds

2

that the rates agreed to by Applicant and Staff are reasonable and should be adopted for the proposed service.

Conclusions of Law

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

The Commission has jurisdiction over this application and these proposed rates pursuant to Chapters 386 and 393, RSMo 1986 as amended. The Commission determines that an oral hearing is not necessary in this case. The requirements of a hearing are met when all those having a desire to be heard are given such an opportunity. State ex rel. Rex Deffenderfer Enterprises, Inc. v. Public Service Commission, 776 S.W.2d 494, 496 (Mo. App. 1989). Although notice was given no interventions were filed. The Staff has withdrawn its motion for an oral hearing in this case. Applicant has submitted its evidence in support of the application by verified statement. Since there has been no objection to the evidence being submitted in affidavit form, the Commission concludes, pursuant to Section 536.070(12), RSMo 1986, that these verified statements are a sufficient foundation to grant the requested authority.

IT IS THEREFORE ORDERED:

1. That the West 16th Street Sewer Company, Inc., 1609 South Limit, Sedalia, Missouri 65301, be granted hereby a certificate of public convenience and necessity to acquire, construct, install, own, operate, control, manage and maintain a sewer system for the public in the unincorporated area of Pettis County, Missouri, described in the application.

2. That on or before April 8, 1991, the West 16th Street Sewer Company, Inc., shall file an original tariff for sewer service containing the rates set forth in this Report and Order. These tariffs shall also contain the rules and regulations

3

governing Applicant's operations and services which shall be in accordance with the Commission's rules and regulations.

3. That the Commission's Staff be directed hereby to review on or before August 6, 1992, the continued propriety of the rate being charged by Applicant for provision of this service.

4. That the West 16th Street Sewer Company, Inc., be directed hereby to maintain its books and records in conformance with the Uniform System of Accounts.

5. That this Report and Order shall become effective on the 19th day of February, 1991.

BY THE COMMISSION

Brent Stewart Executive Secretary

(SEAL)

Steinmeier, Chm., Mueller, Rauch, McClure and Letsch-Roderique, CC., Concur.

Dated at Jefferson City, Missouri, on this 6th day of February, 1991.