

MEMORANDUM

TO: Missouri Public Service Commission Official Case File
File No. SM-2020-0146

FROM: Curt B. Gateley – Water and Sewer Department
David A. Spratt – Water and Sewer Department
Andrew Harris – Water and Sewer Department
Daronn A. Williams – Water and Sewer Department
Scott J. Glasgow – Customer Experience Department
Gary Bangert – Customer Experience Department
Jeremy Juliette – Auditing Department
Matthew R. Young – Auditing Department
Karen Lyons – Auditing Department

<u>/s/ Curt B. Gateley 03/17/20</u>	<u>/s/ Travis Pringle 03/17/20</u>
Case Manager	Staff Counsel
Date	Date

SUBJECT: Staff's Recommendation to Approve Certificate of Convenience and Necessity

DATE: March 17, 2020

CASE BACKGROUND

Elm Hills Utility Operating Company, Inc. (Elm Hills) filed an Application to acquire the assets of Central Rivers Wastewater Utility, Inc. (Central Rivers) with the Missouri Public Service Commission (Commission) on November 22, 2019. As detailed below, Central Rivers currently provides sewer service via seven discrete treatment systems. As part of that application, Elm Hills also applied for a Certificate of Convenience and Necessity (CCN) to expand one of those Central Rivers service areas called Private Gardens. The expansion of the Private Gardens service area would include the as yet undeveloped Prairie Field Subdivision. This CCN application was docketed as Case No. SA-2020-0152.

On January 30, 2020, the Commission granted Staff's motion to consolidate the applications for CCN and acquisition. As a result, Case No. SA-2020-0152 was consolidated into File No. SM-2020-0146. On January 17, 2020, and February 20, 2020, the Commission Granted Staff's requests for additional time, extending the eventual deadline to March 17, 2020.

STAFF'S INVESTIGATION

Description of the Central Rivers System

Central Rivers holds a CCN granted by the Commission, under which Central Rivers provides sewer utility service in several separate service areas. The Commission granted the CCN for sewer service in Case Nos. SA-98-530, SA-2000-248, SA-2000-105, SA-2001-304, SA-2004-0470,

SA-2005-0302, and SA-2014-0005. Central Rivers' sewer tariff originally went into effect in 1999 in the context of its first CCN case, and is still in effect at present, with some modifications; mainly the incorporation of additional service areas approved by the Commission over several years.

Central Rivers provides sewer service through 295 sewer connections in seven separate subdivisions located primarily northeast of the Kansas City metropolitan area. The subdivisions, locations, and associated service connections are as follows:

Berkshire Glen – Kearney, MO, Clay County – 44
Country Hill Estates – Cameron, MO, Clinton County – 26
Countryside Meadows – Richmond, MO, Ray County – 17
Fox Run – Kearney, MO, Clay County – 36
Bar-B Acres/Park Estates – Kearney, MO, Clay County – 46
Private Gardens – Kearney, MO, Clay County – 56
Wilmar Estates – Liberty, MO, Clay County – 70

The Company's collection systems for all seven subdivisions consist of a total of approximately 50,000 feet of pressure collecting sewers, along with each customer utilizing a "septic tank effluent pump" (STEP) unit. The STEP unit is a self-contained pump unit, owned by the customer, consisting of a tank which allows partial treatment of the sewage and retention of solids, and an electric pump that conveys the partially treated wastewater to the collecting sewers under pressure. There is one exception: A portion of the Bar-B Acres/Park Estates service area utilizes conventional gravity collecting sewers along with a central septic tank and a lift station that pumps effluent from the septic tank to the wastewater treatment facility (WWTF).

Each WWTF utilizes a recirculating sand filter (RSF) and each RSF uses the same basic technology and configuration. Solids settling occurs in the septic tanks, and a recirculation tank receives effluent from the septic tanks. Pumps in the recirculation tank send water to the filter bed units for further treatment. After passing through the filter system, some of the effluent is discharged to the receiving stream and some is returned to the recirculation tank to be sent again (recirculated) through the filter. While the RSFs are adequately sized, challenges to meeting new Department of Natural Resources (DNR) permit limits for ammonia exist. To bring the systems into compliance with ammonia limits, Elm Hills proposes to install a Moving Bed Biofilm Reactor (MBBR) as an additional treatment unit at the RSF WWTFs. These units break down ammonia through the process of oxidation, resulting in compliant WWTF discharges.

Description of Prairie Field Subdivision

In addition to the acquisition of existing Central Rivers systems, Elm Hills, if the Commission approves the transfer, is requesting an expansion of the Private Gardens service area to include Prairie Field Subdivision, an adjoining tract of land under development as a single-family residential subdivision that, if approved by the Commission, would connect to and receive sewer service from the Private Gardens WWTF. As connections increase during Prairie Field construction and build-out, expansion of the Private Gardens WWTF will be required if another waste water treatment option is not cost effective, such as a separate WWTF for Prairie Field.

Meridian Properties, LLC, the developer of Prairie Field Subdivision has provided a letter of agreement (Attachment A) to Elm Hills stating that the new sewer system and any required improvements to the treatment plant due to the addition of Prairie Field Subdivision will be contributed to Elm Hills.

While Staff recommends approval of the proposed expansion of the Private Gardens service area, it should be noted that, upon review of Elm Hills' original application, Staff requested and received a revised service area map. The original service area map did not include an expansion that was granted to the Private Gardens service area via Case No. SA-2017-0013. The service area map is shown in Attachment B, and the written legal description is shown in Attachment C.

Staff recommends that this proposed service area map and the legal description that matches the entire contiguous service area, including the original Private Gardens service, the addition to this area from Case No. SA-2017-0013 and the proposed Prairie Field subdivision be approved, and depicted in Elm Hills' tariff, as further discussed herein. In the revised tariff, Staff recommends the new combined service area be called the Private Gardens – Prairie Field Service Area for records and historical purposes.

TECHNICAL, MANAGERIAL, AND FINANCIAL CAPACITY, AND TARTAN ENERGY CRITERIA

In studying most situations involving transfers of assets involving existing regulated water and/or sewer systems, Staff utilizes the concepts of technical, managerial, and financial capacity, or "TMF," originally developed by the United States Environmental Protection Agency. Staff has reviewed and stated its position regarding TMF regarding Elm Hills in previous CCN and transfer of assets cases before the Commission. Staff again reviewed Elm Hills' TMF capabilities in the context of this application, and takes the position that Elm Hills continues to demonstrate adequate TMF capability.

Technical Capacity

Elm Hills is an existing regulated water and sewer utility currently providing water service to approximately 119 customers and sewer service to approximately 300 customers in two service areas in Pettis County. Elm Hills has previously acquired the Missouri Utilities Company water and sewer system and a formerly unregulated sewer system and worked with the Missouri Department of Natural Resources to bring them into compliance. As a subsidiary of Central States Water Resources (CSWR), Elm Hills has access to highly qualified operating and engineering experience, and contracts with other companies that undertake some of the tasks associated with utility service, such as customer billing, and technical resources. As such, it is Staff's position that Elm Hills has the requisite technical capacities to acquire and operate the Central Rivers systems, and approval of Elm Hills' Application would not result in a detriment to the public interest from a technical standpoint.

Managerial Capacity

In the operation of its current systems, Elm Hills has demonstrated the requisite managerial abilities to operate Central Rivers. Elm Hills, as a subsidiary of CSWR, has access to experienced employees who have also demonstrated managerial abilities of the water and wastewater utilities owned by CSWR. Elm Hills also has appropriate customer service and billing capabilities through its contractors, which provide a benefit to customers and approval of Elm Hills' Application would not result in a detriment to the public interest from a managerial standpoint.

Financial Capacity

Elm Hills has the financial capacity to acquire and operate the Central Rivers systems through access to capital through its upstream affiliates. Its parent company, CSWR, owns water and sewer utilities throughout Missouri and several other states. It is Staff's opinion, based upon its current operations and past acquisitions, that Elm Hills has demonstrated that it has the requisite financial capacity to acquire and operate Central Rivers. Further, Elm Hills' access to capital will provide the company the ability to adequately finance any future necessary capital improvements or maintenance needs, and would not result in a detriment to the public interest.

Tartan Criteria

Additionally, it is customary with most cases involving a new CCN for Staff to use criteria similar to that which was studied by the Commission in a past CCN case that was filed by the Tartan Energy Company to justify granting a CCN. The Tartan criteria contemplate: 1) need for service; 2) the utility's qualifications; 3) the utility's financial ability; 4) the economic feasibility of the proposal; and 5) promotion of the public interest. Similar to TMF, Staff has studied these points as they relate to Elm Hills' (as well as CSWR in general) abilities in previous CCN and transfer cases. Based on Staff's investigation, it is Staff's opinion there is: 1) a need for service since the customers are already receiving service from a system, more homes may be built that will require service, and the current owner desires to exit the utility business; 2) Elm Hills is a qualified utility, as established by its technical and managerial capacity to operate other systems; 3) Elm Hills has demonstrated its financial ability via its access to capital through upstream affiliates; 4) the proposal is feasible, as Elm Hills has proposed to adopt the rates currently charged by Central Rivers; and 5) due to the positive nature of the preceding criteria, this proposed acquisition promotes the public interest.

Staff's conclusion is that the points regarding TMF capacities and the Tartan Energy criteria are satisfied for this case, and Elm Hills's acquisition of Central Rivers is not detrimental to the public interest.

Tariff and Rate Impact

In its Application, Elm Hills proposes to adopt Central Rivers' existing rates. Staff recommends that these rates, along with service area maps and written descriptions, be adopted into Elm Hills' existing P.S.C. MO No. 2 tariff, along with a revised index.

Rate Base

Staff reviewed information provided by Elm Hills in response to Staff’s Data Requests, its Application with included sale agreement documents, Elm Hills’ work papers, as well as the effective tariffs and Annual Reports of Central Rivers. Staff also completed a rate base analysis to approximate the current¹ rate base value of Central Rivers’ assets.

Elm Hills has agreed to pay ** _____ ** for all of Central Rivers’ regulated sewer assets. Regarding the purchase price, Elm Hills stated in the response to Staff Data Request No. 0005 the sales agreement allows an adjustment of the purchase price in the event Elm Hills’ post-signature due diligence activities disclose information establishing a lower net book value for the assets than Central Rivers represented during contract negotiations.

Staff used the rate base analysis completed in Central Rivers’ last rate case² as it was agreed upon by all parties in a stipulation and agreement approved by the Commission on January 1, 2015. As of March 31, 2014, the net book value of the assets was \$110,300. Staff updated this analysis through February 29, 2020, and calculated a net book value of \$191,957. The schedule below summarizes the analysis:

Central Rivers' Rate Base as of February 29, 2020			
<u>Plant in Service</u>			
	Total	Less:	Non-CIAC
	Gross Plant	CIAC Plant	Gross Plant
Non-STEP	\$ 1,154,559	\$ (889,073)	\$ 265,486
STEP	\$ 1,080,000	\$ (1,080,000)	\$ -
Total	\$ 2,234,559	\$ (1,969,073)	\$ 265,486
<u>Depreciation Reserve</u>			
	Total	Accum CIAC	Non-CIAC
	Gross Reserve	Amortization	Gross Reserve
Non-STEP	\$ 622,296	\$ (548,767)	\$ 73,529
STEP	\$ 786,474	\$ (786,474)	\$ -
Total	\$ 1,408,770	\$ (1,335,241)	\$ 73,529
Non-CIAC Gross Plant			\$ 265,486
Less: Accumulated Non-CIAC Reserve			\$ (73,529)
Net Plant-in-Service to Rate Base			\$ 191,957
CIAC = Contributions In Aid of Construction			
STEP = Septic Tank with Effluent Pumps			

Staff requested the cost of plant placed into service subsequent to March 31, 2014 through Staff Data Requests. In response to Staff Data Request No. 0004 and No. 0004.1, a list of improvements

¹ Current as of February 29, 2020.

² Case No. SR-2014-0247.

totaling \$141,080 was provided. However, detail regarding dates and supporting documentation (such as invoices, billing statements, etc.) was not provided. Without additional supporting documentation, Staff was not able to verify the existence of the costs of the improvements. Staff requested the supporting documentation in Staff Data Request No. 0004.2, which Elm Hills responded to on February 21, 2020. Staff incorporated these additions into its rate base analysis presented in the table above.

In addition to the improvements made subsequent to Central Rivers' last rate case, Elm Hills stated they anticipate major improvements to the existing sewer systems. Elm Hills anticipates installing disinfection systems at all seven systems at the cost of approximately \$935,000.

Elm Hills is also requesting a CCN as an addition to Central Rivers' existing service territories. The area sought to be certificated is known as the Prairie Field Subdivision. Central Rivers holds a CCN for sewer service and provides sewer service to the Private Gardens area, which adjoins Prairie Field. In its application, Elm Hills states the additional sewer system will be constructed by the developer and contributed to Elm Hills. Since the entire Prairie Field system is being contributed to Elm Hills by the developer, there would be no net book value associated with the system as it would all be considered Contributions in Aid of Construction (CIAC).

CIAC may include an amount of money or other assets contributed to a utility. The utility is under no obligation either to repay any funds received or to reimburse the customer for assets donated. For ratemaking purposes, any such contributions should be deducted from the utility's rate base. Since the related plant investment has not been financed by the utility's investors, customers should not be required to pay a return on the contributed plant.

If the Commission approves the Application and Elm Hills does in fact acquire the Central Rivers sewer systems, then Staff expects an updated rate base level will be necessarily established when Elm Hills files its next rate case. It has been Staff's position in prior cases, and is today, that rate base, and ultimately the rates charged to customers, should be based upon the remaining net book value associated with the original cost of utility plant at the time when the plant was first devoted to public use; rate base should not reflect the amount of any acquisition adjustment, either above or below net book value. Elm Hills has not requested such an acquisition adjustment in this matter, and as stated above, has the financial capacity to purchase and operate the Central Rivers systems at the agreed to purchase price.

Depreciation

In Case No. SR-2014-0247, the Commission ordered sewer depreciation rates applicable to systems owned by Central Rivers. In Case No. SM-2017-0150, the Commission ordered sewer depreciation rates applicable to systems owned by Elm Hills.

Depreciation rates in both cases are very similar. In addition, Elm Hills proposes to adopt Central Rivers' existing sewer rates and tariffs for assets in the requested WWTFs. As a result, Staff recommends that Elm Hills continue to use the existing depreciation rates as established in Case No. SR-2014-0247 for its existing assets, and use the depreciation rates established in

Case No. SM-2017-0150, if the Commission approves the transfer, for the Central Rivers assets that would be acquired by Elm Hills until the next rate case. During the next rate case, Staff recommends Elm Hills submit proposed depreciation rates for all assets and applicable accounts.

Customer Experience

Customer service and billing functions will be outsourced to Nitor Billing Services, LLC. Customers will be able to contact Elm Hills by calling a toll free phone number. Personnel will be available Monday through Friday, 8 am to 5 pm, to answer customer inquiries by phone or email. A separate phone number and email address will be available 24 hours / 7 days a week for emergencies. Elm Hills' main office is located at 500 NW Plaza #500, St. Ann, MO 63074. The main office is open from 7:00 am to 5:00 pm, Monday through Friday, to respond to customer concerns forwarded by operations or customer service personnel.

Available payment options will be mailing checks, money orders or cashier's checks to P.O. Box 790379, St. Louis, MO 63179. Customers will also have the option of paying online by credit card, debit card, or e-check.

Approval of Elm Hills' Application would not result in a detriment to the public from a Customer Service standpoint.

OTHER ISSUES

Elm Hills is a corporation in good standing with the Missouri Secretary of State, and is current on its annual reports and PSC assessment payments. Central Rivers is in good standing with the Missouri Secretary of State, but is delinquent in its most recent annual report and PSC assessment payment. Staff has filed a complaint, SC-2020-0002, to compel Central Rivers to file its annual report.

Elm Hills stated to Staff on February 24, 2020 that it will make the necessary PSC assessment payment upon closing on purchase of Central Rivers' assets.

STAFF'S RECOMMENDATIONS AND CONCLUSIONS

Staff's position, based on its review as described herein, is that the proposed transfer of Central Rivers' utility assets to Elm Hills is not detrimental to the public interest. Staff's position is that the proposal for a new CCN to provide water and sewer service to the proposed Prairie Field Subdivision, contingent on approval of Elm Hills' acquisition of Central Rivers, is necessary and convenient for the public service, and promotes the public interest. Further, it is Staff's position that Elm Hills' proposal to adopt Central Rivers' existing sewer rates is reasonable. Staff therefore recommends approval with the conditions and actions as outlined herein:

Authorize Central Rivers to sell and transfer utility assets to Elm Hills, and transfer the CCN currently held by Central Rivers to Elm Hills upon closing on the respective systems;

Grant Elm Hills a CCN to provide water and sewer service in the proposed Prairie Field Subdivision, as an expansion of the existing Private Gardens service area, as requested;

Require Elm Hills to adopt Central Rivers existing sewer rates for the former Central Rivers service areas;

Require Elm Hills to submit revised tariff sheets, to become effective upon closing on the assets, adding Central Rivers service area maps, service area written descriptions, sewer rates, and a revised index to be included in its EFIS water tariff P.S.C. MO No. 2;

Require that the delinquent Central Rivers PSC assessment of \$1,009.31 be paid within thirty (30) days of closing on the assets.

Require Elm Hills to notify the Commission of closing on the assets within five (5) days after such closing;

If closing on the utility assets does not take place within thirty (30) days following the effective date of the Commission's order approving such, require Elm Hills to submit a status report within five (5) days after this thirty (30) day period regarding the status of closing, and additional status reports within five (5) days after each additional thirty (30) day period, until closing takes place, or until Elm Hills determines that the transfer of the assets will not occur;

If Elm Hills determines that a transfer of the assets will not occur, require Elm Hills to notify the Commission of such no later than the date of the next status report, as addressed above, after such determination is made;

Require Elm Hills to keep its financial books and records for plant-in-service and operating expenses in accordance with the NARUC Uniform System of Accounts;

Require Elm Hills to create and maintain documentation and analysis supporting rate base valuation of the Central Rivers assets as of the date of acquisition for the purposes of Elm Hills's next general rate case; and

Make no finding that would preclude the Commission from considering the ratemaking treatment to be afforded any matters pertaining to the granting of the CCN to Elm Hills, including expenditures related to the certificated service area, in any later proceeding.

Staff will submit a further recommendation regarding tariff sheets to be filed by Elm Hills in this matter.

ATTACHMENTS

- A. Letter from the Developer of Prairie Field Subdivision requesting sewer service
- B. Proposed Service Area Map
- C. Proposed Service Area Description

Meridian Properties, LLC
22420 NW 112th
Liberty, MO 64069

Josiah Cox, President
Elm Hills Utility Operating Company, Inc.
500 Northwest Plaza Drive, Suite 500
St. Ann, MO 63074

Re: Prairie Field Subdivision, Clay County, Missouri

Dear Mr. Cox:

I write on behalf of Meridian Properties, LLC, which is the owner of certain real estate in Clay County, Missouri. This real estate adjoins the Private Gardens development, to which Central Rivers Wastewater Utility, Inc. ("Central Rivers") currently provides sewer service. We are in the process of developing the referenced real estate into single family lots. The resulting subdivision will be called "Prairie Field Subdivision."

It is our understanding that Elm Hills has an agreement to purchase the Central Rivers assets. It is further our understanding that Elm Hills is willing to serve the Prairie Field Subdivision if it is able to secure the appropriate approvals from the Missouri Public Service Commission ("Commission") to do so.

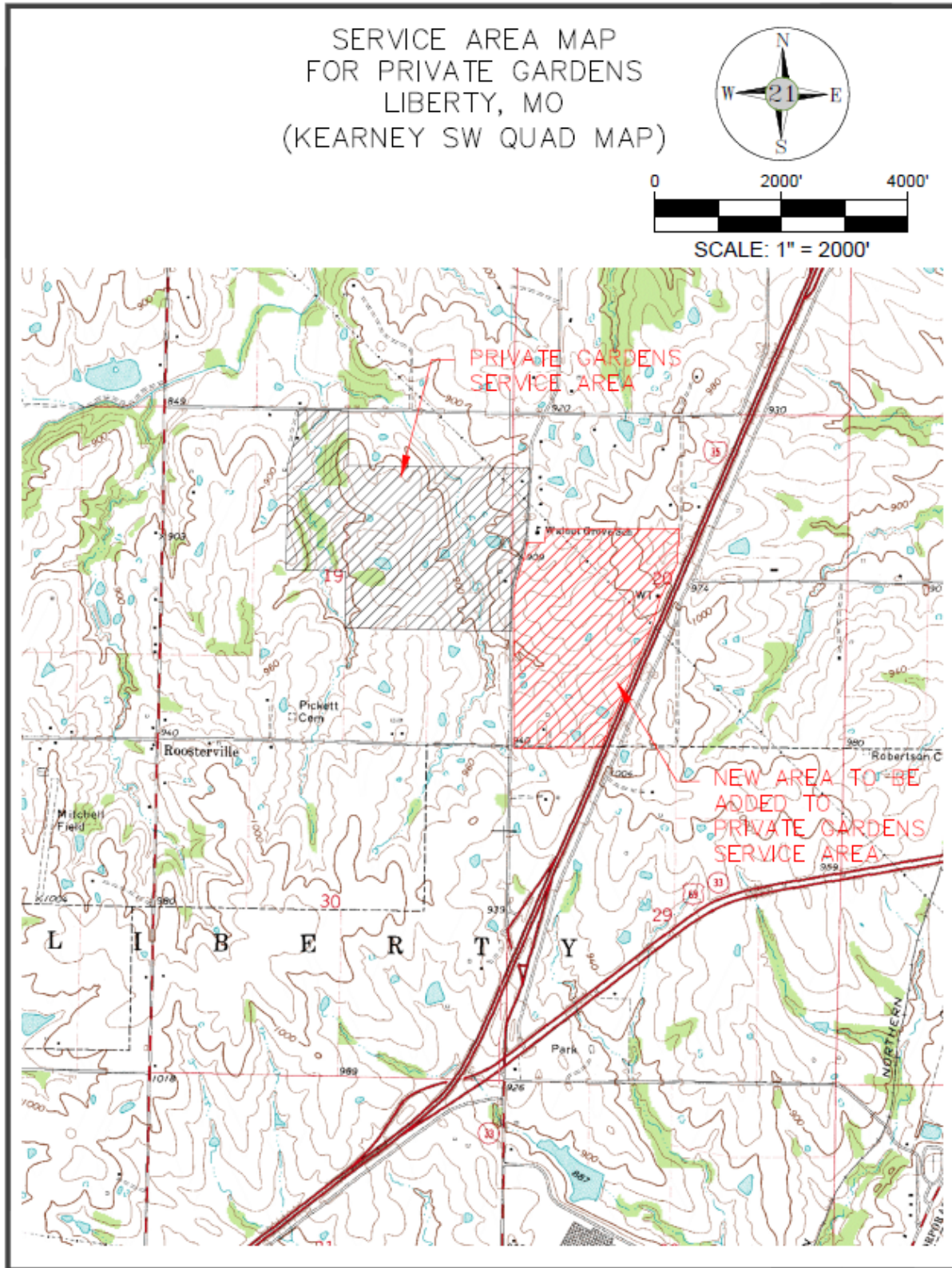
If Elm Hills provides service to the Prairie Field Subdivision, Meridian Properties will construct the collection system in accordance with the specifications found in the Commission-approved tariff and will contribute to Elm Hills that collection system and any required improvements to the treatment plant that are necessary due to the addition of the Prairie Field Subdivision.

We respectfully request that Elm Hills proceed with securing the appropriate approvals to provide service to Prairie Field Subdivision.

Sincerely,

Meridian Properties, LLC

By: Robert Sanders, Member
[Name, Title]



Service Area Description of Private Gardens Proposed Expansion

A portion of the West Half of Section 20, Township 52 North, Range 31 West of the 5th/ P.M., Clay County, Missouri, being described as follows:

Beginning at the Southwest Corner of said Section 20; thence N 00°01'53" W along the west line of said West Half and the centerline of Plattsburg Road, 2287.97 feet; thence departing said west line and continuing along said centerline, along a curve to the right having a radius of 1510.00 feet, an arc length of 436.67 feet and having a chord which bears N 08°15'12" E, 435.15 feet; thence continuing along said centerline N 16°32'16" E, 339.19 feet; thence continuing along said centerline along a curve to the left, having a radius of 1300.00 feet, an arc length of 239.41 feet and a chord which bears N 11°15'43" E, 239.08 feet; thence departing said centerline, N 89°44'49" E, 313.15 feet; thence N 06°14'46" E, 207.77 feet; thence N 89°45'55" E, 2101.77 feet to the east line of said West Half; thence S 00°04'54" W along said east line, 269.28 feet to the westerly right of way line of Interstate 35; thence along said westerly right of way line, along the following twelve courses; thence S 80°36'04" W, 29.17 feet; thence S 04°38'31" E, 224.96 feet; thence S 25°42'49" W, 701.03 feet; thence S 14°28'35" W, 353.55 feet; thence S 22°36'23" W, 600.00 feet; thence S 32°31'58" W, 203.04 feet; thence S 12°40'49" W, 203.04 feet; thence S 22°36'23" W, 500.00 feet; thence S 31°26'54" W, 227.71 feet; thence S 11°17'47" W, 178.47 feet; thence S 22°36'23" W, 200.00 feet; thence S 26°21'13" W, 84.15 feet to the south line of said West Half; thence departing said right of way line, S 89°39'03" W, along said south line, 1393.89 feet to the Point of Beginning, containing 163.11 acres, more or less.

LESS the following described tract:

All that part of the Southwest Quarter of Section 20, Township 52 North, Range 31 West of the 5th/ P.M., Clay County, Missouri, being described as follows:

Commencing at the Southwest Corner of said Section 20; thence N 89°39'03" E along the south line of said Southwest Quarter, 1004.37 feet; thence departing said south line, N 00°20'57" W, 181.51 feet to the Point of Beginning; thence N 01°01'29" E, 354.26 feet; thence S 88°58'31" E, 354.26 feet; thence S 01°01'29" W, 354.26 feet; thence N 88°58'31" W, 354.26 feet to the Point of Beginning, containing 2.88 acres, more or less.

And LESS the following described tract:

All that part of the West Half of Section 20, Township 52 North, Range 31 West of the 5th/ P.M., Clay County, Missouri, being described as follows:

Commencing at the Northwest Corner of the Southwest Quarter of said Section 20; thence S 00°01'53" E along the west line of said Southwest Quarter, 288.15 feet; thence departing said west line, N 89°58'07" E, 2077.11 feet to the Point of Beginning; thence N 15°15'11" E, 128.70 feet; thence along a curve to the right having a radius of 60.00 feet, an arc length of 93.41 feet and a chord which bears N 59°51'20" E, 84.26 feet; thence S 75°32'40" E, 75.98 feet; thence along a curve to the left having a radius of 65.00 feet, an arc length of 24.04 feet and a chord which bears S 86°08'39" E, 23.90 feet; thence N 19°44'38" E, 22.63 feet; thence N 23°44'32" E, 97.22 feet; thence N 34°03'35" E, 129.89 feet; thence N 27°20'34" E, 184.65 feet; thence N 12°23'28" E, 191.60 feet; thence N 06°33'29" E, 114.41 feet; thence N 02°59'31" E, 271.58 feet; thence N 89°45'55" E, 75.77 feet to the east line of said West Half; thence S 00°04'54" W along said east line, 269.28 feet to the westerly right of way line of Interstate 35; thence along said westerly right of way line, along the following four courses; thence S 80°36'04" W, 29.17 feet; thence S 04°38'31" E, 224.96 feet; thence S 25°42'49" W, 701.03 feet; thence S 14°28'35" W, 57.48 feet; thence departing said right of way line, N 78°35'32" W, 241.42 feet to the Point of Beginning, containing 3.270 acres, more or less.

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

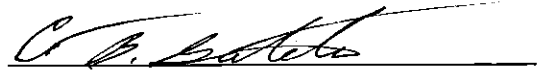
In the Matter of the Application of Elm Hills)
Utility Operating Company, Inc. for) **File No. SM-2020-0146**
Authority to Acquire Certain Sewer Assets)

AFFIDAVIT OF CURT B. GATELEY

State of Missouri)
) ss
County of Cole)

COMES NOW Curt B. Gateley, and on his oath declares that he is of sound mind and lawful age; that he contributed to the attached *Staff Recommendation in Memorandum form*; and that the same is true and correct according to his best knowledge and belief.

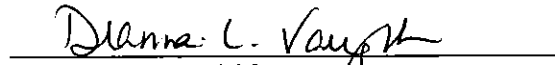
Further the Affiant sayeth not.



Curt B. Gateley

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 16th day of March, 2020.



NOTARY PUBLIC

DIANNA L. VAUGHT Notary Public - Notary Seal State of Missouri Commissioned for Cole County My Commission Expires: July 18, 2023 Commission Number: 15207377

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

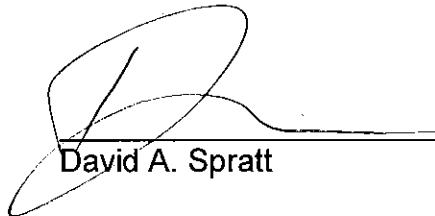
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Authority to Acquire Certain Sewer Assets)

AFFIDAVIT OF DAVID A. SPRATT

State of Missouri)
) ss
County of Cole)

COMES NOW David A. Spratt, and on his oath declares that he is of sound mind and lawful age; that he contributed to the attached *Staff Recommendation in Memorandum form*; and that the same is true and correct according to his best knowledge and belief.

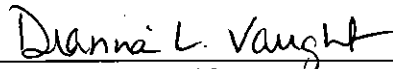
Further the Affiant sayeth not.



David A. Spratt

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 16th day of March, 2020.



NOTARY PUBLIC

DIANNA L. VAUGHT
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: July 18, 2023
Commission Number: 15207377

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

In the Matter of the Application of Elm Hills)
Utility Operating Company, Inc. for)
Authority to Acquire Certain Sewer Assets) **File No. SM-2020-0146**

AFFIDAVIT OF DARONN A. WILLIAMS

State of Missouri)
) ss
County of Cole)

COMES NOW Daronn A. Williams, and on his oath declares that he is of sound mind and lawful age; that he contributed to the attached *Staff Recommendation in Memorandum form*; and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.

Daronn A. Williams
Daronn A. Williams

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 16th day of March, 2020.

Dianna L. Vaughn

NOTARY PUBLIC

DIANNA L. VAUGHT Notary Public - Notary Seal State of Missouri Commissioned for Cole County My Commission Expires: July 18, 2023 Commission Number: 15207377

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

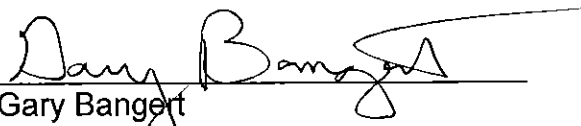
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 Authority to Acquire Certain Sewer Assets)

AFFIDAVIT OF GARY BANGERT

State of Missouri)
) ss
 County of Cole)

COMES NOW Gary Bangert, and on his oath declares that he is of sound mind and lawful age; that he contributed to the attached *Staff Recommendation in Memorandum form*; and that the same is true and correct according to his best knowledge and belief.

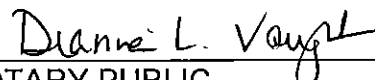
Further the Affiant sayeth not.



 Gary Bangert

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 16th day of March, 2020.



 NOTARY PUBLIC

DIANNA L. VAUGHT Notary Public - Notary Seal State of Missouri Commissioned for Cole County My Commission Expires: July 18, 2023 Commission Number: 15207377

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


In the Matter of the Application of Elm Hills)
Utility Operating Company, Inc. for) File No. SM-2020-0146
Authority to Acquire Certain Sewer Assets)

AFFIDAVIT OF JEREMY JULIETTE

State of Missouri)
) ss
County of Jackson)

COMES NOW Jeremy Juliette, and on his oath declares that he is of sound mind and lawful age; that he contributed to the attached *Staff Recommendation in Memorandum form*; and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.



Jeremy Juliette

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Jackson, State of Missouri, at my office in Kansas City, on this 16th day of March, 2020.



M. RIDENHOUR
My Commission Expires
July 22, 2023
Platte County
Commission #19603483



NOTARY PUBLIC

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

In the Matter of the Application of Elm Hills)
 Utility Operating Company, Inc. for) File No. SM-2020-0146
 Authority to Acquire Certain Sewer Assets)

AFFIDAVIT OF MATTHEW R. YOUNG

State of Missouri)
) ss
 County of Jackson)

COMES NOW Matthew R. Young, and on his oath declares that he is of sound mind and lawful age; that he contributed to the attached *Staff Recommendation in Memorandum form*; and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.



 Matthew R. Young

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Jackson, State of Missouri, at my office in Kansas City, on this 16th day of March, 2020.



M. RIDENHOUR
 My Commission Expires
 July 22, 2023
 Platte County
 Commission #19603483



 NOTARY PUBLIC

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

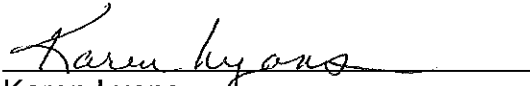
In the Matter of the Application of Elm Hills)
Utility Operating Company, Inc. for)
Authority to Acquire Certain Sewer Assets) **File No. SM-2020-0146**

AFFIDAVIT OF KAREN LYONS

State of Missouri)
) ss
County of Jackson)

COMES NOW Karen Lyons, and on his oath declares that she is of sound mind and lawful age; that she contributed to the attached *Staff Recommendation in Memorandum form*; and that the same is true and correct according to her best knowledge and belief.

Further the Affiant sayeth not.




Karen Lyons

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Jackson, State of Missouri, at my office in Kansas City, on this 16th day of March, 2020.



M. RIDENHOUR
My Commission Expires
July 22, 2023
Platte County
Commission #19603483



NOTARY PUBLIC