

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

In the Matter of the Application of)	
Ridge Creek Water Company, LLC and)	
Ridge Creek Development Company, LLC)	
For Authority to Sell Certain Water Assets to)	File No. _____
The City of St. Robert, Missouri, and, in)	
Connection Therewith, Certain Other)	
Related Transactions.)	

APPLICATION AND REQUEST FOR WAIVER

COMES NOW the Receiver for Ridge Creek Water Company, LLC and Ridge Creek Development Company, LLC (“Receiver”), and, pursuant to Section 393.190, RSMo, 4 CSR 240-2.060, 4 CSR 240-3.310, and 4 CSR 240-3.605, states the following to the Missouri Public Service Commission (“Commission”):

BACKGROUND INFORMATION

1. Receiver is the court-appointed Receiver for the Ridge Creek Water Company, LLC and Ridge Creek Development Company, LLC (“Ridge Creek”). Ridge Creek is engaged in the provision of water service pursuant to a certificate of convenience and necessity issued by this Commission in Case No. WA-2015-0182.

2. Ridge Creek is a public utility as that term is defined in Section 386.020(32), RSMo. As such, Ridge Creek is subject to the jurisdiction, regulation, supervision, and control of the Commission insofar as it provides water and wastewater service to the public in the State of Missouri. To Receiver’s knowledge, Ridge Creek 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. Ridge Creek has no assessment fees which are overdue.

3. The City of St. Robert (“St. Robert”) is a political subdivision of the 3rd Class

organized and existing under the laws of Missouri and has its principal office at 194 Eastlawn Avenue, Suite A, St. Robert, MO 65584. It owns, operates and maintains municipal electric, natural gas and water distribution systems.

4. Communications in regard to this Application should be addressed to the undersigned counsel.

RIDGE CREEK WATER SYSTEM

5. Ridge Creek Water Company, LLC is a Missouri certificated water corporation as defined by Section 386.020(59), RSMo 2016. It holds a certificate of service authority to provide water service to an unincorporated area of Pulaski County, Missouri, which the Commission issued to Ridge Creek Water on September 2, 2015, in File No. WA-2015-0182.

6. Ridge Creek Development, LLC is a Missouri limited liability company. It is not certificated by the Commission to provide water service to the public. However, Ridge Creek Development is, in fact, providing water service to an unincorporated area of Pulaski County, Missouri, and therefore meets Section 386.020(59)'s definition of a water corporation.

7. Pursuant to the CCN issued in File No. WA-2015-0182, Ridge Creek provides water service to approximately 390 residential customers through 130 service connections in Ridge Creek Subdivision in Pulaski County, Missouri.

8. Staff determined that the owners had effectively abandoned the water system, and on May 3, 2017, Terry M. Jarrett was named receiver in Commission Case No. WO-2017-0236.

THE TRANSACTION

9. Receiver and St. Robert have entered into an Agreement for Sale of Water

System (“Agreement”), a copy of which is marked **Appendix A**,¹ and attached hereto. Pursuant to the Agreement, St. Robert agrees to obtain and acquire certain water and wastewater facilities of Ridge Creek as specifically described in the Agreement under the terms and provisions further described in the Agreement.

10. After the proposed sale, Ridge Creek would no longer own or operate water facilities and would cease to be a “public utility” regulated by the Commission. Accordingly, the Company requests that it be authorized to cease providing water service and that the Commission cancel its Certificate and tariff.

11. Because Ridge Creek is a water corporation doing business in the State of Missouri, it is subject to the provisions of §393.190.1, RSMo, which states, in pertinent part, that “no . . . water corporation or sewer corporation shall hereafter sell, assign, lease, transfer, mortgage or otherwise dispose of or encumber the whole or any part of its franchise, works or system, necessary or useful in the performance of its duties to the public . . . without having first secured from the Commission an order authorizing it so to do.”

ADDITIONAL INFORMATION

12. The St. Robert City Council approved an ordinance on August 7, 2017, approving the Agreement and authorizing its Mayor, Mr. George Lauritson, to sign the Agreement on behalf of Waynesville. See **Appendix A** attached hereto.

13. It is unclear what impact the sale of assets may have on the tax revenues of relevant political subdivisions.

¹ Appendix A contains both the Sales Agreement and the City Ordinance. The Sales Agreement is marked as Exhibit A to the Ordinance.

PUBLIC INTEREST

14. The proposed sale of the specified assets of Ridge Creek and the related transactions are not detrimental to the public interest of the State of Missouri. The owners effectively abandoned the water system, necessitating the appointment of a receiver. The water system will be acquired by St. Robert, a municipal corporation and experienced operator of water systems.

REQUEST FOR WAIVER

15. Pursuant to Commission Rule 4 CSR 240-4.017 (1)(D), Applicant requests that the Commission waive for good cause application of the 60-day notice requirement under Commission Rule 4 CSR 240-4.017. In this regard, no representative of Applicant has had any communication with the Commission within the immediately preceding 150 days regarding the subject matter of this Application. Additionally, sixty days prior to the filing, the parties did not have a fully executed agreement. Further, it would serve no purpose to wait sixty days before filing the Application for Commission approval.

WHEREFORE, Ridge Creek respectfully requests that the Commission issue its order:

- (A) Authorizing Receiver to sell the assets identified herein;
- (B) Authorizing Receiver to perform in accordance with the terms described in the Agreement that is attached to this Application and to take any and all other actions which may be reasonably necessary and incidental to the performance of the sale;
- (C) Authorizing Ridge Creek to cease providing water and wastewater service,
- (D) Cancelling Ridge Creek's Certificate, and cancelling Ridge Creek's water tariff immediately after closing on the sale of its assets;

(E) Granting such other relief as may be deemed necessary and appropriate to accomplish the purposes of the Agreement and the Application and to consummate related transactions in accordance with the Agreement; and

(F) Waiving the requirement of the pre-filing notice specified in Commission rule 4 CSR 240-4.017(1)(D).

Respectfully submitted,

HEALY LAW OFFICES, LLC



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CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the foregoing document was sent by electronic mail to the following this 24th day of September, 2018:

Office of the General Counsel
staffcounsel@psc.mo.gov

Office of the Public Counsel
opc@ded.mo.gov



Terry M. Jarrett