

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

In the Matter of Missouri-American Water Company )  
for Certificate of Convenience and Necessity )  
Authorizing It to Install, Own, Acquire, Construct, ) **File No. SA-2020-0132**  
Operate, Control, Manage and Maintain a Sewer )  
System in an area of Clinton County, Missouri )  
(Clinton Estates) )

**STAFF RECOMMENDATION**

**COMES NOW** the Staff of the Missouri Public Service Commission (“Commission”), by and through counsel, and recommends that the Commission approve Missouri American Water Company’s (“MAWC”) Application to obtain a certificate of convenience and necessity (“CCN”) to install, own, acquire, construct, operate, control, manage, and maintain a sewer system in Clinton County, Missouri, in a subdivision known as Clinton Estates. In support of this *Staff Recommendation*, Staff states as follows:

1. MAWC filed its *Application and Motion for Waiver* (“Application”) on November 8, 2019, requesting Commission authorization to obtain a CCN authorizing it to install, own, acquire, construct, operate, control, manage, and maintain a sewer system in Clinton County, Missouri, in a subdivision known as Clinton Estates.

2. In its Application, MAWC also requested a waiver of the 60 day notice requirement of Commission Rule 20 CSR 4240-4.017(1). MAWC verified that in the prior 150 days it had no Commission communication regarding any issue likely to be substantive in this case.

3. On November 12, 2019, the Commission set an intervention date of November 27, 2019. No parties moved to intervene. On November 12, 2019, the Commission also ordered Staff to file its recommendation no later than January 10, 2020.

4. Pursuant to Section 393.170, RSMo, no sewer corporation shall provide service to consumers without first obtaining Commission approval. In determining whether to grant such approval, the Commission applies the five “Tartan Energy Criteria” established in *In the Matter of Tartan Energy Company, et al.*, 3 Mo. PSC 3d 173 (1994). These criteria examine (1) the need for service; (2) the applicant’s qualifications; (3) the applicant’s financial ability; (4) the economic feasibility of the proposal; and (5) promotion of the public interest. In addition to the Tartan Criteria, when considering applications involving existing water and/or sewer systems, the Commission analyzes the applicant’s Technical, Managerial, and Financial (“TMF”) capabilities.

5. As explained in the Staff *Memorandum*, attached hereto as Appendix A, Staff investigated MAWC’s request. Based upon this review, Staff determined that MAWC possesses the necessary TMF capabilities and fulfills the requirements of the Tartan Energy Criteria. Accordingly, Staff asserts that approving MAWC’s application for the issuance of a CCN is necessary and convenient for the public service and is not detrimental to the public interest, and Staff recommends approval with conditions described in the Staff *Memorandum*.

6. Staff does not oppose MAWC’s request for a waiver of the 60 day notice requirement of 20 CSR 4240-4.017(1).

7. The Commission need not hold a hearing if, after proper notice and opportunity to intervene, no party requests such a hearing. *State ex rel. Rex Deffenderfer Enterprises, Inc. v. Public Service Commission*, 776 S.W.2d 494 (Mo. App. W.D. 1989). Should no party or individual request a hearing in this matter, the Commission need not hold a hearing to allow the utility’s sale and issuance of a CCN to MAWC.

**WHEREFORE**, Staff respectfully submits this *Staff Recommendation* for the Commission's information and consideration. Staff requests the Commission approve MAWC's request for the issuance of a CCN allowing MAWC to install, own, acquire, construct, operate, control, manage, and maintain the sewer system, with conditions, to provide sewer service to the requested service area; and grant such other and further relief as the Commission considers just in the circumstances.

Respectfully submitted,

**/s/ Karen E. Bretz**

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**CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been electronically mailed to all parties and/or counsel of record on this 10<sup>th</sup> day of January, 2020.

**/s/ Karen E. Bretz**