

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Application of TUK,)
LLC to Sell Its Sewer Assets to Seven)
Springs Sewer & Water LLC) File No. SM-2022-0131

ORDER AND NOTICE

Issue Date: November 16, 2021

Effective Date: November 16, 2021

On November 10, 2021, TUK, LLC (TUK) and Seven Springs Sewer & Water LLC (Seven Springs) submitted an *Application and Motion for Waiver* (Application) to the Commission. In their Application, TUK requests Commission authority to sell, and Seven Springs requests authority to acquire, pursuant to a sale agreement, all or substantially all of the assets that TUK uses to provide retail sewer utility services to approximately 27 customers in Jefferson County, Missouri. The Application also includes a request to transfer the applicable certificate of convenience and necessity (CCN) from TUK to Seven Springs, or alternatively, grant a new CCN to Seven Springs for the service area.

The Commission will allow proper persons 20 days from the issuance of this order to file an application to intervene. The Commission will order notice of this filing be directed to potentially interested parties.

The Commission notes that Section 393.190.1, RSMo (2016), requires that a sewer corporation applying for an order from the Commission granting authority to sell system assets file with its application a statement as to the impact the sale will have on the tax revenues of the political subdivisions where the system assets are located. By providing a copy of this order to the clerk of Jefferson County, the Commission hereby notifies the political subdivisions in that county that TUK and Seven Springs represent

that the proposed sale will have no financial impact on the tax revenues of the political subdivisions where the proposed systems assets being sold are located.

THE COMMISSION ORDERS THAT:

1. Any person wishing to intervene in this matter shall file an application to intervene no later than December 6, 2021. The application shall be filed in the Commission's Electronic Filing and Information System (EFIS) or with the Secretary of the Commission.

2. The Commission's Data Center shall provide a copy of this order and the Application to the county commission of Jefferson County.

3. The Commission's Public Information Officer shall make notice of this order available to the members of the General Assembly representing the service area of TUK and to the media serving that area.

4. The Commission's Staff shall file a recommendation, or a status report indicating when it will file its recommendation, regarding the Application no later than December 16, 2021.

5. This Order shall be effective when issued.



BY THE COMMISSION

A handwritten signature in black ink that reads "Morris L. Woodruff".

Morris L. Woodruff
Secretary

Kenneth J. Seyer, Regulatory Law Judge,
by delegation of authority pursuant
to Section 386.240, RSMo (2016).

Dated at Jefferson City, Missouri,
on this 16th day of November, 2021.

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

In the Matter of the Application of TUK, LLC)
to Sell Its Sewer Assets to Seven Springs) File No. _____
Sewer & Water LLC)

APPLICATION AND MOTION FOR WAIVER

COME NOW TUK, LLC (TUK) and Seven Springs Sewer & Water LLC (Seven Springs), and, and, pursuant to Section 393.190, RSMo., 20 CSR 4240-2.060 and 20 CSR 4240-10.105, TUK requests the Commission’s authority to sell, and Seven Springs requests permission to acquire, all or substantially all of the assets TUK uses to provide retail sewer utility services, including its certificate of convenience and necessity. Further, in accordance with 20 CSR 4240-4.017(1)(D), TUK moves the Commission for a waiver of the 60-day prefiling notice requirement of 20 CSR 4240-4.017(1).

In support of the Application and Motion for Waiver, applicants state:

INTRODUCTION

1. TUK is a Missouri corporation with its principal office and place of business at 30 Turnpike Road, Suite 4, Southborough, MA 01772. TUK is a Missouri limited liability company in good standing. A certified copy of Seven Springs’ certificate of good standing is attached hereto as **Appendix A**.

2. TUK provides sewer service to approximately 27 customers in Jefferson County, Missouri, pursuant to a certificate of convenience and necessity previously granted in Commission File No. WA-2015-0169. TUK holds a Federal National Pollutant Elimination System Permit and a State Operating Permit (MO-0115223) from the Missouri Department of

Natural Resources. The system includes a lift station, three-cell lagoon, and sludge is retained in the lagoon.

3. TUK is a “sewer corporation” and a “public utility,” as those terms are defined in Section 386.020, RSMo, and is subject to the jurisdiction and supervision of the Commission as provided by law. TUK has no overdue Commission annual reports or assessment fees. There is no pending action or final unsatisfied judgment or decision against TUK from any state or federal agency or court which involves customer service or rates, which action, judgment or decision has occurred within three years of the date of this Application.

4. Seven Springs is a Missouri limited liability company with its principal office and place of business at 1236 Field Avenue, Ellisville, Missouri. Seven Springs’ mailing address is P.O. Box 113, Ellisville, MO 63011. A certified copy of Seven Springs’ certificate of good standing is attached hereto as **Appendix B**.

5. Communications regarding this application should be addressed to the undersigned counsel.

THE PROPOSED SALE TRANSACTION

6. TUK proposes to sell, and Seven Springs proposes to acquire, all or substantially all assets TUK uses to provide sewer services to customers in its certificated service area. Terms and conditions of that transaction are set out in the November 2, 2021, *Contract for Purchase and Sale* (“Sale Agreement”), which is attached to this application as **Appendix C**. Under authority of, and in accordance with, 20 CSR 4240-2.135(2)(A)(3) and (6), that agreement has been designated “Confidential” because it contains market-specific information and information representing strategies employed in contract negotiations.

7. **Appendix D** verifies the authority of Louis W. Mountzoures, the Manager of TUK, to enter into the Sale Agreement with Seven Springs and to seek Commission approval of that transaction. **Appendix E** verifies the authority of Lawrence E. Harrison, Jr., the manager of Seven Springs, to enter into the Sale Agreement with TUK on behalf of Seven Springs and to seek Commission approval of that transaction.

8. Seven Springs is a qualified operator and the transaction proposed in this application is not detrimental to the public interest. Seven Springs has the own and operate the TUK system and has the financial strength and resources necessary to make expenditures and investments required to maintain TUK's systems.

9. TUK's sewer CCN is among the assets Seven Springs would acquire under the Sale Agreement. Seven Springs therefore requests the Commission approve the transfer of that CCN as part of the transaction. Alternatively, should the Commission choose not to approve such a transfer, Seven Springs requests a new sewer CCN be issued authorizing it to own, install, construct, operate, control, manage, and maintain the systems it proposes to acquire from TUK.

10. If the Commission grants the approvals and authority requested in this application, Seven Springs proposes to adopt and continue TUK's existing sewer rates and tariffs.

11. Because Seven Springs proposes to acquire all or substantially all of TUK's sewer assets, and also because Seven Springs proposes to continue TUK's rates and tariffs, the transaction proposed for approval in this case should not have any material effect on the tax revenues of any political subdivision where TUK's sewer system is located.

MOTION FOR WAIVER

12. Commission Rule 20 CSR 4240-4.017(1) requires “[a]ny person that intends to file a case shall file a notice with the secretary of the commission a minimum of sixty (60) days prior to filing such case.” Because it did not file such a notice within the time period prescribed by that rule, TUK seeks a waiver of the 60-day pre-filing notice requirement.

13. Under 20 CSR 4240-4.017(1)(D), a waiver of the pre-filing notice requirement may be granted for good cause. In this regard, Applicants declare, as verified below, that within the 150 days prior to this application neither TUK nor Seven Springs has had communication with the Office of the Commission (as defined in 20 CSR 4240-4.015(10)) regarding any substantive issue likely to be in this case. Good cause for the requested waiver exists in accordance with Commission Rule 20 CSR 4240-4.017(1)(D) (“Good cause for waiver may include, among other things, a verified declaration from the filing party that it has had no communication with the office of the commission within the prior one hundred fifty (150) days regarding any substantive issue likely to be in the case”)

14. Therefore, as authorized by 20 CSR 4240-4.017(1)(D), TUK and Seven Springs move the Commission for a waiver of the 60-day notice requirement of 20 CSR 4240-4.017(1) and acceptance of this application at this time.

WHEREFORE, for the reasons previously stated, TUK and Seven Springs respectfully requests the Commission issue an order: Authorizing TUK to sell, and Seven Springs to acquire, the sewer system currently owned by TUK; authorizing the transfer to Seven Springs of TUK’s existing CCN or, in the alternative, issuing a new CCN so Seven Springs may lawfully own, install, construct, operate, control, manage, and maintain a sewer system for the public within the area for which TUK currently holds a CCN; granting the motion for a waiver of the 60-day

prefiling notice requirement of 20 CSR 4240-4.017(1); and granting TUK and Seven Springs such further relief as is just and proper under the circumstances.

Respectfully submitted,



Dean L. Cooper MBE #36592
BRYDON, SWEARENGEN & ENGLAND P.C.
312 E. Capitol Avenue
P.O. Box 456
Jefferson City, MO 65012
(573) 635-7166 telephone
dcooper@brydonlaw.com

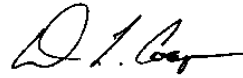
**ATTORNEYS FOR TUK, LLC AND
SEVEN SPRINGS SEWER & WATER LLC**

CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the foregoing document was sent by electronic mail, on November 10, 2021, to the following:

Office of the General Counsel
Governor Office Building
Jefferson City, MO 65101
staffcounsel@psc.mo.gov

Office of the Public Counsel
Governor Office Building
Jefferson City, MO 65101
opc@opc.mo.gov



AFFIDAVIT

State of MO)
) ss
County of St Louis

I, Lawrence E. Harrison, Jr., having been duly sworn upon my oath, state that I am the Manager of Seven Springs Sewer & Water LLC (Seven Springs), that I am duly authorized to make this affidavit on behalf of Seven Springs, and that the matters and things stated in the foregoing Application and appendices thereto are true and correct to the best of my information, knowledge and belief. Additionally, no representative of Seven Springs has had any communication with the office of the Missouri Public Service Commission as defined in Commission Rule 20 CSR 4240-4.015(10), within the immediately preceding 150 days regarding the subject matter of this Application.



Subscribed and sworn before me this 9 day of November, 2021



BECKY ZAJAC
My Commission Expires
September 19, 2024
St. Louis County
Commission #12396464


Notary Public

My Commission Expires:

STATE OF MISSOURI



John R. Ashcroft
Secretary of State

CORPORATION DIVISION
CERTIFICATE OF GOOD STANDING

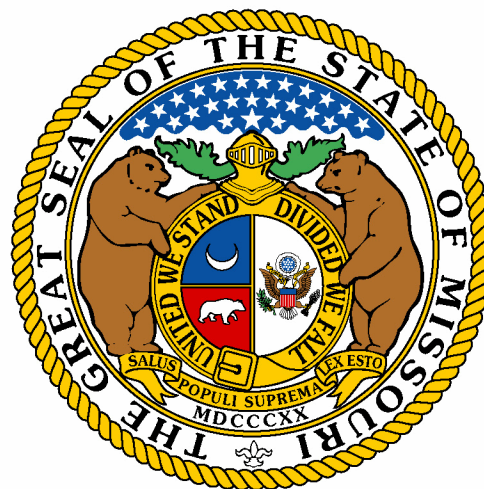
I, JOHN R. ASHCROFT, Secretary of State of the STATE OF MISSOURI, do hereby certify that the records in my office and in my care and custody reveal that

TUK LLC
LC1351638

was created under the laws of this State on the 25th day of October, 2013, and is active, having fully complied with all requirements of this office.

IN TESTIMONY WHEREOF, I hereunto set my hand and cause to be affixed the GREAT SEAL of the State of Missouri. Done at the City of Jefferson, this 8th day of November, 2021.


Secretary of State



Certification Number: CERT-11082021-0082

STATE OF MISSOURI



John R. Ashcroft
Secretary of State

CORPORATION DIVISION
 CERTIFICATE OF GOOD STANDING

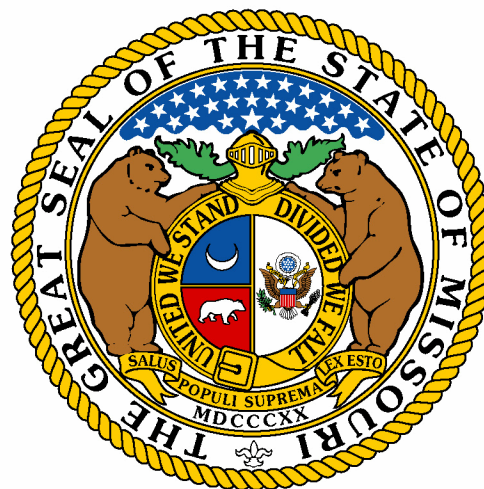
I, JOHN R. ASHCROFT, Secretary of State of the STATE OF MISSOURI, do hereby certify that the records in my office and in my care and custody reveal that

Seven Springs Sewer & Water LLC
LC014331063

was created under the laws of this State on the 26th day of October, 2021, and is active, having fully complied with all requirements of this office.

IN TESTIMONY WHEREOF, I hereunto set my hand and cause to be affixed the GREAT SEAL of the State of Missouri. Done at the City of Jefferson, this 8th day of November, 2021.


 Secretary of State



Certification Number: CERT-11082021-0082

APPENDIX C

**APPENDIX C HAS BEEN MARKED
CONFIDENTIAL IN ITS ENTIRETY**

20 CSR 4240-2.135(2)(A)(3) and (6)

APPENDIX E

VERIFICATION OF AUTHORITY

COMES NOW the undersigned, the Manager of Seven Springs Sewer & Water LLC (Seven Springs), and does hereby verify that Seven Springs had, and has, the requisite authority to enter into the Contract for Purchase and Sale, dated November 2, 2021, by and between Seven Springs Sewer & Water LLC and TUK, LLC (the "Agreement") and to carry out all the obligations contained in the Agreement.

IN WITNESS WHEREOF, the undersigned has hereto set his hand the 9 day of November, 2021.



Lawrence E. Harrison, Jr., Manager
SEVEN SPRINGS SEWER & WATER LLC

State of MO)
County of St Louis) ss

On this 9 day of November, 2021, before me the undersigned, a Notary Public, in and for the County and State aforesaid, personally appeared Lawrence E. Harrison, Jr., to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.



Notary Public

My Commission Expires:
9-19-24



BECKY ZAJAC
My Commission Expires
September 19, 2024
St. Louis County
Commission #12396464


STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this 16th day of November, 2021.





Morris L. Woodruff
Secretary

MISSOURI PUBLIC SERVICE COMMISSION

November 16, 2021

File/Case No. SM-2022-0131

**Missouri Public Service
Commission**
Staff Counsel Department
200 Madison Street, Suite 800
P.O. Box 360
Jefferson City, MO 65102
staffcounsel@psc.mo.gov

Office of the Public Counsel
Marc Poston
200 Madison Street, Suite 650
P.O. Box 2230
Jefferson City, MO 65102
opcservice@opc.mo.gov

County of Jefferson, Missouri
County Commission Clerk
729 Maple, Jefferson County
Admin. Bldg.
PO Box 100
Hillsboro, MO 63050
countyclerk@jeffcomo.org

**Seven Springs Sewer & Water
LLC**
Dean L Cooper
312 East Capitol
P.O. Box 456
Jefferson City, MO 65102
dcooper@brydonlaw.com

TUK LLC
Dean L Cooper
312 East Capitol
P.O. Box 456
Jefferson City, MO 65102
dcooper@brydonlaw.com

Enclosed find a certified copy of an Order or Notice issued in the above-referenced matter(s).

Sincerely,



**Morris L. Woodruff
Secretary**

Recipients listed above with a valid e-mail address will receive electronic service. Recipients without a valid e-mail address will receive paper service.