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

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In the Matter of the Application of Foxfire Utility Company for Authority to Transfer Certain Water and Sewer Assets Located in Stone County, Missouri to Ozark Clean Water Company, and in Connection Therewith, Certain Other Related Transactions.

File No. WM-2022-0186

## **RESPONSE TO STAFF RECOMMENDATION**

**COME NOW** Foxfire Utility Company ("Foxfire") and Ozark Clean Water Company ("OCWC"), and, for their *Response to Staff Recommendation*, states to the Missouri Public Service Commission ("Commission") as follows:

1. On March 15, 2022, Foxfire and OCWC filed their *Application* seeking Commission authority for OCWC, a Missouri 501(c)(3) corporation formed in accordance with §§ 393.825 through 393.861, RSMo, and subject to the oversight and regulation of the Missouri Department of Natural Resources ("MoDNR"), to purchase the water and sewer assets of Foxfire. Additionally, Foxfire requested that upon approval and closing on the transaction, that the Commission terminate its Certificates of Convenience and Necessity ("CCN"), tariff sheets, and responsibilities as a water and sewer provider in the State of Missouri.

2. On June 28, 2022, Staff filed its *Staff Recommendation* and supporting *Memorandum* and recommended that the Commission approve Foxfire's application for the sale and transfer of its water and sewer assets to OCWC, subject to the five (5) conditions described in the Staff *Recommendation*.

3. Foxfire hereby states that it does not object to the five (5) conditions listed on page four (4) and five (5) of Staff's *Recommendation*.

4. Foxfire and OCWC agree that the proposed sale of the assets to OCWC is not detrimental to the public interest.

5. OCWC currently provides water and sewer service to 2,380 locations (1,860 sewer, 300 water only and 220 water and sewer connections at the same property<sup>1</sup>) through 9 permitted and 4 non-permitted water systems, 19 permitted sewer systems, 1 sewer treatment system, 2 sewer collection systems, and 1 interceptor sewer that do not require permits<sup>2</sup>.

6. OCWC's mission is to protect water quality and promote public health by owning and responsibly managing wastewater and drinking water facilities throughout the Ozarks.<sup>3</sup> OCWC has previously acquired the water and sewer systems of Savannah Heights Industrial Treatment, Inc. (Case No. SO-2008-0094), Bear Creek Water and Sewer, LLC (Case No. SM-2010-0241), S.T. Ventures, LLC (Case No. SO-2011-0020), Kimberling City Water Company (Case No. WO-2015-0113), and certain other Foxfire water assets (Case No. WM-2016-0094).<sup>4</sup>

7. OCWC enjoys a positive working relationship with MoDNR, which has relayed to Staff that there are "no outstanding concerns with service issues" with any OCWC system.<sup>5</sup>

8. Foxfire's current owner, Garah (Rick) Helms, is 70 years old and ready to retire and with this sale has provided a solid succession plan that will result in safe and adequate service on a going-forward basis. OCWC has economies of scale, experience, technical ability, and financial wherewithal that will enable it to provide water and sewer service to the Foxfire customers and is in all ways qualified to own and operate the Foxfire water and sewer assets.

WHEREFORE, Foxfire and Ozark Clean Water Company provide this Response to Staff

<sup>&</sup>lt;sup>1</sup> See email from OCWC Operations Manager Jesse Deets in response to Staff, dated Jund 16, 2022, attached hereto as Appendix 1.

<sup>&</sup>lt;sup>2</sup> See Affidavit of David Casaletto, attached hereto as Appendix 2.

<sup>&</sup>lt;sup>3</sup> Id.

<sup>&</sup>lt;sup>4</sup> Id., see also, Staff's Memorandum, p. 2.

<sup>&</sup>lt;sup>5</sup> Staff's *Memorandum*, p.2.

*Recommendation* and requests the Commission issue an Order approving the sale of Foxfire's water and sewer assets to Ozark Clean Water Company and grants such other relief as may be necessary or appropriate in the circumstances.

Respectfully submitted,

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## ATTORNEYS FOR FOXFIRE UTILITY COMPANY

## **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 8<sup>th</sup> day of July, 2022:

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

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

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