

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

In the Matter of the Application of Confluence)
Rivers Utility Operating Company, Inc., for a) **File No. SA-2023-0187**
Certificate of Convenience and Necessity and)
to Acquire Certain Sewer Assets in Cass)
County, Missouri)

**ORDER DIRECTING NOTICE, SETTING DEADLINE FOR
INTERVENTION REQUESTS, AND DIRECTING FILING OF STAFF
RECOMMENDATION**

Issue Date: December 7, 2022

Effective Date: December 7, 2022

On December 6, 2022, Confluence Rivers Utility Operating Company, Inc. (Confluence Rivers) filed an application and motion for waiver seeking an order authorizing it to acquire certain utility assets in Cass County, enter into and perform in accordance with the terms of a certain agreement, and granting it a Certificate of Convenience and Necessity authorizing it to install, acquire, build, construct, own, operate, control, manage, and maintain a sewer system for the public within specified areas. Confluence Rivers also requests a waiver of the 60-day notice requirement under Commission Rule 20 CSR 4240-4.017(1), pursuant to Commission Rule 20 CSR 4240-4.017(1)(D).

The Commission will direct notice of the application be given to the county commission of Cass County, local newspapers, and members of the General Assembly representing residents of Cass County. The Commission will set a deadline for interested parties to intervene. The Commission will also direct its Staff to file a recommendation with regard to the application.

THE COMMISSION ORDERS THAT:

1. The Commission's Data Center shall provide a copy of this order and the Application to the county commission of Cass County, Missouri.
2. The Commission's Public Policy and Outreach Department shall make notice of this order available to the members of the General Assembly representing Cass County, Missouri and to the media serving that county.
3. Any person wishing to intervene in this matter shall file an application to intervene no later than December 28, 2022. The application shall be filed in the Commission's Electronic Filing and Information System ("EFIS") or with the Secretary of the Commission. Comments on the Application may also be made in EFIS.
4. No later than January 9, 2023, the Staff of the Missouri Public Service Commission shall file a recommendation regarding the application of Confluence Rivers, or a request for additional time to file a recommendation.
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

Ross Keeling, Regulatory Law Judge,
by delegation of authority pursuant
to Section 386.240, RSMo 2016.

Dated at Jefferson City, Missouri
on this 7th day of December, 2022.

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

In the Matter of the Application of Confluence Rivers)
Utility Operating Company, Inc., for a Certificate of) File No. SA-2023-_____
Convenience and Necessity and to Acquire Certain)
Sewer Assets in Cass County, Missouri)

APPLICATION AND MOTION FOR WAIVER

COMES NOW Confluence Rivers Utility Operating Company, Inc. (“Confluence Rivers”) pursuant to Section 393.170, 20 CSR 4240-2.060, 20 CSR 4240-3.305, and 20 CSR 4240-4.017, and for its *Application and Motion for Waiver*, states as follows to the Missouri Public Service Commission (“Commission”):

I. Introduction

1. Confluence Rivers is a Missouri corporation with its principal office and place of business at 1630 Des Peres Rd., Suite 140, St. Louis, MO 63131. Confluence Rivers is a Missouri corporation in good standing. A certified copy of Confluence Rivers’ certificate of good standing was filed in File No. WM-2018-0116 and is incorporated herein by reference.

2. Confluence Rivers provides water service to approximately 4,400 customers and sewer service to approximately 4,600 customers in several counties in Missouri. Confluence Rivers is a “water corporation,” 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.

3. Confluence Rivers has no overdue Commission annual reports or assessment fees. There is no pending action or final unsatisfied judgment or decision against Confluence Rivers from any state or federal agency or court which involves customer service or rates, which action, judgment or decision has occurred within three (3) years of the date of this Application.

4. Communications regarding this application should be addressed to the undersigned counsel and to:

Josiah Cox
Confluence Rivers Utility Operating Company, Inc.
1630 Des Peres Rd., Suite 140
St. Louis, MO 63131
Phone: (314) 380-8544
E-mail: jcox@cswrgroup.com

II. The Proposed Sale Transactions

5. Confluence Rivers proposes to acquire all or substantially all of the sewer system assets (except customer service sewer lines) of the currently unregulated system of Oasis MHP, LLC (“Oasis”). Confluence Rivers seeks a Certificate of Convenience and Necessity (“CCN”) to own and operate the acquired assets.

III. Oasis MHP, LLC

6. Oasis is a Missouri limited liability company, with its principal office located at 5801 E 187th St, Belton, MO 64012-8306, and is in good standing with the Missouri Secretary of State. Oasis operates a mobile home park in Cass County, Missouri.

7. The sewer system consists of a wastewater system serving a mobile home park with 81 pads for mobile homes. Currently approximately 75% of the lots are occupied for approximately 60 users of the system. The facility is regulated under a NPDES general permit and assigned facility number MO-GD00544. The facility treatment process consists of a 20,000 gallon per day design flow (actual flow of 10,091 gallons per day) extended aeration treatment process with extended aeration, clarification, and chlorination/dechlorination disinfection process with sludge hauled by contract waste hauler. The system has repeatedly failed to complete MDNR testing and has also received violations for exceeding BOD limits when testing was completed.

8. On November 18, 2022, Central States Water Resources, Inc. (“CSWR”) entered

into an *Agreement for Sale of Utility System* with Oasis. A copy of the *Agreement for Sale of Utility System* is attached as **Appendix A-C** and marked Confidential in accordance with Commission Rule 20 CSR 4240-2.135(2)(A)(3) and (6), as it contains market specific information and information representing strategies employed in contract negotiations. CSWR proposes to purchase substantially all the sewer system assets of Oasis, as specifically described in, and under the terms and provisions of, the *Agreement for Sale of Utility System*.

9. Pursuant to Paragraph 18 of the *Agreement for Sale of Utility System*, CSWR plans to assign its rights under the agreement to Confluence Rivers at closing. **Appendix B** verifies the authority of Josiah Cox, the President of Confluence Rivers, to enter into the *Agreement for Sale of Utility System* and seek Commission approval of the transaction.

10. Confluence Rivers requests permission, approval and a CCN to construct, install, own, operate, maintain, control and manage a sewer system for the public in an area of Cass County, Missouri, as an addition to its existing service territories. A legal description of the area sought to be certificated is attached hereto as **Appendix C**. A map of the area sought to be certificated is attached as **Appendix D**.

11. Oasis is the sole landowner and proposed customer associated with this transaction. Oasis has a principal office located at 5801 E 187th St, Belton, MO 64012-8306. .

IV. Additional Information

11. Attached hereto and marked as **Appendix E-C** is a feasibility study for the unregulated sewer system for which Confluence Rivers seeks CCNs, including estimates of the number of customers, expenses and revenues during the first three (3) years of operation by Confluence Rivers. **Appendix E-C** has been identified as “Confidential” in accordance with Commission Rule 20 CSR 4240-2.135(2)(A)(3) and (6), as it contains market specific information

and information representing strategies employed in contract negotiations. To provide service to the proposed areas, Confluence Rivers will purchase an existing sewer system and will not construct systems. Thus, Confluence Rivers asks for a waiver of any requirement to provide plans and specifications related to the construction of the distribution and collection systems.

12. Confluence Rivers is not aware of any franchises or permits from municipalities, counties, or other authorities that would be required in order to provide service in the requested areas.

13. The sale and purchase of the referenced assets should not decrease the tax revenues of relevant political subdivisions, as Confluence Rivers and Oasis are both private entities.

V. Tariff/Rates

14. Oasis will be the sole customer of this system. Oasis, as the mobile home park owner, does, and will, provide service to individual pads behind a master meter (which would be connected to Confluence River's system). Confluence Rivers understands that sewer service is provided as part of Oasis's monthly pad rental fees. Confluence Rivers proposes to charge Oasis \$2,867.84 per month¹ and further proposes to use rules governing the rendering of sewer service that are currently found in Confluence Rivers' existing Commission-approved tariffs (PSC Mo No. 21), until such time as the rates and rules are modified according to law.

15. Confluence Rivers notes that this system will require investment after the purchase by Confluence Rivers.

VI. Public Interest

16. The grant of the requested CCN (and approval of the underlying transaction) and the proposed transfer is in the public interest and will result in regulated sewer services provided

¹ This is calculated by multiplying the last known number of occupied pads by the fixed monthly rate applicable to several of Confluence Rivers' sewer systems (\$44.81).

to the current and future residents of the service area. The system would be acquired by Confluence Rivers, a Missouri public utility, and be subject to the jurisdiction of the Commission to own and operate the sewer system for which approval is sought. As it has demonstrated to the Commission in past cases, Confluence Rivers, with the support and assistance of its affiliates, is fully qualified, in all respects, to own and operate the sewer system for which the certificate is sought. Confluence Rivers' successful operation of other water and sewer systems in Missouri demonstrates its ability to provide safe and reliable service to customers and to comply with the Commission's rules, regulations, and decisions governing the ownership and operation of such systems. Confluence Rivers also has the financial strength and resources necessary to make expenditures and investments required to maintain the system.

VII. Motion for Waiver

17. 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, Confluence Rivers seeks a waiver of the 60-day pre-filing notice requirement.

18. Under Rule 20 CSR 4240-4.017(1)(D), a waiver of the pre-filing notice requirement may be granted for good cause. In this regard, Confluence Rivers declares, as verified below, that it has had no communication with the Office of the Commission (as defined in 20 CSR 4240-4.015(10)) within the prior 150 days 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....”)

19. Therefore, as authorized by Rule 20 CSR 4240-4.017(1)(D), Confluence Rivers moves for a waiver of the 60-day notice requirement and acceptance of this application at this time.

WHEREFORE, for the reasons previously stated, Confluence Rivers respectfully requests the Commission issue an order:

(A) Waiving the 60-day notice requirement of Rule 20 CSR 4240-4.017(1) for good cause shown;

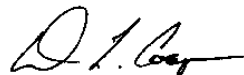
(B) Authorizing Confluence Rivers to acquire the system assets of Oasis MHP, LLC, (as described in this Application);

(C) Authorizing Confluence Rivers to enter into, execute, and perform, in accordance with the terms described in the agreement attached to this application, and take any and all other actions that 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;

(D) Granting Confluence Rivers a CCN, pursuant to Section 393.170, RSMo, authorizing it to install, acquire, build, construct, own, operate, control, manage, and maintain a sewer system for the public within the areas specified herein; and,

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

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

David L. Woodsmall MBE #40747
Central States Water Resources
1630 Des Peres Rd., Suite 140
Des Peres, MO 63131
dwoodsmall@cswrgroup.com

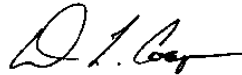
**ATTORNEYS FOR CONFLUENCE RIVERS
UTILITY OPERATING COMPANY, INC.**

CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the foregoing document was sent by electronic mail, on December 6, 2022, to the following:

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

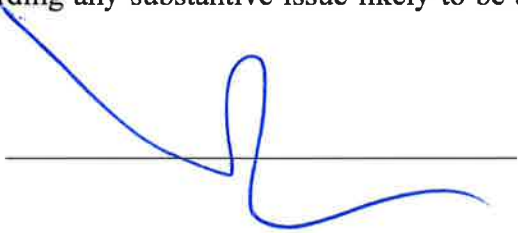
Office of the Public Counsel
opcservice@opc.mo.gov



AFFIDAVIT

State of Missouri)
)
County of St. Louis) ss

I, Josiah Cox, having been duly sworn upon my oath, state that I am the President of Confluence Rivers Utility Operating Company, Inc. (“Confluence Rivers”), that I am duly authorized to make this affidavit on behalf of Confluence Rivers, that I have knowledge of the matters stated herein, and that said matters are true and correct to the best of my information, knowledge, and belief. Additionally, no representative of Confluence Rivers 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 one hundred fifty (150) days immediately preceding the filing of the Application regarding any substantive issue likely to be addressed in this case.



Subscribed and sworn before me this 16th day of December, 2022.



Notary Public

My Commission Expires Oct 16th, 2026



APPENDIX A-C

HAS BEEN
IDENTIFIED AS

CONFIDENTIAL

IN ITS ENTIRETY

APPENDIX B

VERIFICATION OF AUTHORITY

COMES NOW the undersigned, the President of Confluence Rivers Utility Operating Company, Inc. ("Confluence Rivers") and Central States Water Resources, Inc. ("CSWR"), and does hereby verify that CSWR had and has the requisite authority to enter into each *Agreement for Sale of Utility System* described in the Application and to carry out all the obligations contained in each *Agreement for Sale of Utility System*.

IN WITNESS WHEREOF, the undersigned has hereto set his hand the 6th day of December, 2022.

Josiah Cox, President
CONFLUENCE RIVERS UTILITY OPERATING
COMPANY, INC. and CENTRAL STATES
WATER RESOURCES, INC.

State of Missouri)
) ss
County of St. Louis)

Subscribed and sworn before me this 6th day of December, 2022.

Notary Public

My Commission Expires Oct 16th, 2026



Oasis MHP MO Service Area Description:

The area served is part of Cass County, Missouri and is more particularly described as follows:

Part of the North Half of the Northwest Quarter of the Northwest Quarter of Section 25, Township 46, Range 33, in Cass County, Missouri, described as beginning at the Northwest corner of the Northwest Quarter of Section 25, aforesaid, and remaining thence South 88 degrees 46 minutes 00 seconds East, along the North line thereof, 1303.29 feet to the Northeast corner of the Northwest Quarter of the Northwest Quarter of Section 25; thence South 0 degrees 07 minutes 30 seconds East, 662.25 feet to the Southeast corner of the North Half of the Northwest Quarter of the Northwest Quarter of Section 25; thence North 88 degrees 46 minutes 21 seconds West, along the South line of the North Half of said Quarter Quarter Section, 1004.74 feet; thence North parallel with the West line of the Northwest Quarter of Section 25, 300.00 feet; thence North 88 degrees 46 minutes 21 seconds West, parallel with the South line of the North half of the Northwest Quarter of the Northwest Quarter of Section 25, 300.00 feet to a point in the West line of the Northwest Quarter of Section 25; thence North 362.33 feet to the point of beginning, subject to the right-of-way of Missouri State Route Y and subject to the existing County Road.

PRELIMINARY SERVICE AREA MAP (v1)

OASIS MHP (WASTEWATER)

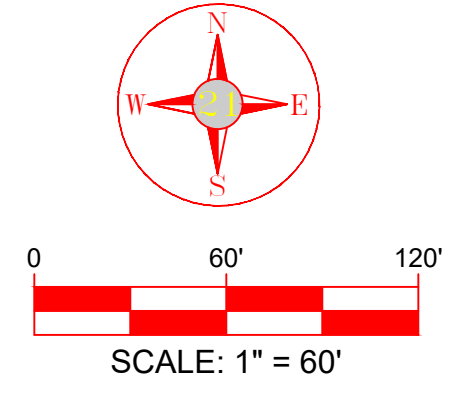
CASS, MO

Oasis MHP MO Service Area Description:

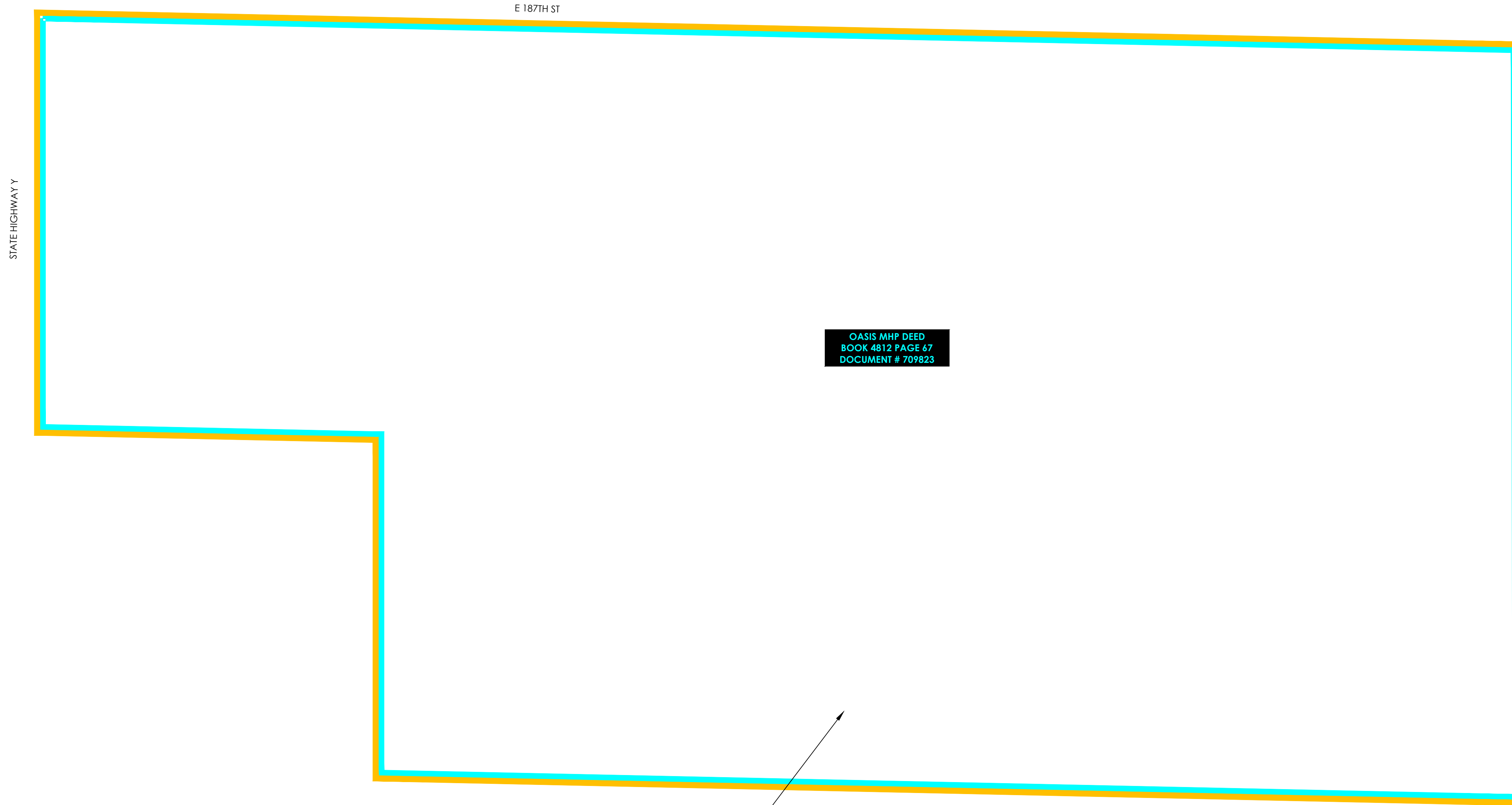
The area served is part of Cass County, Missouri and is more particularly described as follows:

Part of the North Half of the Northwest Quarter of the Northwest Quarter of Section 25, Township 46, Range 33, in Cass County, Missouri, described as beginning at the Northwest corner of the Northwest Quarter of Section 25, aforesaid, and remaining thence South 88 degrees 46 minutes 00 seconds East, along the North line thereof, 1303.29 feet to the Northeast corner of the Northwest Quarter of the Northwest Quarter of Section 25; thence South 0 degrees 07 minutes 30 seconds East, 662.25 feet to the Southeast corner of the North Half of the Northwest Quarter of the Northwest Quarter of Section 25; thence North 88 degrees 46 minutes 21 seconds West, along the South line of the North Half of said Quarter Quarter Section, 1004.74 feet; thence North parallel with the West line of the Northwest Quarter of Section 25, 300.00 feet; thence North 88 degrees 46 minutes 21 seconds West, parallel with the South line of the North half of the Northwest Quarter of the Northwest Quarter of Section 25, 300.00 feet to a point in the West line of the Northwest Quarter of Section 25; thence North 362.33 feet to the point of beginning, subject to the right-of-way of Missouri State Route Y and subject to the existing County Road.

NOTE: This description is for exhibit only and does not represent an actual boundary survey. The surveyor did not abstract nor perform any field verification of the exhibit accuracy. The location represents approximate location only and should not be construed as being 100% accurate.



*ALL PLATS HAVE BEEN ACCOUNTED FOR.



MAP LEGEND

EASEMENT PER RECORDED PLAT	— — — — —
LOT LINE	— — — — —
SUBDIVISION OUTLINE	— — — — —
UTILITY AREA SERVICED	— — — — —

MAP DISCLAIMER:

This document is a graphic representation of the approximate service area for a utility system. It is solely to provide a visual of the area of the system. This drawing does not constitute a property boundary survey and shall not be used to convey property.

Utility Note Disclaimer:

The service area shown hereon are depicted based on a service area map provided by the system manager. 21 Design Group, Inc performed no field verification of the layout and are unable to determine the exact location at this time. The location represents approximate location only and should not be construed as being 100% accurate. It is shown to provide general service area of the system to assist with ordering title work and preparation of scope for a License Land Surveyor. This sketch should not be used to interpret encroachments.

DATE:	4/1/22
PROJECT NO:	0596-22
DRAWN BY:	KAR
SCALE:	1"=60'
SHEET NAME:	
SERVICE AREA MAP	

21 DESIGN GROUP INC.
ENGINEERING & SURVEYING

1351 Jefferson, Suite 301
Washington, MO 63090

mail@21designgroup.net
P: 636-432-5029

APPENDIX E-C

HAS BEEN
IDENTIFIED AS

CONFIDENTIAL

IN ITS ENTIRETY


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 7th day of December, 2022.





Morris L. Woodruff
Secretary

MISSOURI PUBLIC SERVICE COMMISSION

December 7, 2022

File/Case No. SA-2023-0187

**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

**Confluence Rivers Utility
Operating Company, Inc.**

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

**Confluence Rivers Utility
Operating Company, Inc.**

David Woodsmall
1650 Des Peres Road, Suite 303
Des Peres, MO 63131
dwoodsmall@cswrgroup.com

County of Cass, Missouri

County Commission Clerk
102 E. Wall St.
Cass County Courthouse
Harrisonville, MO 64701
jfletcher@casscounty.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.