

STATE OF MISSOURI

PUBLIC SERVICE COMMISSION

At a session of the Public Service

FILED³

FEB 27 2014

Missouri Public
Service CommissionComm
held
at
its
off:
in
Jef:
City
on
the
1st
day
of
July
199

Staff Exhibit No. 13
Date 2/18/14 Reporter PSG
File No. # WR-2013-0461

In the Matter of the Application of Four Seasons)
 Lakesites Water & Sewer Company for a Certificate)
 of Convenience and Necessity Authorizing It to)
 Construct, Install, Own, Operate, Control, Manage)
 and Maintain Water and Sewer Utility Properties) Case No. WA-95-164
 for the Public Located in an Unincorporated Area)
 in Camden County and Miller County, Missouri,)
 Generally Comprising the Eastern Half of the Area)
 Known as AShawnee Bend.@)
)

ORDER APPROVING UNANIMOUS STIPULATION AND AGREEMENT,**GRANTING CERTIFICATE OF CONVENIENCE AND NECESSITY,**

APPROVING TARIFFS, AND DENYING APPLICATION TO INTERVENE

On November 16, 1994, Four Seasons Lakesites Water & Sewer Company (Company) filed with the Missouri Public Service Commission (Commission) an application for certificates of convenience and necessity for water and sewer systems in an unincorporated area of Camden and Miller Counties.

On December 14, 1994, the Commission established a procedural schedule. On January 27, 1995, the Commission granted intervention to Osage Water Company. On February 10 the Company filed the direct testimony of Douglas I. Bowden. On March 24 the Staff of the Commission (Staff) filed the rebuttal testimonies of Martin Hummel, Gregory R. Meyer and Randy Z. Wright, and Osage Water Company filed the rebuttal testimony of William Patterson Mitchell.

On June 14, 1995, the Commission suspended the procedural schedule and scheduled an additional prehearing conference on August 22, 1995. The Company, Staff and the Office of the Public Counsel (Public Counsel) were represented at that prehearing conference. On December 5, 1995, the Commission dismissed Osage Water Company from this case.

On March 12, 1997, the Company, Staff and Public Counsel filed a Unanimous Stipulation And Agreement. The parties request that the Commission issue an order approving the Unanimous Stipulation And Agreement, establishing depreciation rates as provided, authorizing the Company to file tariffs conforming with the Stipulation And Agreement, and granting the Company the requested certificates of convenience and necessity.

The Company currently has a certificate of convenience and necessity, and a tariff for its sewer operations in a part of the Horseshoe Bend area of Camden County. The proposed tariff for sewer operations will replace the existing sewer tariff, and address the Company=s sewer operations in both the Shawnee Bend and Horseshoe Bend areas of Camden County. The rates under the proposed sewer tariff are the same as the rates applicable currently to the Horseshoe Bend area. The parties request that the certificates of convenience and necessity become effective on the same date as the proposed tariffs.

The Company agrees to maintain its books and records in accordance with the Uniform System of Accounts and to maintain separate accounts for its water and sewer operations. The Company also agrees to provide semiannual reports to the Staff and the Public Counsel relating to the level of customer growth within the Company=s service area. These reports will provide information about the number of customers at June 30 and December 31 of each year through 2000, inclusive, and will be submitted to Staff and Public Counsel, beginning in 1997, within

ten working days of these dates. These reports, to be used in conjunction with the Company's annual reports, are designed to allow the parties an opportunity to determine when it will be appropriate to conduct a review of the rates approved in this case.

The Unanimous Stipulation And Agreement (excluding schedules) is attached to this order and designated Attachment A. There are eight schedules attached to the Unanimous Stipulation And Agreement. Those schedules are:

- (1) Water expenses and rate design;
- (2) Sewer expenses and rate design;
- (3) Plant-in-service beginning balances;
- (4) Water depreciation rates;
- (5) Sewer depreciation rates;
- (6) Breakdown of sewer connection fees;
- (7) Sewer tariff; and
- (8) Water tariff.

The water depreciation rates and sewer depreciation rates are attached to this order and designated Attachments B and C, respectively. Schedules 1, 2, 3, 6, 7 and 8 are specifically incorporated herein by reference.

The Commission has reviewed the Unanimous Stipulation And Agreement and the proposed tariffs, and finds that the Unanimous Stipulation And Agreement is in the public interest and should be approved (Attachment A). The Commission finds that the depreciation rates provided with the Unanimous Stipulation And Agreement are reasonable and should be approved (Attachments B and C). The Commission further finds that the Company should be granted the requested certificates of public convenience and necessity. The Company should implement the proposed tariffs for service rendered on and after July 11, 1997, and shall provide the semiannual reports required by paragraph 8 of the Unanimous Stipulation And Agreement.

On June 19, 1997, Shawnee Bend Water and Sewer, L.L.C. (Intervenor) filed an Application To Intervene Out Of Time And Motion To Reject A Portion Of The Proposed Unanimous Stipulation And Agreement. Intervenor states that its affiliate has property under contract in part of the area for which Company seeks a certificate of convenience and necessity. Intervenor states that its affiliate's contract to

purchase property in the area of Company=s proposed service area constitutes good cause for the Commission to grant intervention out of time under 4 CSR 240-2.075(4) (D).

On June 27, 1997, the Staff filed a Response to Intervenor=s application. Staff opposes the application to intervene and requests that the Commission approve the Unanimous Stipulation And Agreement. Staff states that there will always be sales and contracts for sales of real estate located within the proposed or certificated service area of a public utility. Staff states that the proposed sale of part of the area for which the Company requests certificates of convenience and necessity does not affect the financial, managerial and technical ability of the Company to provide water and sewer service.

The Commission finds that Shawnee Bend Water and Sewer, L.L.C. has not demonstrated good cause for granting intervention under 4 CSR 240-2.075(4) (D). The fact that Intervenor=s affiliate has certain Shawnee Bend property under contract is not sufficient cause to delay or change Company=s certificate of convenience and necessity.

IT IS THEREFORE ORDERED:

1. That the Unanimous Stipulation And Agreement filed on March 12 by Four Seasons Lakesites Water & Sewer Company, Staff and the Office of the Public Counsel (Attachment A) is hereby approved.
2. That the water depreciation rates (Attachment B) are hereby approved.
3. That the sewer depreciation rates (Attachment C) are hereby approved.
4. That Four Seasons Lakesites Water & Sewer Company is granted a certificate of convenience and necessity in conformance with the Unanimous Stipulation And Agreement both for water and sewer service.
5. That the water and sewer tariffs filed with the Unanimous Stipulation And Agreement are hereby approved for service rendered on and after July 11, 1997.
6. That the Application To Intervene Out Of Time And Motion To Reject A Portion Of The Proposed Unanimous Stipulation And Agreement filed by Shawnee Bend Water and Sewer, L.L.C. is hereby denied.
7. That this order shall become effective on July 11, 1997.

BY THE COMMISSION

Cecil I. Wright

Executive Secretary

(S E A L)

(DON=I FORGET ATTACHMENTS A, B AND C) Zobrist, Chm., Drainer,

Murray and Lumpe, CC.,

concur.

Crumpton, C., absent.

ALJ: Luckenbill