

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

In the Matter of Missouri-American)	
Water Company for Certificates of)	
Convenience and Necessity Authorizing)	
it to Install, Own, Acquire, Construct,)	File No. WA-2019-0366
Operate, Control, Manage and Maintain)	SA-2019-0367
a Water System and a Sewer System in)	
an area of Camden County, Missouri)	
(Sunset Palms Condominium Complex).)	

NOTICE OF DISMISSAL

COMES NOW Missouri-American Water Company (MAWC) and pursuant to Missouri Public Service Commission (“Commission”) Rule 20 CSR 4240-2.116(1), and states the following to the Commission as its *Notice of Dismissal*:

1. On May 26, 2019, MAWC filed an Application with the Commission for certificates of convenience and necessity related to an existing Water System and a Sewer System in an area of Camden County, Missouri (Sunset Palms Condominium Complex). If the application were granted, MAWC would have one customer for each system – the local homeowners association.

2. On September 18, 2019, the Staff Recommendation was filed in this matter. As a part of that recommendation, Staff explained the lack of property records documentation as to the existing systems available to the MAWC and the Developer. Staff further concluded that “since a valuation of the water and sewer assets has proven to be elusive, Staff is unable to compare the book value of the assets to the purchase price in the course of this CCN case.” (Memorandum, p. 5-6)

3. Small water and sewer transactions with small and unregulated entities are always fraught with unknowns. It seems to be a common occurrence that the records Staff and others are

accustomed to seeing for large, regulated utilities such as MAWC, will not be available. This situation leads to additional time associated with the Staff and Office of the Public Counsel (OPC) review and uncertainty in regard to rate base and other matters on a going-forward basis.

4. Unfortunately, the result of such uncertainty for MAWC is a risk that is not offset by benefits in regard to these small transactions. Similarly, while a Commission decision as to such issues might be possible after a hearing, the time and expenditure of resources necessary to reach such a decision is not warranted by the size of the transaction. Accordingly, MAWC has determined that it will voluntarily dismiss this case and focus instead on other transactions.

5. On a going-forward basis, MAWC would be interested in exploring with the Staff and OPC ways to streamline the process such that they can move forward in a more expedited manner. Discussions in this regard have started within the recently filed application in File No. SA-2020-0073. Further, the Commission may find it helpful to consider a revision of its regulations concerning a sale of regulated assets (20 CSR 4240-10.105) and those for certificates of convenience and necessity (20 CSR 4240-3.305 and 20 CSR 4240-3.600). It has been MAWC's experience that situations such as Sunset Palms (acquisitions of non-regulated, but existing and operating utilities), where a new certificate of convenience and necessity is needed, are somewhere between the subjects of the Commission's rules and add to the difficulty of moving those matters to a decision by the Commission.

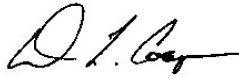
6. Commission Rule 20 CSR 4240-2.116(1) states that "An applicant . . . may voluntarily dismiss an application . . . without an order of the commission at any time before prepared testimony has been filed or oral evidence has been offered, by filing a notice of dismissal with the commission and serving a copy on all parties."

7. Prepared testimony has not been filed, nor oral evidence offered, in this case.

8. MAWC hereby provides its *Notice of Dismissal*.

WHEREFORE, MAWC respectfully requests that the Commission recognize this *Notice of Dismissal* pursuant to Commission Rule 20 CSR 4240-2.116(1).

Respectfully submitted,



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ATTORNEYS FOR MISSOURI-AMERICAN
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CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the foregoing document has been sent by electronic mail this 8th day of October, 2019, to:

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