BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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In the Matter of the Application of Osage Utility Operating Company, Inc. to Acquire Certain Water and Sewer Assets and for a Certificate of Convenience and Necessity

Case No. WA-2019-0185

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission (Staff), through counsel, and submits its Staff Recommendation.

1. The Commission issued its *Report and Order* (Order) in this matter on

April 8, 2020 granting Osage Utility Operating Company, Inc. (Osage) certificates of convenience and necessity to provide water and sewer service in the service territory previously served by Osage Water Company. Paragraph 18 of the Order requires Osage to file a rate case no later than 24 months after the Order's effective date. The Order's effective date is May 8, 2020.

2. The Commission approved the merger of Osage and other utilities with Confluence Rivers Utility Operating Company, Inc. (Confluence) on October 14, 2021 in Case No. WM-2021-0412. Confluence is the surviving corporation, and it adopted Osage's tariffs. There is no deadline in the merger case stating when Confluence must file a rate case.

3. On May 4, 2022, Confluence moved to modify that part of the Order which requires Osage to file a rate case by May, 2022. Confluence states that it anticipates filing a rate case during the third or fourth quarter of 2022 and that this rate case will include the Osage water and sewer systems. For this reason, Confluence requests that the Order be modified to remove the requirement that Osage file a rate case by May, 2022.

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4. Staff does not object to this modification. In order to comply with the spirit of the Order for the former Osage company, Staff requests that if the Commission approves this modification, that Confluence be ordered to file a rate case by May, 2023 which includes the Osage water and sewer systems.

WHEREFORE, Staff does not object to Confluence's request to modify the Order to eliminate the requirement that Osage file a rate case by May, 2022, so long as Confluence is ordered to file a rate case by May, 2023 which includes the Osage water and sewer systems.

Respectfully submitted,

<u>/s/ Karen E. Bretz</u>

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CERTIFICATE OF SERVICE

I certify that copies of the foregoing have been electronically mailed to all parties and/or counsel of record on this 13th day of May, 2022.

<u>/s/ Karen E. Bretz</u>