

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

In the Matter of the Matter of the Missouri-American)
Water Company for Certificates of Convenience and)
Necessity Authorizing it to Own, Acquire, Construct,)
Operate, Control, Manage and Maintain a Water)
System and a Sewer system in an Area of Miller)
County, Missouri (Isla del Sol Condominium)
Association, Inc., f.k.a Atlantic Island))

File No.: WA-2019-0364

**STAFF RESPONSE TO ORDER DIRECTING FILING AND MOTION FOR
ADDITIONAL TIME TO FILE STAFF RECOMMENDATION**

COMES NOW the Staff ("Staff") of the Missouri Public Service Commission ("Commission"), by and through counsel, and files its response to the Commission's September 16, 2019 *Order Directing Filing* and moves for additional time to file its Staff Recommendation. In support, Staff states as follows:

1. Missouri-American Water Company ("MAWC") filed its *Application and Motion for Waivers* ("Application") on May 26, 2019, requesting the Commission authorize MAWC to purchase water and wastewater assets of Isla del Sol Condominium Association, Inc. ("Association") from Rockwood Bank, and grant it certificates of convenience and necessity to install, acquire, build, construct, own operate, control, manage and maintain those systems.

2. On September 16, 2019, the Commission filed a notice of ex parte communication consisting of an email from Ted Disabato, attorney for the Association, regarding a lawsuit the Association filed in St. Louis County circuit court. In this lawsuit, the Association claims it owns the utility assets that Rockwood Bank proposes to sell and requests an injunction prohibiting Rockwood Bank from selling the assets.

3. On September 16, 2019 the Commission issued an *Order Directing Filing* requiring Staff to file, by September 26, 2019, suggestions concerning the ex parte communication, specifically addressing (1) the status of MAWC's application, (2) the identity of the water and sewer system operator, and (3) under what authority the assets are being operated.

4. On September 17, 2019 the Commission extended Staff's deadline to file its recommendation to September 26, 2019.

5. In response to the Commission's September 16, 2019 order: (1) Staff agrees with MAWC's suggestion to stay proceedings until ownership is resolved, (2) Staff believes that Rockwood Bank hires a contractor to operate the utilities, and (3) Staff is unsure under what authority the assets are currently being operated. Further review is necessary to determine whether the systems meet the definitions of a water and wastewater corporation, and thus, a public utility, within the meaning of those terms found in Section 386.020, RSMo.

6. Furthermore, Staff moves for an extension of time to file its Staff Recommendation until ownership issues are resolved. Staff suggests that the Commission order MAWC to file a status report in 90 days. Staff further suggests that the Commission order Staff to file its recommendation 30 days after MAWC reports that ownership issues are resolved.

WHEREFORE, Staff submits this *Staff Response to Order Directing Filing and Motion for Additional Time to File Staff Recommendation* for the Commission's information and consideration.

Respectfully submitted,

/s/ Karen E. Bretz

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been electronically mailed to all parties and/or counsel of record on this 26th day of September, 2019.

/s/ Karen E. Bretz