

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

In the Matter of the Joint Application of Confluence)
Rivers Utility Operating Company, Inc.; Hillcrest)
Utility Operating Company, Inc.; Elm Hills Utility)
Operating Company, Inc.; Osage Utility Operating) **File No. WM-2021-0412**
Company, Inc.; Raccoon Creek Utility Operating)
Company, Inc.; and Indian Hills Utility Operating)
Company, Inc. for Approval of a Merger Whereby)
Confluence Rivers Will Be the Surviving)
Corporation, and of Related Transactions.)

ORDER DIRECTING FILING

Issue Date: September 28, 2021

Effective Date: September 28, 2021

On June 1, 2021,¹ Confluence Rivers Utility Operating Company, Inc. (“Confluence Rivers”); Hillcrest Utility Operating Company, Inc. (“Hillcrest”); Elm Hills Utility Operating Company, Inc. (“Elm Hills”); Osage Utility Operating Company, Inc. (“Osage”); Raccoon Creek Utility Operating Company, Inc. (“Raccoon Creek”); and Indian Hills Utility Operating Company, Inc. (“Indian Hills”) (collectively, “Applicants”) filed a Joint Application and Motion for Waiver in Files WM-2021-0412 and SM-2021-0413² (“Applications”), asking the Commission to approve the merger of Confluence Rivers, Hillcrest, Elm Hills, Osage, Raccoon Creek, and Indian Hills and related transactions. On September 14, the Commission’s Staff (Staff) filed its recommendation that with eleven conditions, the Commission approve the merger proposed in the Applications. On September 22, the Office of the Public Counsel (“OPC”) filed a Response to Staff

¹ Hereinafter, all date references will be to 2021 unless otherwise stated.

² The files were consolidated by order of July 29.

Recommendation, recommending approval of the proposed merger subject to Staff's eleven conditions together with two additional conditions:

- a. Confluence Rivers Utility Operating Company, Inc. ("Confluence") files into the record in this case copies of the current LLC agreements (and any other agreements, such as operating, management or other contractually binding agreements executed in connection therewith) for Page 2 of 3 the following entities: CSWR LLC, US Water Systems LLC, and any other entity created for the sole purpose of owning and managing CSWR LLC's Missouri water and sewer systems ["first condition"].
- b. Confluence or Staff provide clear specification as to which schedule of depreciation rates found in Attachments D and E of Staff's Memorandum in support of its Recommendation apply to which systems.

On September 23, Staff filed a Response addressing OPC's request for more specificity as to depreciation rates. Staff stated it had modified its original Attachments D and E to better clarify specifically to which system(s) the attachments applied.

On September 24, Confluence Rivers filed a Response to Staff Recommendation stating it had no objection to Staff's conditions 1-9 and 11. Confluence further stated that it had discussed condition 10 with Staff and understood that the following "modified Condition 10" was acceptable to Staff:

Require Confluence to provide CXD staff with a monthly call center statistical report regarding: calls offered to representatives, calls answered, abandoned call rate (ACR), and average speed of answer (ASA). This report should also include total number of customer service representatives employed by Confluence's 3rd Party Customer Service vendor. This report should start within thirty (30) days after the first full month after the merger.

The Commission notes that neither Staff nor the applicants have addressed OPC's first condition, nor has OPC addressed the acceptability of modified Condition 10 described by Confluence Rivers. The Commission will order the parties to file a status report or other pleading clarifying the views of all parties on all of the conditions stated by Staff, Confluence Rivers, and OPC.

THE COMMISSION ORDERS THAT:

1. No later than October 3, 2021, the parties shall file a status report or other pleading clarifying the views of all parties on all of the conditions stated by Staff, Confluence Rivers, and OPC.
2. This order shall be effective when issued.



BY THE COMMISSION

A handwritten signature in black ink that reads "Morris L. Woodruff". The signature is written in a cursive, flowing style.

Morris L. Woodruff
Secretary

Paul T. Graham, Regulatory Law Judge,
by delegation of authority pursuant
to Section 386.240, RSMo 2016.

Dated at Jefferson City, Missouri
on this 28th day of September, 2021.

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 28th day of September, 2021.





Morris L. Woodruff
Secretary

MISSOURI PUBLIC SERVICE COMMISSION

September 28, 2021

File/Case No. WM-2021-0412

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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.