

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

In the Matter of the Application of Rex)
Deffenderfer Enterprises, Inc. d/b/a RDE)
Water Company For Authority to Sell) Case No. WM-2022-0246
Certain Water Assets to The City of Nixa,)
Missouri, and, in Connection Therewith,)
Certain Other Related Transactions)

PUBLIC COUNSEL’S RESPONSE TO APPLICATION

COMES NOW the Office of Public Counsel (Public Counsel) and, after hearing from the public at the local public hearing held on July 26, 2022, responds to Rex Deffenderfer Enterprises, Inc. d/b/a RDE Water Company s application to sell assets to the City of Nixa as follows:

1. Public Counsel does not oppose the application.
2. As Staff states on page one of its memorandum dated April 25, 2022, RDE Water Company serves approximately 1,300 customers, located outside the city limits of the City of Nixa.
3. As of the most recent census the population of Nixa was 23,257 ([8_Counties.pdf \(mo.gov\)](#)), and Nixa estimates that its current population is 24,137 ([Demographics | Nixa, MO](#)).
4. Public Counsel’s understanding is that, unlike the City of Springfield, Missouri, which has two nonresident representatives on an eleven member board of public utilities which governs the city’s utility operations and, subject to city council approval, sets utility rates ([ARTICLE XVI. - BOARD OF PUBLIC UTILITIES | Code of Ordinances | Springfield, MO | Municode Library](#)), the City of Nixa has a six member City Council who are elected from and by residents of the city of Nixa ([City Council | Nixa, MO](#)) and that city council governs the City of Nixa’s utility operations, including both city resident and nonresident rates.
5. Public Counsel’s understanding is that if the City of Nixa acquires RDE Water Company’s customer base, the city’s water utility customer base will increase by over five percent; however, unless the owner of the residential premise currently served by RDE Water Company

irrevocably consents to being annexed by the City of Nixa ([637940774012900000 \(nixa.com\)](https://www.nixa.com)) or the premise is annexed by the City of Nixa, the City of Nixa's charges for water utility service to that premise will be one and one-half times what the charges would be if that premise were within the city of Nixa ([Water Rates | Rate Information | Nixa, MO](#)).

6. Like Staff (April 25, 2022, memorandum page 4) and a member of the public who testified at the July 26, 2022, local public hearing, Public Counsel is concerned that those outside the city of Nixa who receive water utility service from the City of Nixa have no effective means of affecting their rates or quality of service short of annexation. As stated above, RDE Water Company has about 1,300 customers.

7. According to its website, the City of Nixa imposes taxes, including on real property ([Tax information | Nixa, MO](#); [Nixa Real Estate Tax Levy Reduced for 2021 | News List | Nixa, MO](#)).

8. The City of Nixa has included information on its website regarding its proposed acquisition of RDE Water Company, although it removed information about the lower residential rate (in city rate) for those RDE Water Company-served premises located outside Nixa where the City of Nixa could exercise an irrevocable consent to annex the premises that it codified in an ordinance the Nixa City Council passed July 25, 2022 ([RDE Utility Transition | Nixa, MO](#)).

Wherefore, while it has the concern expressed above, the Office of the Public Counsel does not oppose the Commission authorizing RDE Water Company to sell to the City of Nixa assets it uses to provide water utility service to its customers and, thereafter, to cease providing water utility service in Missouri.

Respectfully,

/s/ Nathan Williams

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 3rd day of August 2022.

/s/ Nathan Williams