

**STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION**

At a session of the Public Service  
Commission held at its office in  
Jefferson City on the 28th day  
of February, 2008.

In the Matter of the Application of Kimberling Investments, )  
Inc., to Sell and Transfer its Water Franchise, Kimberling ) **Case No. WM-2008-0229**  
Investments Inc. Water Company, to Christian Associates )  
of Table Rock Lake. )

**ORDER APPROVING SALE OF ASSETS  
AND DISCONTINUANCE OF SERVICE**

Issue Date: February 28, 2008

Effective Date: February 28, 2008

On January 10, 2008, Kimberling Investments, Inc., and Christian Associates of Table Rock Lake filed a verified joint application with the Missouri Public Service Commission requesting authority to sell the water utility assets owned and operated by Kimberling Investments to Christian Associates. On January 23, 2008, the Commission issued an order directing notice and requiring that any party wishing to request a hearing or to intervene do so on or before February 13, 2008. There were no requests for a hearing or to intervene.

The Staff of the Commission filed its recommendation on February 22, 2008. Staff recommends approval of the transactions. On February 25, 2008, the Office of the Public Counsel filed a response stating it had no objections to the Staff recommendation.

The current water system has been a certificated water utility since February 14, 2000, when, in Case No. WA-99-137, Kimberling Investments' predecessor, Hotel Associates, Inc., was granted a certificate of convenience and necessity. Hotel Associates

later sold the water system and accompanying real estate to Kimberling Associates. That transaction was approved by the Commission in Case No. WM-2001-435. Since the certificate was granted, the water system at issue has only served the real property currently known as Kimberling Suites.

The real estate consists of rental condominiums and commercial office space. Christian Associates represents that it will use the property solely for its own purposes and that it will not be acting as a public water utility. Christian Associates intends to use the entire property as an emergency shelter and special needs shelter for families and victims of domestic violence. Upon the completion of the transaction, Kimberling Associates intends to discontinue providing public water services in the certificated area. Thus, the joint applicants request that the certificate be canceled upon the completion of the transfer of assets.

The joint applicants indicated that Stone County will experience a minor loss of property tax revenue (estimated to be approximately \$131.00) because Christian Associates is exempt from paying property tax.

The requirement for a hearing is met when the opportunity for hearing has been provided and no proper party has requested the opportunity to present evidence.<sup>1</sup>

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<sup>1</sup> See *State ex rel. Rex Deffenderfer Enterprises, Inc. v. Public Service Commission*, 776 S.W.2d 494, 496 (Mo. App. W.D. 1989).

Therefore, the Commission may grant the joint applicants' request based on the verified application after affording notice and an opportunity to be heard to all proper parties.

After considering the verified application of Kimberling Investments along with the recommendation of Staff and accompanying verified memorandum, and the response of Public Counsel, the Commission concludes that the transactions will "not [be] detrimental to the public interest"<sup>2</sup> and that the application shall be granted.

The Commission will also order that once the asset transfer is completed, the certificate of service authority held by Kimberling Investments along with the tariff on file pertaining to that system shall be canceled.

**IT IS ORDERED THAT:**

1. The Joint Application for Sale of Water Supply System and Cancellation of Certificate filed by Kimberling Investments, Inc., and Christian Associates of Table Rock Lake is approved,
2. Kimberling Investments, Inc., is hereby authorized to sell its water system facilities and assets to Christian Associates of Table Rock Lake.
3. Kimberling Investments, Inc., and Christian Associates of Table Rock Lake are authorized to execute, enter into, deliver and perform any agreements, and to do any and all other things not contrary to law or the rules and regulations of the Commission incidental, necessary or appropriate to the performance of any and all acts specifically authorized in this order.

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<sup>2</sup> *State ex rel. Fee Fee Trunk Sewer, Inc. v. Litz*, 596 S.W.2d 466, 468 (Mo. App. E.D. 1980).

4. Within three days of completing the sale of its water system facilities Kimberling Investments, Inc., shall file a notice in this case informing the Commission of the completion of the transaction.

5. At the completion of the transfer, Kimberling Investments, Inc., is authorized to cease providing water to its service area, and the Commission will issue an order canceling the certificate of convenience and necessity of Kimberling Investments, Inc., and canceling the associated tariff currently on file.

6. Nothing in this order shall be considered a finding by the Commission of the value for ratemaking purposes of the properties, transactions, or expenditures herein involved.

7. The Commission reserves the right to consider any ratemaking treatment to be afforded the properties, transactions and expenditures involved in a later proceeding.

8. This order shall become effective on February 28, 2008.

**BY THE COMMISSION**



Colleen M. Dale  
Secretary

( S E A L )

Davis, Chm., Murray, Clayton,  
Appling, and Jarrett, CC., concur.

Dippell, Deputy Chief Regulatory Law Judge