

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

In the Matter of the Application of)	
Confluence Rivers Utility Operating)	
Company, Inc. to Acquire Certain)	<u>Case No. WM-2018-0116</u>
Water and Sewer Assets, For a Certificate)	
Of Convenience and Necessity, and, in)	<u>Case No. SM-2018-0117</u>
Connection Therewith, To Issue)	
Indebtedness and Encumber Assets)	

STAFF'S REPORT

COMES NOW the Staff of the Missouri Public Service Commission, by and through counsel, and for its *Report* in this matter hereby states:

1. Confluence Rivers Utility Operating Company, Inc. filed an *Application* November 2, 2017, to purchase all of the water and/or sewer assets of Missouri Public Service Commission-regulated utilities: Smithview H2O Company, M.P.B., Inc., Mill Creek Sewers, Inc., Roy-L Utilities, Inc., Port Perry Service Company, Gladlo Water & Sewer Co., Inc., The Willows Utility Company, Inc., and Evergreen Lakes Water Supply Company. Confluence also seeks to purchase all of the water and sewer assets of non-Missouri Public Service Commission-regulated Majestic Lakes Homeowners Association, Inc. and requests a Certificate of Convenience and Necessity for the systems. Each of the nine systems involved in the *Application* has unique characteristics, and are in various states of ownership or receivership.

2. Staff filed a *Report* December 21, 2017, asking the Commission to permit it to file a recommendation or alternative pleading no later than February 20, 2018, which the Commission granted. Staff has continued its investigation and has requested

that Confluence file a separate case to address the financing request the Company makes it its *Application*. Additionally, Staff has asked Confluence to file a metes and bounds description and map of the territory for the current Majestic Lakes non-regulated utility it seeks to acquire, which is necessary to comply with the Commission's filing requirements for granting of a new Certificate of Convenience and Necessity. Staff and Confluence are working together to resolve this matter.

3. To permit the Company time to respond to Staff's requests and for Staff to address the outcomes accordingly in its recommendation, Staff asks the Commission to order Staff to file its Recommendation or, an alternative pleading no later than March 6, 2018.

WHEREFORE, Staff prays that the Commission will accept this *Report*; order Staff to file its recommendation or, an alternative pleading no later than March 6, 2018; and grant such other and further relief as the Commission considers just in the circumstances.

/s/ Whitney Payne

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served by electronic mail, or First Class United States Postal Mail, postage prepaid, on this 16th day of February, 2018, to all counsel of record.

/s/ Whitney Payne