

**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)
Water and Sewer Assets, For a Certificate)
Of Convenience and Necessity, and, in)
Connection Therewith, To Issue)
Indebtedness and Encumber Assets)

Case No. WM-2018-0116
and SM-2018-0117

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, LLC, Gladlo Utilities, Inc., The Willows Utility Company, Inc., and Evergreen lakes Water Supply Co. 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 is in various states of ownership or receivership.

2. Staff began its investigation immediately following filing of this case. The Department of Natural Resources provided its overview of each of the applicable systems to Staff November 30, 2017, and Staff met with Confluence

December 19, 2017. Staff intends to conduct further discovery, which could be voluminous based on the quantity of assets sought for purchase in this filing.

3. To that end, Staff asks the Commission to order Staff to file its Recommendation or, in the alternative, a status report no later than February 20, 2018.

WHEREFORE, Staff prays that the Commission will accept this *Report*; order Staff to file its recommendation or, in the alternative, a status report; and grant such other and further relief as the Commission considers just in the circumstances.

Respectively submitted,

/s/ Whitney Payne

Whitney Payne
Associate Counsel
Missouri Bar No. 64078
Attorney for the Staff of the
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102
(573) 751-8706 (Telephone)
(573) 751-9285 (Fax)
whitney.payne@psc.mo.gov

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 21st day of December, 2017, to all counsel of record.

/s/Whitney Payne