

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

In the Matter of the Application of)
Confluence Rivers Utility Operating) **File No.WM-2020-0403**
Company, Inc., to Acquire Certain Water)
And Sewer Assets of Terre Du Lac Utilities)
Corporation)

In the Matter of the Application of)
Confluence Rivers Utility Operating) **File No. SM-2020-0404**
Company, Inc., to Acquire Certain Water)
And Sewer Assets of Terre Du Lac Utilities)
Corporation)

**ORDER DIRECTING NOTICE AND ESTABLISHING TIME FOR
FILINGS**

Issue Date: June 15, 2020

Effective Date: June 15, 2020

On June 12, 2020, Confluence Rivers Utility Operating Company, Inc. (Confluence) filed an Application and Motion for Waiver (application) with the Missouri Public Service Commission (Commission) seeking authority to purchase substantially all of the water and/or sewer assets of Terre Du Lac Utilities Corporation (Terre Du Lac).¹ The application seeks a waiver of the 60-day notice requirement of Commission Rule 20 CSR 4240-4.017(1). It also asks the Commission either to approve a transfer of Terre Du Lac's certificate of convenience and necessity (CCN) or to grant Confluence a new water and sewer CCN authorizing it to own, install, construct, operate, control, manage and maintain the systems it proposes to acquire from Terre Du Lac. Confluence Rivers seeks a rate of return premium and a debt acquisition adjustment

¹ The application was filed pursuant to Section 386.020, 386.250, 393.140, and 393.190, and Commission Rules 20 CSR 4240-2.060, 10.085, 10.105, and 4.027(a)(D).

under Commission Rule 20 CSR 4240-10.085(1)(C), in conjunction with its acquisition of the Terre Du Lac water and sewer systems.

The application states that Confluence Rivers provides water and service to approximately 547 customers and sewer service to approximately 636 customers. It states that Terre Du Lac provides water and sewer services to approximately 1,302 customers in Saint Francois and Washington Counties, Missouri. It states that on November 27, 2019, Central States Water Resources, Inc. (Central States), which is under common ownership with Confluence, entered into a Purchase and Sale Agreement (Terre Du Lac Agreement)² with Terre Du Lac. The application states that Central States proposes to purchase substantially all Terre Du Lac's water and sewer utility assets and then assign its rights to Confluence Rivers at closing.

Section 393.190.1, RSMo 2016, requires that transactions as described in the application be submitted to the Commission for approval. It requires the Commission to send notice "to the county clerk of each county in which any portion of a political subdivision which will be affected by such disposition is located." Since the application states that the water and sewer facilities being sold are located in Saint Francois and Washington Counties, the Commission will direct its Data Center to send a copy of this order to the county clerk and county commission of Saint Francois and Washington Counties. The Commission will also add Terre Du Lac Utilities Corporation as a party in this matter. The Commission will establish deadlines for persons wishing to intervene and will direct a preliminary response from its Staff.

²Amended by First Amendment to Purchase and Sale Agreement on March 17, 2020.

THE COMMISSION ORDERS THAT:

1. The Commission's Data Center shall send a copy of this order to the county clerk and county commission of Saint Francois and Washington Counties, Missouri.
2. Terre Du Lac Utilities Corporation is made a party to this matter.
3. The Commission's Public Information Officer shall make notice of this order available to the members of the General Assembly representing Saint Francois and Washington Counties, Missouri, and to the media serving those counties.
4. Any interested person wishing to intervene in either or both of these cases shall file an application to intervene no later than July 7, 2020.
5. No later than July 7, 2020, the Staff of the Missouri Public Service Commission shall file a pleading stating when it anticipates filing its recommendation in this matter.
6. This order shall become effective when issued.



BY THE COMMISSION

A handwritten signature in black ink that reads "Morris L. Woodruff".

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 15th day of
June, 2020.