

**STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION**

At a session of the Public Service  
Commission held at its office in  
Jefferson City on the 16th day of  
November, 2006.

In the Matter of White River Valley Water Company )	
for Sale of Facilities and Assets to Public Water )	
Supply District No. 2 of Taney County, Missouri )	<b><u>Case No. WM-2006-0557</u></b>

**ORDER APPROVING PROPOSED SALE OF UTILITY FACILITIES AND  
ASSETS**

Issue Date: November 16, 2006

Effective Date: November 27, 2006

On June 30, 2006,<sup>1</sup> White River Valley Water Company ("White River") filed a verified application with the Missouri Public Service Commission requesting authority to sell its water system facilities and assets to the Public Water Supply District No. 2 of Taney County, Missouri ("PWSD"). On July 3, the Commission issued an order directing notice, adding PWSD as a party, and requiring that any party wishing to request a hearing or to intervene do so on or before July 24. There were no requests for a hearing or to intervene.<sup>2</sup>

On September 22, the Staff of the Commission filed a Motion for Order Directing Filing and for Extension of Time to File Recommendation. In support of its motion, Staff advised the Commission of deficiencies in White River's application that prevented Staff

---

<sup>1</sup> Unless otherwise specified, all dates throughout this order refer to the year 2006.

<sup>2</sup> Since no one has requested a hearing and 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, the Commission may grant White River's request based on White River's verified application after affording notice and an opportunity to be heard to all proper parties. See *State ex rel. Rex Deffenderfer Enterprises, Inc. v. Public Service Commission*, 776 S.W.2d 494, 496 (Mo. App. W.D. 1989).

from completing its review and recommendation in this case. Staff further stated that it could complete its review and file a recommendation within thirty days of White River curing the deficiencies in the application.

The Commission issued a Notice of Deficiency in Application on September 26. Two days later, White River filed various documents, including a copy of the Facilities Purchase Agreement between it and PWSD, which cured the deficiencies in its original application. After the Commission issued an order directing Staff to file either its recommendation or a status report no later than October 30, Staff filed its Recommendation Regarding Proposed Sale of Utility Assets on October 25.

The verified Official Case File Memorandum prepared by Staff and accompanying its recommendation indicates that White River has been in business as a certificated water utility since March 1984, when, in Case No. WM-84-86, White River was granted a certificate of convenience and necessity. At that time, the Commission also authorized White River to acquire the assets of a certificated Commission-regulated utility known as the Valley View Village Water Company. White River currently serves approximately 132 customers in its service area, a subdivision in Taney County known as Valley View Village. PWSD is a publicly-owned water supply district that is not subject to the Commission's jurisdiction. It presently operates a nearby water system serving approximately 1400 customers, and its established service area includes the area in which White River currently provides service.

The memorandum further indicates that the Water District proposes to connect White River's customers to PWSD's existing system using the rates that are presently approved for White River, and intends to apply those rates to customers in the White River

system for at least twelve months. Finally, Staff advises that, based on its own investigation and discussions with personnel from the Missouri Department of Natural Resources' Southwest Regional Office in Springfield, neither White River nor PWSD are presently experiencing any capacity or water quality compliance issues.

Based on all these considerations, Staff has concluded that White River's proposed sale of its water system facilities and assets to PWSD meets the requirements of section 393.190, RSMo 2000 and the accompanying Commission Rules,<sup>3</sup> will not have a negative impact on that system, and will "not [be] detrimental to the public interest."<sup>4</sup> Therefore, Staff recommends that White River's application to sell its facilities and assets to PWSD be approved.

After considering the verified application of White River along with the recommendation of Staff and accompanying verified memorandum, which are hereby admitted into evidence, the Commission concludes that the application should be granted. The Commission will also, by further order upon motion after the asset transfer is completed, cancel the certificate of service authority held by White River with respect to its water system, along with the tariff on file pertaining to that system.

**IT IS ORDERED THAT:**

1. White River Valley Water Company is hereby authorized to sell its water system facilities and assets to the Public Water Supply District No. 2 of Taney County, Missouri, pursuant to the terms and conditions contained in the Facilities Purchase Agreement submitted to the Commission on September 28, 2006.

---

<sup>3</sup> See, e.g., 4 CSR 240-2.060 and 4 CSR 240-3.605.

<sup>4</sup> *State ex rel. Fee Fee Trunk Sewer, Inc. v. Litz*, 596 S.W.2d 466, 468 (Mo. App. E.D. 1980).

2. Before the sale of the water system facilities and assets of White River Valley Water Company to Public Water Supply District No. 2 of Taney County is completed, White River Valley Water Company shall issue appropriate written notice to all customers in its service area informing them of the impending change in ownership and operation.

3. Once the sale of its water system facilities and assets to the Public Water Supply District No. 2 of Taney County, Missouri, is complete, White River Valley Water Company shall, as quickly as is practicable, file a notice in this case informing the Commission of the completion of the transaction. At that time, White River Valley Water Company is authorized to cease providing water to customers in its service area, and the Commission will entertain a motion by any party for the Commission's issuance of an order canceling the certificate of convenience and necessity currently held by White River Valley Water Company and canceling the associated tariff currently on file.

4. This order shall become effective on November 27, 2006.

**BY THE COMMISSION**



Colleen M. Dale  
Secretary

( S E A L )

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

Lane, Regulatory Law Judge