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, and For Certificates of Convenience and Necessity

File No. WM-2020-0282

ORDER DIRECTING RESPONSE TO OBJECTIONS TO APPLICATION FOR ACQUISITION INCENTIVE

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Issue Date: May 19, 2020

Effective Date: May 19, 2020

On March 11, 2020, Confluence Rivers Utility Operating Company, Inc., applied for authority to acquire sewer and water utility assets in multiple transactions from various entities in the following Missouri counties: Audrain, Lincoln, Madison, Polk, St. Francois, Taney, Warren, and Washington. In addition, Confluence Rivers seeks to expand a sewer utility certificate in Franklin County and to acquire, if necessary, new water or sewer utility certificates of convenience and necessity.¹

On May 8, 2020, Confluence Rivers filed a request for a "rate of return premium and debt acquisition adjustment" in relation to its proposed acquisition of the assets of one of the entities at issue, Terre Du Lac Utilities Corporation. Confluence Rivers proposes an acquisition incentive would be paid by a surcharge to Terre Du Lac water and sewer customers.

The Commission's Staff on May 15, 2020, filed a motion to dismiss Confluence Rivers' request for acquisition incentives. In the alternative, Staff requests the

¹ Confluence Rivers' application in File No. WM-2020-0282 was consolidated on April 17, 2020, with Confluence Rivers' application in File No. SM-2020-0283.

Commission direct additional notice of Confluence Rivers' application for an acquisition incentive and establish an extended intervention period.

The Commission will direct Confluence Rivers to file a response to Staff's motion to dismiss. The Commission will also establish a deadline for any response from the Office of the Public Counsel.

THE COMMISSION ORDERS THAT:

1. Confluence Rivers shall file a response to Staff's motion to dismiss no later than June 3, 2020.

- 2. OPC may file a response, if any, to Staff's motion no later than June 3, 2020.
- **3.** This order shall be effective when issued.



BY THE COMMISSION orris Z Woodry

Morris L. Woodruff Secretary

Jana C. Jacobs, Regulatory Law Judge, by delegation of authority pursuant to Section 386.240, RSMo 2016.

Dated at Jefferson City, Missouri, on the 19th day of May, 2020.