

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service Commission held at its office in Jefferson City on the 6th day of October, 2010.

In the Matter of Application of
U.S. Water Company
to Sell its Water System
Located in Lafayette County
to the City of Lexington, Missouri

File No. WM-2011-0030

ORDER APPROVING APPLICATION

Issue Date: October 6, 2010

Effective Date: October 18, 2010

The Missouri Public Service Commission is approving the *Application* of U.S. Water Company to sell its works and system to the City of Lexington, Missouri.

U.S. Water Company filed the application on August 3, 2010. By order dated August 6, 2010, the Commission ordered publication of notice of the application. In that same order, the Commission set a deadline for application to intervene at September 7, 2010. Staff filed its recommendation on September 13, 2010, favoring the application. On September 15, 2010, the Commission gave notice of tax revenue impact and gave affected political subdivisions until October 1, 2010, to file an application for intervention. As of the date of this order, the Commission has received no application to intervene. No law requires an evidentiary hearing,¹ and no person has sought one,² so this action is not a contested case.

The Commission has jurisdiction to rule on U.S. Water Company's sale under the following provision:

¹ Section 536.010(4), RSMo Supp. 2009.

² *State ex rel. Rex Defenderfer Ent., Inc. v. Public Serv. Comm'n*, 776 S.W.2d 494, 496 (Mo. App., W.D. 1989).

No . . . water corporation . . . shall hereafter sell . . . its . . . works or system . . . without having first secured from the commission an order authorizing it so to do. [³]

The Commission will only deny the application if approval would be detrimental to the public interest. ⁴

Approval would not be detrimental to the public interest according to the verified filings. Staff recommends granting the application, conditioned on notice of the date on which the City of Lexington takes possession of the system. Upon such notice, the Commission can cancel U.S. Water Company's certificate of convenience and necessity, and U.S. Water Company's tariff.

Therefore, the Commission will approve the application subject to such condition.

THE COMMISSION ORDERS THAT:

1. The *Application* is approved, conditioned on U.S. Water Company filing, within five days of the transfer's effective date, notice of such transfer.
2. This order shall become effective on October 18, 2010.
3. This file shall remain open for notice of the transfer, and the cancellation of any associated tariff, and certificate of convenience and necessity.

BY THE COMMISSION



Steven C. Reed
Secretary

(S E A L)

Clayton, Chm., Davis, Jarrett, Gunn,
and Kenney, CC., concur.

Jordan, Regulatory Law Judge

³ Section 393.190.1, RSMo 2000.

⁴ *State ex rel. City of St. Louis v. Public Service Comm'n of Missouri*, 73 S.W.2d 393, 400 (Mo.1934).