

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

The Staff of the Missouri Public Service Commission,)	
)	
Complainant)	
)	
vs.)	<u>WC-2014-</u>
)	
Consolidated Public Water Supply District C-1 of Jefferson County, Missouri,)	
)	
and)	
)	
City of Pevely, Missouri)	
)	
Respondents)	
)	

COMPLAINT

COMES NOW the Staff of the Missouri Public Service Commission (Staff), by and through counsel, pursuant to Section 386.390, RSMo 2000, and for its Complaint states as follows:

Introduction

1. This matter concerns an unapproved territorial agreement between the Consolidated Public Water Supply District C-1 of Jefferson County (the District) and the City of Pevely, Missouri (the City), which the parties established in 2007, in violation of Section 247.172, RSMo.

Complainant

2. Complainant is the Staff of the Missouri Public Service Commission, acting through the Chief Staff Counsel as authorized by 4 CSR 240-2.070(1).

Respondents

3. Respondent District is a public water supply district located in Jefferson County, Missouri. Its principal place of business is P.O. Box 430, Barnhart, MO 63012.

4. Respondent City is a municipality, located in Jefferson County. Its principal place of business is 401 Main Street, Pevely, Missouri 63070.

Jurisdiction

5. The District provides water utility services to the public, pursuant to Section 247, RSMo 2000.

6. The City provides water utility services to the public, pursuant to Sections 79 and 91, RSMo 2000.

7. In 2007, the District and the City entered into a written agreement designating the boundaries of the water service area of each entity and the powers granted to each entity to operate within the boundaries of the other.

8. Therefore, the District and the City are a public water supply district and a municipally owned utility who have entered into a territorial agreement, an action over which the Missouri Public Service Commission (Commission) has exclusive jurisdiction per Section 247.172, RSMo 2000.

Background

9. In November 2007, the District and the City entered into an agreement as part of a settlement of Case Number 23CV306-1286.

10. That agreement, which they termed a Territorial Agreement, purported to set out the boundaries of the service areas of each entity.

11. Since 2007, the District and the City have acted upon the terms of their service boundaries agreement in such matters as determining which water service provider customers must use for their water service.

Count I

12. Complainant hereby realleges and incorporates herein by reference Paragraphs 1 through 11.

13. Respondents entered into a territorial agreement without seeking and obtaining the approval of the Commission.

14. Respondents thereby violated Section 247.172, RSMo 2000, which states that “competition to sell and distribute water, as between and among public water supply districts, water corporations subject to public service commission jurisdiction, and municipally owned utilities may be displaced by written territorial agreements,” but only as approved by the Commission.

WHEREFORE, Staff prays that the Commission will give such notice to Respondents as is required by law and, after hearing, in the event that any of the conduct herein described is determined to be a violation of any law of the State of Missouri or of any order, decision, or rule of the Commission, deem each day that such violation existed to be a separate offense and authorize its General Counsel to proceed in Circuit Court to seek such penalties as are authorized by law.

Count II

15. Complainant hereby realleges and incorporates herein by reference Paragraphs 1 through 14.

16. In November 2012, Respondents' unapproved territorial agreement became the subject of litigation between the District and the City in Case Number 12JE-CC01024, which is now pending.

17. In 12JE-CC01024, the Jefferson County Circuit Court is asked to, among other things, entertain and hear the complaints of the parties as to their territorial agreement.

18. Despite operating under the 2007 agreement as if it were a lawful, Commission-approved territorial agreement, Respondents have failed to bring their complaints on their territorial agreements to the Commission to be heard.

19. Respondents are thereby violating Section 247.172(7), RSMo 2000, which gives the Commission authority to determine whether an existing territorial agreement is in the public interest.

WHEREFORE, Staff prays that the Commission will give such notice to Respondents as is required by law and, after hearing, in the event that any of the conduct herein described is determined to be a violation of any law of the State of Missouri or of any order, decision, or rule of the Commission, deem each day that such violation existed to be a separate offense and authorize its General Counsel to proceed in Circuit Court to seek such penalties as are authorized by law.

Count III

20. Complainant hereby realleges and incorporates herein by reference Paragraphs 1 through 19.

21. In 12JE-CC01024, the Jefferson County Circuit Court is also asked to, among other things, determine the service territory of each party.

22. Respondents have not applied to the Commission for approval of an amendment to their existing territorial agreement nor have they applied for approval of a new territorial agreement.

23. Respondents are thereby violating Section 247.172, RSMo 2000.

WHEREFORE, Staff prays that the Commission will give such notice to Respondents as is required by law and, after hearing, in the event that any of the conduct herein described is determined to be a violation of any law of the State of Missouri or of any order, decision, or rule of the Commission, deem each day that such violation existed to be a separate offense and authorize its General Counsel to proceed in Circuit Court to seek such penalties as are authorized by law.

/s/ Amy E. Moore

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed with first-class postage, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 19th day of July, 2013.

/s/ Amy E. Moore