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November 5, 2004

FILED²

NOV 05 2004

Missouri Public
Service Commission

Missouri Public Service Commission
Attn: Secretary of the Commission
200 Madison Street, Suite 100
P.O. Box 360
Jefferson City, Missouri 65102-0360

Re: City of Hannibal, Missouri/Public Water Supply District No. 1 of Ralls County,
Missouri; Water Territorial Agreement

Dear Mr. Roberts:

Please find enclosed for filing an original and eight (8) copies of the Joint Application For Approval of a Water Service Area Territorial Agreement filed on behalf of the above-referenced parties.

A copy of this filing has been sent this date to the Office of the Public Counsel and the General Counsel's Office.

Sincerely,


Brent Stewart

CBS/bt

Enclosure

cc: Office of the Public Counsel
General Counsel's Office
Mark C. Piontek
Jeffrey H. Blaylock

FILED²

NOV 05 2004

Missouri Public
Service Commission

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

In the Matter of the Joint Application of)
the City of Hannibal, Missouri and Public)
Water Supply District No. 1 of Ralls)
County, Missouri for Approval of a Water)
Service Area Territorial Agreement.)

Case No. _____

**JOINT APPLICATION FOR APPROVAL OF A
WATER SERVICE AREA TERRITORIAL AGREEMENT**

COME NOW the City of Hannibal, Missouri ("City" or "Hannibal") and Public Water Supply District No. 1 of Ralls County, Missouri (the "District") (collectively the "Joint Applicants"), pursuant to Section 247.172 RSMo 2000, 4 CSR 240-3.625, and for their Joint Application For Approval of a Water Service Territorial Agreement, respectfully state as follows:

1. Applicant City of Hannibal is a city of the third class organized and existing under Chapter 77 RSMo 2000. Hannibal owns and operates a waterworks public utility and provides water service to the public pursuant to Chapter 91 RSMo 2000. Hannibal is a political subdivision of the State of Missouri and otherwise is not subject to regulation by the Commission except for purposes of this Joint Application. Hannibal's principal office and place of business is located at Hannibal Board of Public Works, 3 Industrial Loop Drive, Hannibal, Missouri 63401, telephone number (573) 221-8050, fax number (573) 221-7522, email address rchris@hannibalbpw.org.

2. Applicant District is a public water supply district organized and existing under Chapter 247 RSMo 2000. The District provides water service at retail and at wholesale to customers located within the District's water service area in Ralls, Marion and Pike counties, in the State of Missouri. The District is a political subdivision of the

State of Missouri and is otherwise not regulated by the Commission except for purposes of this Joint Application. The District's principal office and place of business is located at 3316 Market Street, Hannibal, Missouri 63401, telephone number (573) 221-6615, fax number (573) 221-4198, email address ganger@alliancewater.com.

3. All communications, correspondence, notices, orders and decisions regarding this Joint Application should be addressed to:

Charles Brent Stewart
STEWART & KEEVIL, L.L.C.
4603 John Garry Drive, Suite 11
Columbia, Missouri 65203
(573) 499-0635
(573) 499-0638 (fax)
Stewart499@aol.com

with a copy sent to:

Mark C. Piontek
LEWIS, RICE & FINGERSH, L.L.C.
P.O. Box 1040
Washington, Missouri 63090
(636) 239-7747
(636) 239-8450 (fax)
mpiontek@lewisrice.com

Jeffrey H. Blaylock
FORD, PARSHALL and BAKER, L.L.C.
609 East Walnut Street
Columbia, Missouri 65201
(573) 449-2613
(573) 875-8154 (fax)
jblaylock@fpb-law.com

4. On October 20, 2004 the Joint Applicants pursuant to Section 247.172 RSMo 2000 executed a water service area territorial agreement ("Territorial Agreement") concerning their respective water service areas in and around the City of Hannibal. Pursuant to 4 CSR 240-3.625(1)(A), a copy of the Territorial Agreement, including a legal description of the Joint Applicants' respective water service areas under the Territorial Agreement, is attached hereto and incorporated herein by reference as **Appendix A**. The Territorial Agreement is part of two other contracts, a Sale Contract and a Water Purchase Contract, also executed by the Joint Applicants on October 20,

2004. Copies of those contracts are attached hereto for reference as **Appendix B** and **Appendix C** respectively.

5. The Territorial Agreement specifically designates the mutually agreed to water service areas of the Joint Applicants. The Territorial Agreement also sets forth any and all powers granted to the District by the City to operate within the corporate municipal boundaries of the City and any and all powers of granted to the City to operate within the boundaries of the District for purposes of the Territorial Agreement.

6. The Territorial Agreement will not result in a change of water service supplier for any customers so 4 CSR 240-3.625(D) is not applicable.

7. Because Joint Applicants are publicly-owned political subdivisions of the State of Missouri and are otherwise not subject to regulation by the Commission, the provisions of 4 CSR 240-3.625(1)(B) and 4 CSR 240-2.060(1)(K) and (L) do not apply for purposes of this Joint Application.

8. Concurrent with this filing, Joint Applicants have submitted a check in the amount of five hundred dollars (\$500.00) as a filing fee pursuant to 4 CSR 240-3.625(1)(E) and 4 CSR 240-3.630(1).

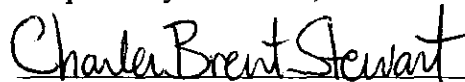
9. The Territorial Agreement will enable the Joint Applicants to avoid wasteful and costly duplication of water utility services within the specified service areas, is consistent with the provisions of Section 247.172 RSMo 2000, and is not, therefore, detrimental to the public interest. In fact, the Territorial Agreement is in the public interest because it displaces destructive competition to the benefit of the Joint Applicants' respective ratepayers. On January 20, 2004 in Case No. WO-2004-0163 the Commission

approved as being in the public interest three, smaller site-specific water territorial agreements involving the Joint Applicants.

10. The Territorial Agreement in no way affects or diminishes the rights and duties of any water supplier not a party to the Territorial Agreement to provide service within the boundaries designated in the Territorial Agreement.

WHEREFORE, Joint Applicants the City of Hannibal, Missouri and Public Water Supply District No. 1 of Ralls County, Missouri respectfully request that the Commission approve Joint Applicants' proposed Territorial Agreement.

Respectfully submitted,



Charles Brent Stewart, MoBar #34885

STEWART & KEEVIL, L.L.C.

4603 John Garry Drive, Suite 11

Columbia, Missouri 65203

(573) 499-0635

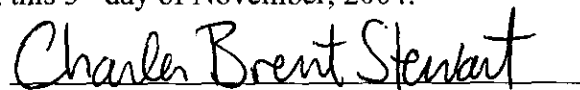
(573) 499-0638 (fax)

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ATTORNEY FOR JOINT APPLICANTS

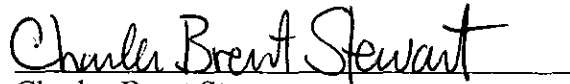
CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of this Joint Application and appendices has been sent to the Office of the Public Counsel and to the Commission's General Counsel's Office, by hand-delivery, this 5th day of November, 2004.



VERIFICATION

The undersigned hereby certifies that I have been retained as regulatory counsel by the City of Hannibal, Missouri and Public Water Supply District No. 1 of Ralls County, Missouri; that I have been duly authorized by Joint Applicants' to file the foregoing Joint Application before the Missouri Public Service Commission; and that the matters and things stated in the foregoing Joint Application and appendices are true and correct to the best of my knowledge, information and belief.

A handwritten signature in cursive script that reads "Charles Brent Stewart". The signature is written in black ink and is positioned above a horizontal line.

Charles Brent Stewart

MoBar #34885

Dated: November 5, 2004