

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

In the Matter of the Joint Application of Algonquin Water Resources of Missouri, LLC, d/b/a/ Liberty Water and KMB Utility Corporation for Authority for Liberty Water to Acquire Certain Assets of KMB Utility Corporation, and in Connection Therewith, Certain Other Related Transactions.

**File No. WO-2011-0350**

**STAFF RECOMMENDATION**

**COMES NOW**, the Staff (“Staff”) of the Missouri Public Service Commission (“Commission”), by and through counsel, and submits to the Missouri Public Service Commission (“Commission”) its *Staff Recommendation* as follows:

1. On April 22, 2011, Algonquin Water Resources of Missouri, LLC, d/b/a Liberty Water (“Liberty Water”) and KMB Utility Corporation (“KMB”) filed with the Missouri Public Service Commission (“Commission”) a Joint Application and, if Necessary, Motion for Waiver, (“*Joint Application*”), seeking authority for Liberty Water to acquire certain assets of KMB and, certain other related transactions connected therewith. These matters have been consolidated into File No. WO-2011-0350.

2. On May 20, 2011, the Commission issued an order granting Staff’s request for an extension of time and directing Staff to file its recommendation regarding this transaction no later than July, 19, 2011. This filing is meant to comply with that *Order*.

3. Staff recommends, as more fully described in Staff’s Memorandum which is attached and incorporated herein as Appendix A, that the Commission approve the *Joint Application*.

4. Staff has verified that both Liberty Water and KMB have filed their annual reports and are not delinquent on any Commission assessment. Staff is not aware of any other matter before the Commission that affects or is affected by this filing.

5. The Staff asserts that the transfer of utility assets from KMB to Liberty is not detrimental to the public interest.

**WHEREFORE,** Staff respectfully submits its *Staff Recommendation* and respectfully requests the Commission grant KMB the authority to sell and transfer all of its utility assets to Liberty Water as requested in the *Joint Application*; Staff also respectfully requests the Commission approve the *Joint Application* in accordance with Appendix A of the attached *Staff Recommendation*.

Respectfully submitted,

/s/ Meghan McClowry  
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Missouri Bar No. 63070

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**CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 19th day of July, 2011.

/s/ Meghan McClowry