BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Application of the City) Of Union, Missouri and Public Water) Supply District No. 1 of Franklin County,) Missouri for Approval of a Territorial) Agreement Concerning Territory in) Franklin County, Missouri.

Case No. WO-2003-0186

ADDENDUM TO WATER SERVICE TERRITORIAL AGREEMENT

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COME NOW the City of Union, Missouri ("Union") and Public Water Supply District No. 1 of Franklin County, Missouri ("Franklin") (collectively "Joint Applicants"), by and through counsel, and pursuant to Paragraph 6 of the Territorial Agreement approved by the Commission on March 6, 2003 in the above-captioned case and respectfully state as follows:

1. On March 6, 2003 the Commission approved by *Report and Order* the

Territorial Agreement submitted by Joint Applicants in this case.

2. Paragraph 6 of the Territorial Agreement provides:

"The parties may agree on a case-by-case basis by an Addendum hereto to allow a structure to receive service from one party though the structure is located in the service area of the other. Such Addendum referred to above shall be filed with the Executive Secretary of the Missouri Public Service Commission in the same manner as a motion or other pleading, with a copy submitted to the Office of the Public Counsel. Each Addendum shall consist of a notarized statement identifying the structure, the party to serve the structure and the justification for the Addendum and indicating that the parties support the Addendum. Each Addendum shall be accompanied by a notarized statement, signed by the

customer to be served which acknowledges such customer's receipt of notice of the contemplated service to be provided and that the Addendum represents an exception to the territorial boundaries approved by the Public Service Commission and shall indicate the customer's consent to be served by the Party contemplated by the Addendum. If the Staff of the Public Service Commission or Office of the Public Counsel do not submit a pleading objecting to the Addendum within forty-five (45) days of the filing thereof, the Addendum shall be deemed approved by the aforesaid parties. However, if a pleading in opposition to the Addendum is filed by the above listed parties, the Commission shall schedule an evidentiary hearing at the earliest reasonable opportunity to determine whether the Addendum should be approved. Each Addendum shall contain a statement in bold uppercase typeface indicating that the Staff or Office of Public Counsel has forty-five (45) days to oppose the Addendum or else the Addendum shall be deemed approved by the aforesaid parties. Each party, pursuant to an executed Addendum, shall have the right to provide temporary service until the Commission approves or disapproves the Addendum. No party shall be required to remove any facilities installed pursuant to an Addendum until the effective date of an Order of the Commission or a court regarding removal of same."

3. Pursuant to Paragraph 6 of the Territorial Agreement, THE STAFF FO THE MISSOURI PUBLIC SERVICE COMMISSION OR OFFICE OF PUBLIC COUNSEL HAS FORTY-FIVE (45) DAYS TO OPPOSE THIS ADDENDUM OR ELSE THIS ADDENDUM SHALL BE DEEMED APPROVED BY THE AFORESAID PARTIES.

4. On December 1, 2004, Union and Franklin executed the *First Amendment And Addendum To Territorial Agreement* (hereinafter "Amendment Document"), attached hereto and incorporated in full herein by reference as part of this Addendum. Pursuant to the Amendment Document, Union agreed *inter alia* to pay Franklin a certain amount of money for the right to provide water service to a parcel of land (specifically described in Exhibit A to the Amendment Document), contingent upon the owner/developer of the parcel of land paying an equal amount of money to Union and subsequent regulatory approval by the Commission. Under the Commission-approved Territorial Agreement, said parcel lies within Franklin's water service area. In order to receive water service to and within said parcel from Franklin, new Franklin water district facilities would have to be installed at considerable cost to all involved. Union, however, currently does have nearby water facilities in place and has already provided temporary water service to new structures within said parcel at the property owners' request in order that they may have water service.

5. Said parcel of land has been subdivided by the developer, and certain tracts of land within the overall parcel are currently owned by four property owners (including the developer). All of the property owners within the parcel have requested Union to provide water service to their respective properties. All four current property owners have consented to be served by Union and support the filing and Commission approval of this Addendum to the original Territorial Agreement.

6. Executed and notarized customer consents of all four affected property owners are attached to this Addendum and incorporated herein consistent with the provisions of Paragraph 6 of the Territorial Agreement.

7. The Joint Applicants, and the property owners affected by this Addendum, recognize that this Addendum represents an exception to the water service territorial boundaries approved by the Commission in Case No. WO-2003-0186, and that once effective, this Addendum will allow Union to continue to provide water service to structures within the aforementioned parcel on a permanent basis unless and until the Commission, upon proper petition, would authorize a change of water supplier in a subsequent proceeding brought for that purpose.

8. To assist the Staff and the Commission in their review, attached as **Exhibit A** to this Addendum is a copy of the legal description of Franklin's water service territory under the original Territorial Agreement.

9. Attached as **Exhibit B** to this Addendum is a copy of the legal description of the property to be added to Union's water service area under the Territorial Agreement if this Addendum becomes effective.

10. Attached as **Exhibit C** to this Addendum is a copy of the legal description of Franklin's revised water service area under the Territorial Agreement if this Addendum becomes effective.

WHEREFORE, Joint Applicants The City of Union, Missouri and Public Water Supply District No. 1 of Franklin County, Missouri respectfully request that this Addendum to the Water Service Territorial Agreement, as originally approved by the Commission in Case No. WO-2003-0138, be approved.

Respectfully submitted,

/s/ Charles Brent Stewart

Charles Brent Stewart, MoBar #34885 STEWART & KEEVIL, L.L.C. 4603 John Garry Drive, Suite 11 Columbia, Missouri 65203 (573) 499-0635, ext. 11 (573) 499-0638 (fax) Stewart499@aol.com

ATTORNEY FOR JOINT APPLICANTS

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing Addendum To Water Service Territorial Agreement and appendices, filed in Commission Case No. WO-2003-0186, was delivered to the General Counsel's Office of the Missouri Public Service Commission and to the Office of the Public Counsel by U.S. Mail, first-class postage prepaid, by hand-delivery, or by electronic transmission, this 20th day of September, 2006.

/s/ Charles Brent Stewart

Charles Brent Stewart