

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

In the Matter of Cedar Green Land Acquisition, LLC)
for a Certificate of Convenience and Necessity)
Authorizing it to Own, Operate, Maintain, Control and)
Manage Water Systems in Camden County, Missouri.)

File No. WA-2013-0117

In the Matter of Cedar Green Land Acquisition, LLC)
for a Certificate of Convenience and Necessity)
Authorizing it to Own, Operate, Maintain, Control and)
Manage Sewer Systems in Camden County, Missouri.)

File No. SA-2013-0354

STAFF RECOMMENDATION TO APPROVE APPLICATIONS, WITH CONDITIONS

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

Procedural History

1. On September 25, 2012, Cedar Green Land Acquisition, LLC, (Cedar Green) filed an *Application* with the Missouri Public Service Commission (Commission) seeking a certificate of convenience and necessity (CCN) to own, operate, maintain, control and manage water systems in Camden County, Missouri. On January 15, 2013, Cedar Green filed an *Application* with the Commission seeking a CCN to own, operate, maintain, control and manage sewer systems in Camden County, Missouri.

2. On September 27, 2012, the Commission issued its *Order Directing Notice, Setting Intervention Deadline and Directing Filing*, which directed Staff to file its Recommendation by November 26, 2012

3. On November 26, 2012, the Commission Staff requested an additional ninety (90) days, until February 26, 2013, to complete its audit and to file its recommendation. The Commission granted Staff's extension that same day.

4. On January 15, 2013, the Commission ordered Staff to file a report and recommendation regarding the application in File No. SA-2013-0354, or to inform the Commission when it anticipated its investigation and report would be complete, by February 26, 2013.

5. At this time, Staff is able to file its *Recommendation* in both files, WA-2013-0117 and SA-2013-0354.

Jurisdiction

6. RSMo 393.120 states, "No...water corporation or sewer corporation...shall exercise any right or privilege under any franchise hereafter granted...without first having obtained the permission and approval of the commission."

7. RSMo 386.020 defines "water corporation" and "sewer corporation" as:

(49) "**Sewer corporation**" includes every corporation, company, association, joint stock company or association, partnership or person, their lessees, trustees or receivers appointed by any court, owning, operating, controlling or managing any sewer system, plant or property, for the collection, carriage, treatment, or disposal of sewage anywhere within the state for gain, except that the term shall not include sewer systems with fewer than twenty-five outlets...

(59) "**Water corporation**" includes every corporation, company, association, joint stock company or association, partnership and person, their lessees, trustees, or receivers appointed by any court whatsoever, owning, operating, controlling or managing any plant or property, dam or water supply, canal, or power station, distributing or selling for distribution, or selling or supplying for gain any water.

8. Cedar Green is a "water corporation" because it is a company owning, operating, controlling or managing any plant or property, dam or water supply, canal, or

power station, distributing or selling for distribution, or selling or supplying water for gain. Cedar Green is a “sewer corporation” because it is a company which owns, operates, controls and manages a sewer system, for the collection, carriage, treatment, or disposal of sewage anywhere within the state for gain, and serves more than twenty-five outlets.

9. The Commission has the power to grant this request pursuant to RSMo. 393.170.3:

The commission shall have the power to grant the permission and approval herein specified [a certificate of convenience and necessity] whenever it shall after due hearing determine that...such exercise of right, privilege, or franchise is necessary or convenient for the public service. The commission may by its order impose such condition or conditions as it may deem reasonable and necessary...

10. The Commission need not hold a hearing, if, after proper notice and opportunity to intervene, no party requests such a hearing. *State ex rel. Rex Deffenderfer Enterprises, Inc. v. Public Service Commission*, 776 S.W.2d 494 (Mo. App. W.D. 1989).

Staff Recommendation

11. As indicated in the Staff Memorandum, attached as Appendix A, after completing its investigation and audit of Cedar Green, Staff recommends the Commission grant the Company’s Application for a CCN to provide water and sewer service in Camden County, Missouri, subject to the conditions found in Appendix A.

12. The Commission established five criteria in *Tartan Energy Company*, 3 Mo. P.S.C. 3d 173, 177 (1994), for consideration when making a determination in an application case: (1) there must be a need for the service; (2) the applicant must be qualified to provide the service; (3) the applicant must have the financial ability to

provide the service; (4) the applicant's proposal must be economically feasible; and (5) the service must promote the public interest.

13. In the *Staff Memorandum* attached hereto, Staff has determined that the Company has met all five criteria set forth in *Tartan Energy Company*, thus establishing a need for a CCN for the service areas at issue.

WHEREFORE, Staff respectfully requests the Commission issue an order granting Cedar Green a certificate of convenience and necessity to provide water and sewer service to the service areas described in the *Staff Memorandum* attached hereto.

Respectfully submitted,

/s/ Meghan E. Woolery

Meghan E. Woolery
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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 or hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record on this 26th day of February, 2013.

/s/ Meghan E. Woolery

MEMORANDUM

TO: Missouri Public Service Commission Official Case File
File Nos. WA-2013-0117 and SA-2013-0354
Cedar Green Land Acquisition, LLC
Seeking Certificates of Convenience and Necessity

FROM: Jim Merciel – Water & Sewer Unit, Case Coordinator
Kofi Boateng – Auditing Unit
Sarah Sharpe – Auditing Unit
Zephania Marevangepo – Financial Analysis Unit
David Williams – Engineering and Management Services Unit

/s/ Jim Busch
Water and Sewer Unit

2/25/2013
Date

/s/ Meghan Woolery
Staff Counsel's Office

2/25/2013
Date

SUBJECT: Staff Recommendation Regarding Granting of Certificates of Convenience and Necessity

DATE: February 25, 2013

BACKGROUND

On September 25, 2012 Cedar Green Land Acquisition, LLC (Cedar Green or Company) submitted an *Application* seeking a Certificate of Convenience and Necessity (Certificate) to provide regulated water service in an area of Camden County, docketed as WA-2013-0117. On September 27, 2012 the Commission issued an *Order Directing Notice, Setting Intervention Deadline and Directing Filing*, in which it set October 17, 2012 as the date by which interested parties should submit applications to intervene, and set November 26, 2012 as the date by which the Staff should file its recommendation. On November 26, 2012 Staff filed its response to the Order, requesting an extension of time to file its recommendation until February 26, 2013. On November 26, 2012 the Commission issued an *Order Granting Extension of Time* in which it granted the Staff's request for extension.

On January 15, 2013 Cedar Green submitted an *Application* seeking a Certificate to provide regulated sewer service in the same area, docketed as SA-2013-0354. On January 15, 2013, the Commission issued an *Order Directing Notice, Setting Intervention Deadline and Directing Filing*,

APPENDIX A

setting January 25, 2013 as the date by which interested parties should submit applications to intervene, and set February 26, 2013 as the date by which the Staff should file its recommendation.

No parties sought to intervene in these cases.

Cedar Green submitted these *Applications* in response to a pending formal complaint that was filed by Staff, WC-2013-0087, in which Staff alleges that Cedar Green is presently operating as a public utility and is subject to the jurisdiction of the Public Service Commission. Based on information provided in a prehearing conference, a previous order requiring the parties to submit a proposed procedural schedule for WC-2013-0087 was canceled, and presently a status report is due to be filed by the parties by April 9, 2013.

THE STAFF'S INVESTIGATION, FINDINGS AND CONCLUSIONS

Staff has reviewed the feasibility studies submitted in these cases, including detailed evaluations of the estimated capital costs and operating expenses as proposed by Cedar Green. Staff has also visited the subdivision site, and met and discussed various matters related to this case with the owner of Cedar Green.

Cedar Green is a limited liability company that was created by Mr. Gary F. Myers (Mr. Myers) and others, according to documents filed with the Secretary of State (SOS), on December 23, 2003. Cedar Green is now owned by another LLC, Myers Yearian, LLC, (Myers Yearian), which is owned in full by Mr. Myers. Cedar Green is in good standing with the SOS. Cedar Green currently owns the water and sewer utility assets, but does not own the land upon which the utility assets are located. Myers Yearian owns the land upon which the utility property is located.

Development within the service area, with which Mr. Myers was involved, consists of Cedar Greens Luxury Condominiums along with 2 (two) single family residences. It is located approximately three miles southwest of Camdenton, Missouri near U.S. Highway 54, on the shoreline of the Lake of the Ozarks. The condominium development presently consists of two buildings with 26 (twenty-six) units each, for a total of 52 (fifty-two) units. The Cedar Green water and sewer systems were designed to serve all completed planned buildings of the Cedar Green development of at least 110 customers, but they are currently utilized to provide service to approximately 53 (fifty-three) customers, 51 (fifty-one) being customers that reside in the existing condominium units and the 2 (two) single-family residential customers. In addition, water service is utilized for condominium landscaping irrigation. Real estate exists for additional condominium construction, but no such construction is under way at present. No other water or sewer service is currently available in this area.

Cedar Green presently issues one quarterly bill to the Cedar Green Condominium Association, Inc. (the Association) each quarter for water and sewer service for all 53 customers including the single

family residential customers. This billing arrangement is made possible by the fact that both of Cedar Green’s residential customers, as well as all of the condominium owners, are members of the Association.

The water system consists of a single well producing 80 gallons per minute, a standpipe storage tank with a usable volume of approximately 35,000 gallons, and relatively small lengths of distribution pipeline to transport water to the single family residences and the two condominium buildings. There are no water meters except a master meter measuring water at the wellhead. This water system is of adequate capacity to provide service to the stated planned development of one-hundred and ten (110) customers, including a usable storage volume to supply customers for one day, for times when the single well needs to be taken out of service for pump replacement.

The sewer system consists of an extended aeration treatment facility with a hydraulic capacity of 45,210 gallons per day, which is adequate for the planned development of 110 customers. Sewage from the single family residences flows by gravity. Sewage from the condominium buildings flows to a lift station which pumps it to the treatment facility.

PLANT IN SERVICE, CAPACITY ADJUSTMENT, DEPRECIATION RESERVE AND DEPRECIATION EXPENSE

Staff has included all capital improvements that were supported by adequate documentation. Staff then determined appropriate depreciation rates for each Uniform System of Accounts (USOA) category of plant in service, separately for both the water and sewer systems. Based upon the supported levels of plant in service and depreciation rates the Staff determined the appropriate balances of accumulated depreciation separately for both the water and sewer systems. Staff then calculated plant and reserve adjustments that reduced the overall cost of service calculations in order to address excess capacity issues that exist on the water and sewer systems. Staff applied a capacity adjustment as a disallowance to all plant components of the Cedar Green water and sewer systems. The disallowance is based on the existing fifty-three (53) customers, as related to the planned one-hundred and ten (110) customers, specifically calculated as follows:

$$(110-53)/110*100\% = 51.818\% \text{ disallowance.}$$

The following chart summarizes the rate base balances as of September 30, 2012 for the Cedar Green water and sewer systems, including a “before and after” capacity adjustment rate base balance for each system.

	CEDAR GREEN WATER	CEDAR GREEN SEWER
Number of Customers	53	53
Plant in Service	\$209,290	\$357,024
Depreciation Reserve	\$35,191	\$79,662
Net Rate Base Before Capacity Adjustment	\$174,099	\$277,362
Net Capacity Adjustment	\$90,214	\$143,152
Net Rate Base After Capacity Adjustment	\$83,885	\$134,210

Operating Expenses and Monthly Rates

Staff recommends that the Commission approve depreciation rate schedules for Cedar Green as shown on Attachments A and B to this memorandum, and incorporated by reference herein.

Cedar Green's capital structure consists of debt in excess of 75% of its total capital. In such circumstances, Staff believes it is appropriate to use a hypothetical capital structure, which limits debt capital to 75% for ratemaking purposes. As a result, Staff estimates a return on equity of 12.21%, and for ratemaking calculations a total overall rate of return of 7.55%.

Staff is recommending flat rates for both the water and sewer operations, since no meters exist. Rates proposed to be approved are as follows:

WATER RATES	\$26.79	Per Month Per Unit
SEWER RATES	\$47.34	Per Month Per Unit

Staff's accounting schedules, which reflect the Auditing Unit's findings of investment and actual expenses, are included and incorporated herein by reference as Attachments C and D, for water and sewer, respectively. A Staff workpaper calculating the above rates is included and incorporated herein by reference as Attachment E. Although Staff's recommended rates are expressed on a monthly "per customer" or a "per unit" basis, Staff recommends Cedar Green retain its current practice of sending quarterly utility bills, based on the number of customers, to the Association. As such, expenses for billing of individual customers have not been included in Staff's recommended rates.

Other Conditions for Cedar Green as a Regulated Public Water and Sewer Utility

If the Commission approves the *Applications*, Cedar Green must take full ownership of utility assets, including necessary real estate, from any other entity that may presently have an ownership of the assets that are in service, in order that it will have legal access to the utility facilities. Any property transfer needs to be accomplished within sixty (60) days after the effective date of the Commission's Order in this matter, in order to provide for proper legal access to the facilities for operations.

Cedar Green will also be required to keep its books and records in accordance with the Uniform System of Accounts, including day-to-day operating expenses, revenues and recording in the Company's ledger existing capital items and adjustments for new and retired capital items placed into service, and recording cost of removal and gross salvage for all replaced or retired plant. Cedar Green must also utilize a work order system to track material, labor and overhead costs for its water and sewer systems.

Cedar Green utilizes a contract operator for day-to-day facility operations. However, there is no existing contract in effect between Cedar Greens and any contract operator. For continued reliable operations, Staff recommends that Cedar Green enter into a valid written contract for plant operations, or hire an employee who is able to undertake plant operations.

Staff found the description and map of the proposed service area that was included with the *Applications* to be difficult to decipher. Staff proposes approval and utilization of the attached written description and map, including their use in Cedar Green's tariffs to be filed, included herein and incorporated by reference as Attachments F and G, respectively.

Cedar Green will also need to submit Schedules of Rates, Rules and Regulations (tariffs) as is required of all regulated utilities, to include rates and charges, a written description and map of the service area, and rules regarding the provision of utility service including quarterly billing for all proposed customers to be handled through the Association. The Staff will make itself available for assistance in preparing and filing tariffs, and for proper set-up of necessary utility records systems.

Staff takes the position that Cedar Green has adequate technical, managerial and financial capacity to own and operate the water and sewer systems serving within the proposed service area.

The Staff believes that there are no practical alternatives to providing water and sewer service to this area at the present time.

THE TARTAN ENERGY CRITERIA

As is normal procedure with most cases involving issuing of any Certificate, Staff has analyzed Cedar Green's ability to meet the "Tartan Energy Criteria," as slightly modified by the Staff. These criteria have historically been used by the Commission in evaluating service area certificate applications. The Tartan Energy Criteria, with Criterion No. 1 modified by Staff, are as follows:

1. Is there a need for the proposed services, and is there a need for the Company to provide the proposed services?

Staff believes that a need for the proposed service clearly exists, since it is desirable for residential and condominium customers within the service area to have water and sewer service. The existing water and sewer systems owned and operated by Cedar Green are appropriate to be utilized to provide such service.

2. Is the Company qualified to provide the proposed service?

Yes, Staff has determined that Cedar Green is able to continue the operations of the existing systems, and is capable of undertaking necessary improvements for continued operations of those systems.

3. Does the Company have the financial ability to provide the proposed services?

The Staff believes the Companies will be adequately financed. The utility will be financed through the owner in the context of subdivision development, using a combination of bank financing and owner equity.

4. Is the Company's proposal economically feasible?

Yes, Staff auditors observed financial resources available to the owners of Cedar Green, and Staff determined that Cedar Green has adequate financial resources necessary for continued operation of these systems.

5. Does the Company's proposal promote the public interest?

The water and sewer service is necessary in order for the living units to be occupied; the water and sewer systems in place and operated by Cedar Green are necessary since there are no other water and sewer systems presently available within the proposed service area. Additionally, Cedar Green is capable of providing service in the area, as demonstrated by its present operations.

ADDITIONAL INFORMATION

Cedar Green is presently not a regulated utility; therefore there are no issues with respect to the submission of annual reports or assessments. As noted above, Cedar Green is in good standing with the SOS. Finally, there are no operational issues or violations as noted by the Missouri Department of Natural Resources.

Staff expects that approval by the Commission and granting of Certificates to Cedar Green for authority to provide water and sewer service will resolve the issues in the above-mentioned formal complaint case, WC-2013-0087. Except for this case, there are no other matters pending before the Commission that would affect, or be affected by, the granting of Certificates to Cedar Green.

STAFF'S POSITIONS & CONDITIONS

The Staff recommends that the Commission issue Cedar Green Certificates of Convenience and Necessity to provide water service and sewer service, respectively, subject to the conditions contained below.

In conclusion, the Staff Recommends the Commission issue orders in each of these cases that:

1. Grants Cedar Green Certificates of Convenience and Necessity for water service and sewer service;
2. Approves rates for water service and sewer service, as described herein;
3. Requires Cedar Green to submit a new water tariff and a new sewer tariff, each with rates and provisions consistent with this recommendation and the order, bearing an effective date that is at least thirty (30) days after submission, to be submitted no more than thirty (30) days after the effective date of the Commission's order;
4. Approves depreciation accrual rates, as shown on the attached depreciation schedules, Attachment A for water (Case No. WA-2013-0117) and Attachment B for sewer (Case No. SA-2013-0354);
5. Requires Cedar Green to acquire ownership to all water and sewer utility assets and necessary real estate within sixty (60) days after the effective date of the Commission's Order; if ownership and legal access is not accomplished by that time, Cedar Green is required to notify the Commission by status report describing what assets are involved, why acquisition has not taken place, and a plan with a time frame for acquisition or access.

6. Requires Cedar Green to either enter into a valid written contract regarding day-to-day plant operations, or hire one or more a qualified employees who are able to undertake adequate plant operational tasks;
7. Requires Cedar Green to file rate requests for operations of both its water and sewer systems concurrently as part of any future rate increase request;
8. Requires Cedar Green to maintain utility plant records and customer account records, and to keep all books and records, including plant and property records, in accordance with the USOA, version 1973 and revised in 1976 for water and version 1976 for sewer as described in this memorandum;
9. Requires adherence by Cedar Green to all Commission Rules regarding water system operation, sewer system operation, customer service and billing, the timely submission of annual reports with the Commission, submission of any required statement of revenue, and payment of annual Commission assessments; and,
10. Except for specific noted conditions, makes no finding that would preclude the Commission from considering the ratemaking treatment to be afforded any matters pertaining to the granting of the requested certificate, including future expenditures by Cedar Green, in any later proceeding.

The Water & Sewer Department Staff will file a further recommendation regarding approval of the new tariffs that Cedar Green will be submitting in accordance with the Commission's order granting the Certificates. This case should thus remain open for consideration of those tariffs and the Staff's recommendation thereon.

Attachments: A -- Depreciation Schedule for Water Plant
B -- Depreciation Schedule for Sewer Plant
C -- Auditing Schedules for Water
D -- Auditing Schedules for Sewer
E -- Rate Calculations, Water and Sewer
F -- Staff Proposed Description of Service Area
G -- Staff Proposed Map of Service Area

Cedar Green Land Acquisition - Attachment A
SCHEDULE of DEPRECIATION RATES
(WATER)
WA-2013-0117

<u>ACCOUNT NUMBER</u>	<u>ACCOUNT DESCRIPTION</u>	<u>DEPRECIATION RATE</u>	<u>AVERAGE SERVICE LIFE (YEARS)</u>	<u>NET SALVAGE</u>
311	Structures and improvements	2.5%	40	
314	Wells and springs	2.0%	50	
325	Pumping equipment	10.0%	10	
342	Distribution reservoirs and standpipes	2.5%	40	
343	Transmission and distribution mains	2.0%	50	
348	Hydrants	2.0%	50	
379	Other general equipment	6.7%	13	13%

Cedar Green Land Acquisition - Attachment B
SCHEDULE of DEPRECIATION RATES
(SEWER)
SA-2013-0354

<u>ACCOUNT NUMBER</u>	<u>ACCOUNT DESCRIPTION</u>	<u>DEPRECIATION RATE</u>	<u>AVERAGE SERVICE LIFE (YEARS)</u>	<u>NET SALVAGE</u>
311	Structures and improvements	4.0%	25	
352.2	Collection sewers (gravity)	2.0%	50	
362	Receiving wells	4.0%	25	
363	Electric pumping equipment	10.0%	10	
373	Treatment and disposal facilities	5.00%	20	
374	Plant sewers	2.50%	40	
375	Outfall sewer lines	2.00%	50	
393	Other general equipment	10.00%	10	

Exhibit No.:
Issue: Accounting Schedules
Witness: MO PSC Auditors
Sponsoring Party: MO PSC Staff
Case No: WA-2013-0117
Date Prepared: February 26, 2013



MISSOURI PUBLIC SERVICE COMMISSION
UTILITY SERVICES DIVISION
STAFF ACCOUNTING SCHEDULES

CEDAR GREEN LAND ACQUISITION, LLC
CASE NO. WA-2013-0117

Jefferson City, Missouri

Feb-13

Cedar Green Land Acquisition, LLC
Certificate of Convenience and Necessity Case
Tracking Number WA-2013-0117
Test Year Ending 09-30-2012
Rate Design Schedule - Water

Line Number	A Description	B Account Number (Optional)	C Staff Annualized	D Customer Charge	E Commodity	F Percentage Rate
Rev-1	ANNUALIZED REVENUES					
Rev-2	Annualized Rate Revenues		(1) \$17,490			
Rev-3	Miscellaneous Revenues		(1) \$0			
Rev-4	TOTAL ANNUALIZED REVENUES		\$17,490			
1	OPERATIONS EXPENSES	(2)				
2	Management Salary (1)		\$900	\$0	\$900	0.00%
3	Operators Salary/Contract Services (1)		\$1,920	\$0	\$1,920	0.00%
4	Electricity-(Pumping)		\$2,814	\$0	\$2,814	0.00%
5	TOTAL OPERATIONS EXPENSE		\$5,634	\$0	\$5,634	
6	MAINTENANCE EXPENSES					
7	System Maintenance		\$390	\$0	\$390	0.00%
8	TOTAL MAINTENANCE EXPENSE		\$390	\$0	\$390	
9	CUSTOMER ACCOUNT EXPENSE					
10	Postage		\$12	\$0	\$12	0.00%
11	TOTAL CUSTOMER ACCOUNT EXPENSE		\$12	\$0	\$12	
12	ADMINISTRATIVE & GENERAL EXPENSES					
13	Property & Liability Insurance		\$777	\$0	\$777	0.00%
14	TOTAL ADMINISTRATIVE AND GENERAL		\$777	\$0	\$777	
15	OTHER OPERATING EXPENSES					
16	MO DNR Fees		\$200	\$0	\$200	0.00%
17	PSC Assessment		\$129	\$0	\$129	0.00%
18	Corporate Registration		\$10	\$0	\$10	0.00%
19	Depreciation		\$3,436	\$0	\$3,436	0.00%
20	TOTAL OTHER OPERATING EXPENSES		\$3,775	\$0	\$3,775	
21	TAXES OTHER THAN INCOME					
22	Real & Personal Property Taxes		\$115	\$0	\$115	0.00%
23	TOTAL TAXES OTHER THAN INCOME		\$115	\$0	\$115	
24	TOTAL OPERATING EXPENSES		\$10,703	\$0	\$10,703	
25	Interest Expense	(3)	\$3,775	\$0	\$3,775	0.00%
26	Return on Equity	(3)	\$2,560	\$0	\$2,560	0.00%
27	Income Taxes	(3)	\$0	\$0	\$0	0.00%
28	TOTAL INTEREST RETURN & TAXES		\$6,335	\$0	\$6,335	
29	TOTAL COST OF SERVICE		\$17,038	\$0	\$17,038	
30	Less: Miscellaneous Revenues		\$0	\$0	\$0	0.00%
31	COST TO RECOVER IN RATES		\$17,038	\$0	\$17,038	
32	INCREMENTAL INCREASE IN RATE REVENUES		<u>-452</u>			
33	PERCENTAGE OF INCREASE		<u>-2.58%</u>			
34	REQUESTED INCREASE IN REVENUES		\$0			

(1) From Revenue Schedule
(2) From Expense Schedule
(3) From PreTax Rate of Return Schedule, Rate Base & Return Schedule

Cedar Green Land Acquisition, LLC
Certificate of Convenience and Necessity Case
Tracking Number WA-2013-0117
Test Year Ending 09-30-2012
Rate Design Schedule - Water

Line Number	A Description	B Account Number (Optional)	C Staff Annualized	D Customer Charge	E Commodity	F Percentage Rate
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Cedar Green Land Acquisition, LLC
 Certificate of Convenience and Necessity Case
 Tracking Number WA-2013-0117
 Test Year Ending 09-30-2012
 Rate Base Required Return on Investment Schedule - Water

Line Number	A Rate Base Description	B Dollar Amount	
1	Plant In Service	\$100,840	From Plant Schedule
2	Less Accumulated Depreciation Reserve	\$16,955	From Depreciation Reserve Schedule
3	Net Plant In Service	\$83,885	
4	Other Rate Base Items:	\$0	
5	Total Rate Base	\$83,885	
6	Total Weighted Rate of Return Including Income Tax	7.55%	From PreTax Return & Taxes Schedule
7	Required Return & Income Tax	\$6,335	

Cedar Green Land Acquisition, LLC
 Certificate of Convenience and Necessity Case
 Tracking Number WA-2013-0117
 Test Year Ending 09-30-2012
 Rate of Return Including Income Tax - Water

	A		B	formulas
1	State Income Tax Rate Statutory / Effective	0.00% (2)	0.00%	(1 - (B2 x .5)) x A1
2	Federal Income Tax Rate Statutory / Effective	0.00% (1) & (2)	0.00%	(1 - B1) x A2
3	Composite Effective Income Tax Rate		0.00%	B1 + B2
4	Equity Tax Factor		1.0000	1 / (1-B3)
5	Recommended Weighted Rate of Return on Equity - Common and Preferred		3.05%	From Capital Structure Schedule
6	Weighted Rate of Return on Equity Including Income Tax		3.05%	B4 x B5
7	Recommended Weighted Rate of Return on Debt - Long-Term and Short-Term		4.50%	From Capital Structure Schedule
8	Total Weighted Rate of Return Including Income Tax		7.55%	B6+B7

To Rate Base Schedule

(1) If Sub-Chapter S Corporation, Enter Y:

Equity Income Required \$0
 & Preliminary Federal Tax

Tax Rate Table

Net Income Range				
Start	End	Tax Rate	Amount in Range	Tax on Range
\$0	\$50,000	15.00%	\$0	\$0
\$50,001	\$75,000	25.00%	\$0	\$0
\$75,001	\$100,000	34.00%	\$0	\$0
\$100,001	\$335,000	39.00%	\$0	\$0
\$335,001	\$9,999,999,999	34.00%	\$0	\$0
			\$0	\$0
			Consolidated Tax Rate:	
			Average Tax Rate:	0

Cedar Green Land Acquisition, LLC
Certificate of Convenience and Necessity Case
Tracking Number WA-2013-0117
Test Year Ending 09-30-2012
Capital Structure Schedule - Water

Line Number	A Description	B Dollar Amount	C Percentage of Total Capital Structure	D Embedded Cost of Capital	E Weighted Cost of Capital
1	Common Stock	\$20,971	25.00%	12.21%	3.052%
2	Other Security-Non Tax Deductible	\$0	0.00%	0.00%	0.000%
3	Preferred Stock	\$0	0.00%	0.00%	0.000%
4	Long Term Debt	\$62,914	75.00%	6.00%	4.500%
5	Short Term Debt	\$0	0.00%	0.00%	0.000%
6	Other Security-Tax Deductible	\$0	0.00%	0.00%	0.000%
7	TOTAL CAPITALIZATION	<u>\$83,885</u>	<u>100.00%</u>		<u>7.552%</u>

To PreTax Return Rate Schedule

Note: column C: is 6 positions with 4 that are displayed (if not totaled correctly, due to rounding)

Cedar Green Land Acquisition, LLC
Certificate of Convenience and Necessity Case
Tracking Number WA-2013-0117
Test Year Ending 09-30-2012
Plant In Service - Water

Line Number	A Account # (Optional)	B Plant Account Description	C Total Plant	D Adjustment Number	E Adjustments	F Jurisdictional Allocation	G Adjusted Jurisdictional
1		INTANGIBLE PLANT					
2		TOTAL INTANGIBLE PLANT	\$0		\$0		\$0
3		SOURCE OF SUPPLY PLANT					
4	311.000	Structures & Improvements - SSP	\$21,667	P-4	-\$11,228	100.00%	\$10,439
5	314.000	Wells and Springs	\$28,815	P-5	-\$14,931	100.00%	\$13,884
6		TOTAL SOURCE OF SUPPLY PLANT	\$50,482		-\$26,159		\$24,323
7		PUMPING PLANT					
8	325.000	Electric Pumping Equipment	\$28,151	P-8	-\$14,587	100.00%	\$13,564
9		TOTAL PUMPING PLANT	\$28,151		-\$14,587		\$13,564
10		WATER TREATMENT PLANT					
11		TOTAL WATER TREATMENT PLANT	\$0		\$0		\$0
12		TRANSMISSION & DISTRIBUTION PLANT					
13	342.000	Distribution Reservoirs & Standpipes	\$104,384	P-13	-\$54,090	100.00%	\$50,294
14	343.000	Transmission & Distribution Mains	\$17,145	P-14	-\$8,884	100.00%	\$8,261
15	349.000	Hydrants	\$7,771	P-15	-\$4,027	100.00%	\$3,744
16		TOTAL TRANS. & DISTRIBUTION PLANT	\$129,300		-\$67,001		\$62,299
17		GENERAL PLANT					
18	379.000	Other General Equipment	\$1,357	P-18	-\$703	100.00%	\$654
19		TOTAL GENERAL PLANT	\$1,357		-\$703		\$654
20		TOTAL PLANT IN SERVICE	\$209,290		-\$108,450		\$100,840

To Rate Base & Depreciation Schedules

Cedar Green Land Acquisition, LLC
Certificate of Convenience and Necessity Case
Tracking Number WA-2013-0117
Test Year Ending 09-30-2012
Schedule of Adjustments for Plant in Service - Water

A Plant Adjustment Number	B Plant In Service Adjustment Description	C Account Number	D Adjustment Amount	E Total Adjustment
P-4	Structures & Improvements - SSP	311.000		-\$11,228
	Capacity Adjustment (Merciel/Boateng)		-\$11,228	
P-5	Wells and Springs	314.000		-\$14,931
	Capacity Adjustment (Merciel/Boateng)		-\$14,931	
P-8	Electric Pumping Equipment	325.000		-\$14,587
	Capacity Adjustment (Merciel/Boateng)		-\$14,587	
P-13	Distribution Reservoirs & Standpipes	342.000		-\$54,090
	Capacity Adjustment (Merciel/Boateng)		-\$54,090	
P-14	Transmission & Distribution Mains	343.000		-\$8,884
	Capacity Adjustment (Merciel/Boateng)		-\$8,884	
P-15	Hydrants	349.000		-\$4,027
	Capacity Adjustment (Merciel/Boateng)		-\$4,027	
P-18	Other General Equipment	379.000		-\$703
	Capacity Adjustment (Merciel/Boateng)		-\$703	
Total Plant Adjustments				-\$108,450

Cedar Green Land Acquisition, LLC
Certificate of Convenience and Necessity Case
Tracking Number WA-2013-0117
Test Year Ending 09-30-2012
Depreciation Expense - Water

Line Number	A Account Number	B Plant Account Description	C Adjusted Jurisdictional	D Depreciation Rate	E Depreciation Expense
1		INTANGIBLE PLANT			
2		TOTAL INTANGIBLE PLANT	\$0		\$0
3		SOURCE OF SUPPLY PLANT			
4	311.000	Structures & Improvements - SSP	\$10,439	2.50%	\$261
5	314.000	Wells and Springs	\$13,884	2.00%	\$278
6		TOTAL SOURCE OF SUPPLY PLANT	\$24,323		\$539
7		PUMPING PLANT			
8	325.000	Electric Pumping Equipment	\$13,564	10.00%	\$1,356
9		TOTAL PUMPING PLANT	\$13,564		\$1,356
10		WATER TREATMENT PLANT			
11		TOTAL WATER TREATMENT PLANT	\$0		\$0
12		TRANSMISSION & DISTRIBUTION PLANT			
13	342.000	Distribution Reservoirs & Standpipes	\$50,294	2.50%	\$1,257
14	343.000	Transmission & Distribution Mains	\$8,261	2.00%	\$165
15	349.000	Hydrants	\$3,744	2.00%	\$75
16		TOTAL TRANS. & DISTRIBUTION PLANT	\$62,299		\$1,497
17		GENERAL PLANT			
18	379.000	Other General Equipment	\$654	6.70%	\$44
19		TOTAL GENERAL PLANT	\$654		\$44
20		Total Depreciation	\$100,840		\$3,436

Cedar Green Land Acquisition, LLC
Certificate of Convenience and Necessity Case
Tracking Number WA-2013-0117
Test Year Ending 09-30-2012
Accumulated Depreciation Reserve - Water

Line Number	A Account Number	B Depreciation Reserve Description	C Total Reserve	D Adjustment Number	E Adjustments	F Jurisdictional Allocation	G Adjusted Jurisdictional
1		INTANGIBLE PLANT					
2		TOTAL INTANGIBLE PLANT	\$0		\$0		\$0
3		SOURCE OF SUPPLY PLANT					
4	311.000	Structures & Improvements - SSP	\$2,708	R-4	-\$1,403	100.00%	\$1,305
5	314.000	Wells and Springs	\$2,881	R-5	-\$1,493	100.00%	\$1,388
6		TOTAL SOURCE OF SUPPLY PLANT	\$5,589		-\$2,896		\$2,693
7		PUMPING PLANT					
8	325.000	Electric Pumping Equipment	\$14,076	R-8	-\$7,294	100.00%	\$6,782
9		TOTAL PUMPING PLANT	\$14,076		-\$7,294		\$6,782
10		WATER TREATMENT PLANT					
11		TOTAL WATER TREATMENT PLANT	\$0		\$0		\$0
12		TRANSMISSION & DISTRIBUTION PLANT					
13	342.000	Distribution Reservoirs & Standpipes	\$13,048	R-13	-\$6,761	100.00%	\$6,287
14	343.000	Transmission & Distribution Mains	\$1,714	R-14	-\$888	100.00%	\$826
15	349.000	Hydrants	\$310	R-15	-\$161	100.00%	\$149
16		TOTAL TRANS. & DISTRIBUTION PLANT	\$15,072		-\$7,810		\$7,262
17		GENERAL PLANT					
18	379.000	Other General Equipment	\$454	R-18	-\$236	100.00%	\$218
19		TOTAL GENERAL PLANT	\$454		-\$236		\$218
20		TOTAL DEPRECIATION RESERVE	\$35,191		-\$18,236		\$16,955

To Rate Base Schedule

Cedar Green Land Acquisition, LLC
Certificate of Convenience and Necessity Case
Tracking Number WA-2013-0117
Test Year Ending 09-30-2012

Schedule of Adjustments for Accumulated Depreciation Reserve - Water

A Reserve Adjustment Number	B Accumulated Depreciation Reserve Adjustments Description	C Account Number	D Adjustment Amount	E Total Adjustment Amount
R-4	Structures & Improvements - SSP	311.000		-\$1,403
	Capacity Adjustment (Merciel/Boateng)		-\$1,403	
R-5	Wells and Springs	314.000		-\$1,493
	Capacity Adjustment (Merciel/Boateng)		-\$1,493	
R-8	Electric Pumping Equipment	325.000		-\$7,294
	Capacity Adjustment (Merciel/Boateng)		-\$7,294	
R-13	Distribution Reservoirs & Standpipes	342.000		-\$6,761
	Capacity Adjustment (Merciel/Boateng)		-\$6,761	
R-14	Transmission & Distribution Mains	343.000		-\$888
	Capacity Adjustment (Merciel/Boateng)		-\$888	
R-15	Hydrants	349.000		-\$161
	Capacity Adjustment (Merciel/Boateng)		-\$161	
R-18	Other General Equipment	379.000		-\$236
	Capacity Adjustment (Merciel/Boateng)		-\$236	
Total Reserve Adjustments				<u>-\$18,236</u>

Cedar Green Land Acquisition, LLC
 Certificate of Convenience and Necessity Case
 Tracking Number WA-2013-0117
 Test Year Ending 09-30-2012
 Revenue Schedule - Water

A	B	C	D	E	F	G	
Line Number	Account Number (Optional)	Revenue Description	Company/ Test Year Amount	Adjustment Number	Jurisdictional Adjustments	Jurisdictional Allocation	Adjusted Jurisdictional
Rev-1		ANNUALIZED REVENUES					
Rev-2		Annualized Rate Revenues	\$0	Rev-2	\$17,490	100.00%	\$17,490
Rev-3		Miscellaneous Revenues	\$0	Rev-3	\$0	100.00%	\$0
Rev-4		TOTAL ANNUALIZED REVENUES	\$0		\$17,490		\$17,490

Cedar Green Land Acquisition, LLC
 Certificate of Convenience and Necessity Case
 Tracking Number WA-2013-0117
 Test Year Ending 09-30-2012
 Revenue Adjustment Schedule - Water

A Revenue Adj Number	B Adjustment Description	C Account Number	D Adjustment Amount	E Total Adjustment
Rev-2	Annualized Rate Revenues			\$17,490
	1. To Annualize Rate Revenues		\$17,490	
Rev-3	Miscellaneous Revenues			\$0
	1. To Annualize Miscellaneous Revenues		\$0	
Total Revenue Adjustments				\$17,490

Cedar Green Land Acquisition, LLC
Certificate of Convenience and Necessity Case
Tracking Number WA-2013-0117
Test Year Ending 09-30-2012
Rate Revenue Feeder Schedule - Water

Line Number	A Description	Residential 5/8"		Commercial 2"	
		B Amount	C Amount	D Amount	E Amount
1	<u>Customer Charge Revenues:</u>				
2	Customer Number	53		0	
3	Bills Per Year	12		0	
4	Customer Bills Per year	636		0	
5	Current Customer Charge	<u>\$27.50</u>		<u>\$0.00</u>	
6	Annualized Customer Charge Revenues		\$17,490		\$0
7	<u>Commodity Charge Revenues:</u>				
8	Total Gallons Sold	0		0	
9	Less: Base Gallons Included In Customer Charge	<u>0</u>		<u>0</u>	
10	Commodity Gallons	0		0	
11	Block 1, Commodity Gallons per Block	0		0	
12	Block 1, Number of Commodity Gallons per Unit	<u>0</u>		<u>0</u>	
13	Block 1, Commodity Billing Units	0.00		0.00	
14	Block 1, Existing Commodity Charge	<u>\$0.00</u>		<u>\$0.00</u>	
15	Block 1, Annualized Commodity Charge Rev.		\$0		\$0
16	Total Annualized Water Rate Revenues		<u>\$17,490</u>		<u>\$0</u>

Commodity Billing Units are based on the number of commodity gallons applicable to each block, divided by the tariff usage rate gallons (e.g. for tariff rate of \$2.50 per 1,000 gallons of usage, the commodity gallons for that rate would be divided by 1,000 to arrive at the number of commodity billing units.

Cedar Green Land Acquisition, LLC
Certificate of Convenience and Necessity Case
Tracking Number WA-2013-0117
Test Year Ending 09-30-2012
Rate Revenue Feeder Schedule - Water

Line Number	A Description	Total	
		F Amount	G Amount
1	<u>Customer Charge Revenues:</u>		
2	Customer Number	53	
3	Bills Per Year		
4	Customer Bills Per year	636	
5	Current Customer Charge		
6	Annualized Customer Charge Revenues		\$17,490
7	<u>Commodity Charge Revenues:</u>		
8	Total Gallons Sold	0	
9	Less: Base Gallons Included In Customer Charge	0	
10	Commodity Gallons	0	
11	Block 1, Commodity Gallons per Block		
12	Block 1, Number of Commodity Gallons per Unit		
13	Block 1, Commodity Billing Units		
14	Block 1, Existing Commodity Charge		
15	Block 1, Annualized Commodity Charge Rev.		\$0
16	Total Annualized Water Rate Revenues		\$17,490

Commodity Billing Units are based on the number of commodity gallons applicable to each block, divided by the tariff usage rate gallons (e.g. for tariff rate of \$2.50 per 1,000 gallons of usage, the commodity gallons for that rate would be divided by 1,000 to arrive at the number of commodity billing units.

Cedar Green Land Acquisition, LLC
Certificate of Convenience and Necessity Case
Tracking Number WA-2013-0117
Test Year Ending 09-30-2012
Miscellaneous Revenues Feeder - Water

Line Number	A Description	B Amount
1	Total Miscellaneous Revenues	<u>\$0</u>

Cedar Green Land Acquisition, LLC
Certificate of Convenience and Necessity Case
Tracking Number WA-2013-0117
Test Year Ending 09-30-2012
Expense Schedule - Water

Line Number	A Account Number (Optional)	B Expense Description	C Company/ Test Year Amount	D Adjustment Number	E Adjustments	F Jurisdictional Allocation	G Adjusted Jurisdictional
1		OPERATIONS EXPENSES					
2		Management Salary (1)	\$0	W-2	\$900	100.00%	\$900
3		Operators Salary/Contract Services (1)	\$1,920			100.00%	\$1,920
4		Electricity-(Pumping)	\$2,830	W-4	-\$16	100.00%	\$2,814
5		TOTAL OPERATIONS EXPENSE	<u>\$4,750</u>		<u>\$884</u>		<u>\$5,634</u>
6		MAINTENANCE EXPENSES					
7		System Maintenance	\$275	W-7	\$115	100.00%	\$390
8		TOTAL MAINTENANCE EXPENSE	<u>\$275</u>		<u>\$115</u>		<u>\$390</u>
9		CUSTOMER ACCOUNT EXPENSE					
10		Postage	\$0	W-10	\$12	100.00%	\$12
11		TOTAL CUSTOMER ACCOUNT EXPENSE	<u>\$0</u>		<u>\$12</u>		<u>\$12</u>
12		ADMINISTRATIVE & GENERAL EXPENSES					
13		Property & Liability Insurance	\$1,031	W-13	-\$254	100.00%	\$777
14		TOTAL ADMINISTRATIVE AND GENERAL	<u>\$1,031</u>		<u>-\$254</u>		<u>\$777</u>
15		OTHER OPERATING EXPENSES					
16		MO DNR Fees	\$200			100.00%	\$200
17		PSC Assessment	\$0	W-17	\$129	100.00%	\$129
18		Corporate Registration	\$0	W-18	\$10	100.00%	\$10
19		Depreciation	\$0	W-19	\$3,436	100.00%	\$3,436
20		TOTAL OTHER OPERATING EXPENSES	<u>\$200</u>		<u>\$3,575</u>		<u>\$3,775</u>
21		TAXES OTHER THAN INCOME					
22		Real & Personal Property Taxes	\$115			100.00%	\$115
23		TOTAL TAXES OTHER THAN INCOME	<u>\$115</u>		<u>\$0</u>		<u>\$115</u>
24		TOTAL OPERATING EXPENSES	<u>\$6,371</u>		<u>\$4,332</u>		<u>\$10,703</u>

Cedar Green Land Acquisition, LLC
Certificate of Convenience and Necessity Case
Tracking Number WA-2013-0117
Test Year Ending 09-30-2012
Expense Adjustment Schedule - Water

A Expense Adj Number	B Adjustment Description	C Account Number	D Adjustment Amount	E Total Adjustment
W-2	Management Salary (1)			\$900
	To include Management Fees/Salary (Boateng)		\$900	
W-4	Electricity-(Pumping)			-\$16
	To adjust test year electric expense (Sharpe)		-\$16	
W-7	System Maintenance			\$115
	To normalize test year expense (Sharpe)		\$115	
W-10	Postage			\$12
	To include postage expense (Sharpe)		\$12	
W-13	Property & Liability Insurance			-\$254
	To adjust test year expense (Sharpe)		-\$254	
W-17	PSC Assessment			\$129
	To include PSC assessment (Boateng)		\$129	
W-18	Corporate Registration			\$10
	To include SOS corporate registration annual fee (Sharpe)		\$10	
W-19	Depreciation			\$3,436
	1. To Annualize Depreciation		\$3,436	
Total Expense Adjustments				\$4,332

Exhibit No.:
Issue: Accounting Schedules
Witness: MO PSC Auditors
Sponsoring Party: MO PSC Staff
Case No: SA-2013-0354
Date Prepared: February 26, 2013



MISSOURI PUBLIC SERVICE COMMISSION
UTILITY SERVICES DIVISION
STAFF ACCOUNTING SCHEDULES

CEDAR GREEN LAND ACQUISITION, LLC
CASE NO. SA-2013-0354

Jefferson City, Missouri

February 2013

Cedar Green Land Acquisition, LLC
Certification of Convenience and Necessity Case
Tracking Number SA-2013-0354
Test Year Ending 09-30-2012
Rate Design Schedule - Sewer

Line Number	A Description	B Account Number (Optional)	C Staff Annualized	D Customer Charge	E Commodity	F Percentage Rate
Rev-1	ANNUALIZED REVENUES					
Rev-2	Annualized Rate Revenues	(1)	\$17,490			
Rev-3	Miscellaneous Revenues	(1)	\$0			
Rev-4	TOTAL ANNUALIZED REVENUES		<u>\$17,490</u>			
1	OPERATIONS EXPENSES	(2)				
2	Management Salary		\$900	\$0	\$900	0.00%
3	Operators Salary / Contractor Services		\$4,380	\$0	\$4,380	0.00%
4	Electricity - Pumping Treatment		\$3,377	\$0	\$3,377	0.00%
5	Chemicals		\$324	\$0	\$324	0.00%
6	TOTAL OPERATIONS EXPENSE		<u>\$8,981</u>	<u>\$0</u>	<u>\$8,981</u>	
7	MAINTENANCE EXPENSES					
8	System Repairs and Maintenance		\$390	\$0	\$390	0.00%
9	TOTAL MAINTENANCE EXPENSE		<u>\$390</u>	<u>\$0</u>	<u>\$390</u>	
10	CUSTOMER ACCOUNT EXPENSE					
11	Postage Expense		\$12	\$0	\$12	0.00%
12	TOTAL CUSTOMER ACCOUNT EXPENSE		<u>\$12</u>	<u>\$0</u>	<u>\$12</u>	
13	ADMINISTRATIVE & GENERAL EXPENSES					
14	Property & Liability Insurance		\$1,418	\$0	\$1,418	0.00%
15	TOTAL ADMINISTRATIVE AND GENERAL		<u>\$1,418</u>	<u>\$0</u>	<u>\$1,418</u>	
16	OTHER OPERATING EXPENSES					
17	MO DNR Fees		\$100	\$0	\$100	0.00%
18	PSC Assessment		\$1,290	\$0	\$1,290	0.00%
19	Corporate Registration		\$10	\$0	\$10	0.00%
20	Depreciation		\$7,745	\$0	\$7,745	0.00%
21	TOTAL OTHER OPERATING EXPENSES		<u>\$9,145</u>	<u>\$0</u>	<u>\$9,145</u>	
22	TAXES OTHER THAN INCOME					
23	Real & Personal Property Taxes		\$159	\$0	\$159	0.00%
24	TOTAL TAXES OTHER THAN INCOME		<u>\$159</u>	<u>\$0</u>	<u>\$159</u>	
25	TOTAL OPERATING EXPENSES		<u>\$20,105</u>	<u>\$0</u>	<u>\$20,105</u>	
26	Interest Expense	(3)	\$6,039	\$0	\$6,039	0.00%
27	Return on Equity	(3)	\$4,096	\$0	\$4,096	0.00%
28	Income Taxes	(3)	\$0	\$0	\$0	0.00%
29	TOTAL INTEREST RETURN & TAXES		<u>\$10,135</u>	<u>\$0</u>	<u>\$10,135</u>	
30	TOTAL COST OF SERVICE		<u>\$30,240</u>	<u>\$0</u>	<u>\$30,240</u>	
31	Less: Miscellaneous Revenues		<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	0.00%
32	COST TO RECOVER IN RATES		<u>\$30,240</u>	<u>\$0</u>	<u>\$30,240</u>	
33	INCREMENTAL INCREASE IN RATE REVENUES		<u>\$12,750</u>			
34	PERCENTAGE OF INCREASE		<u>72.90%</u>			
35	REQUESTED INCREASE IN REVENUES		\$0			

(1) From Revenue Schedule
(2) From Expense Schedule

Cedar Green Land Acquisition, LLC
Certification of Convenience and Necessity Case
Tracking Number SA-2013-0354
Test Year Ending 09-30-2012
Rate Design Schedule - Sewer

<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>
Line Number	Account Number (Optional)	Staff Annualized	Customer Charge	Commodity	Percentage Rate

(3) From PreTax Rate of Return Schedule, Rate Base & Return Schedule

Cedar Green Land Acquisition, LLC
Certification of Convenience and Necessity Case
Tracking Number SA-2013-0354
Test Year Ending 09-30-2012
Rate Base Required Return on Investment Schedule - Sewer

Line Number	<u>A</u> Rate Base Description	<u>B</u> Dollar Amount
1	Plant In Service	\$172,020 From Plant Schedule
2	Less Accumulated Depreciation Reserve	<u>\$37,810</u> From Depreciation Reserve Schedule
3	Net Plant In Service	\$134,210
4	Other Rate Base Items:	\$0
5	Total Rate Base	<u>\$134,210</u>
6	Total Weighted Rate of Return Including Income Tax	<u>7.55%</u> From PreTax Return & Taxes Schedule
7	Required Return & Income Tax	<u><u>\$10,136</u></u>

Cedar Green Land Acquisition, LLC
 Certification of Convenience and Necessity Case
 Tracking Number SA-2013-0354
 Test Year Ending 09-30-2012
 Rate of Return Including Income Tax - Sewer

	A		B	formulas
1	State Income Tax Rate Statutory / Effective	0.00% (2)	0.00%	(1 - (B2 x .5)) x A1
2	Federal Income Tax Rate Statutory / Effective	0.00% (1) & (2)	0.00%	(1 - B1) x A2
3	Composite Effective Income Tax Rate		0.00%	B1 + B2
4	Equity Tax Factor		1.0000	1 / (1-B3)
5	Recommended Weighted Rate of Return on Equity - Common and Preferred		3.05%	From Capital Structure Schedule
6	Weighted Rate of Return on Equity Including Income Tax		3.05%	B4 x B5
7	Recommended Weighted Rate of Return on Debt - Long-Term and Short-Term		4.50%	From Capital Structure Schedule
8	Total Weighted Rate of Return Including Income Tax		7.55%	B6+B7

To Rate Base Schedule

(1) If Sub-Chapter S Corporation, Enter Y:

Equity Income Required \$0
 & Preliminary Federal Tax

Tax Rate Table

Net Income Range				
Start	End	Tax Rate	Amount in Range	Tax on Range
\$0	\$50,000	15.00%	\$0	\$0
\$50,001	\$75,000	25.00%	\$0	\$0
\$75,001	\$100,000	34.00%	\$0	\$0
\$100,001	\$335,000	39.00%	\$0	\$0
\$335,001	\$9,999,999,999	34.00%	\$0	\$0
			\$0	\$0
			Consolidated Tax Rate:	
			Average Tax Rate: 0	

Cedar Green Land Acquisition, LLC
 Certification of Convenience and Necessity Case
 Tracking Number SA-2013-0354
 Test Year Ending 09-30-2012
 Capital Structure Schedule - Sewer

Line Number	A Description	B Dollar Amount	C Percentage of Total Capital Structure	D Embedded Cost of Capital	E Weighted Cost of Capital
1	Common Stock	\$33,552	25.00%	12.21%	3.052%
2	Other Security-Non Tax Deductible	\$0	0.00%	0.00%	0.000%
3	Preferred Stock	\$0	0.00%	0.00%	0.000%
4	Long Term Debt	\$100,658	75.00%	6.00%	4.500%
5	Short Term Debt	\$0	0.00%	0.00%	0.000%
6	Other Security-Tax Deductible	\$0	0.00%	0.00%	0.000%
7	TOTAL CAPITALIZATION	<u>\$134,210</u>	<u>100.00%</u>		<u>7.552%</u>

To PreTax Return Rate Schedule

Cedar Green Land Acquisition, LLC
Certification of Convenience and Necessity Case
Tracking Number SA-2013-0354
Test Year Ending 09-30-2012
Plant In Service - Sewer

Line Number	A Account # (Optional)	B Plant Account Description	C Total Plant	D Adjustment Number	E Adjustments	F Jurisdictional Allocation	G Adjusted Jurisdictional
1		INTANGIBLE PLANT					
2		TOTAL INTANGIBLE PLANT	\$0		\$0		\$0
3		SOURCE OF SUPPLY PLANT					
4	311.000	Structures & Improvements	\$64,400	P-4	-\$33,371	100.00%	\$31,029
5		TOTAL SOURCE OF SUPPLY PLANT	\$64,400		-\$33,371		\$31,029
6		COLLECTION PLANT					
7	352.200	Collection Sewers - Gravity	\$7,222	P-7	-\$3,743	100.00%	\$3,479
8		TOTAL COLLECTION PLANT	\$7,222		-\$3,743		\$3,479
9		PUMPING PLANT					
10	362.000	Receiving Wells and Pump Pits	\$127,765	P-10	-\$65,774	100.00%	\$61,991
11	363.000	Pumping Equipment (Elec., Diesel, other)	\$19,247	P-11	-\$9,973	100.00%	\$9,274
12		TOTAL PUMPING PLANT	\$147,012		-\$75,747		\$71,265
13		TREATMENT & DISPOSAL PLANT					
14	373.000	Treatment and Disposal Equipment	\$111,870	P-14	-\$57,969	100.00%	\$53,901
15	374.000	Plant Sewers	\$22,260	P-15	-\$11,535	100.00%	\$10,725
16	375.000	Outfall Sewer Lines	\$2,557	P-16	-\$1,325	100.00%	\$1,232
17		TOTAL TREATMENT & DISPOSAL PLANT	\$136,687		-\$70,829		\$65,858
18		GENERAL PLANT					
19	393.000	Other General Equipment, includes stores, tools shop & garage, lab, power operated, communication, and other tangible equipment.	\$808	P-19	-\$419	100.00%	\$389
20		TOTAL GENERAL PLANT	\$808		-\$419		\$389
21		TOTAL PLANT IN SERVICE	\$356,129		-\$184,109		\$172,020

To Rate Base & Depreciation Schedules

Cedar Green Land Acquisition, LLC
Certification of Convenience and Necessity Case
Tracking Number SA-2013-0354
Test Year Ending 09-30-2012
Schedule of Adjustments for Plant in Service - Sewer

<u>A</u> Plant Adjustment Number	<u>B</u> Plant In Service Adjustment Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment
P-4	Structures & Improvements	311.000		-\$33,371
	Capacity Adjustment (Merciel/Boateng)		-\$33,371	
P-7	Collection Sewers - Gravity	352.200		-\$3,743
	Capacity Adjustment (Merciel/Boateng)		-\$3,743	
P-10	Receiving Wells and Pump Pits	362.000		-\$65,774
	Plant addition - dechlorination (Boateng)		\$400	
	Plant addition - pump (Boateng)		\$1,723	
	Retirement - pump (Boateng)		-\$1,228	
	Capacity Adjustment (Merciel/Boateng)		-\$66,669	
P-11	Pumping Equipment (Elec., Diesel, other)	363.000		-\$9,973
	Capacity Adjustment (Merciel/Boateng)		-\$9,973	
P-14	Treatment and Disposal Equipment	373.000		-\$57,969
	Capacity Adjustment (Merciel/Boateng)		-\$57,969	
P-15	Plant Sewers	374.000		-\$11,535
	Capacity Adjustment (Merciel/Boateng)		-\$11,535	
P-16	Outfall Sewer Lines	375.000		-\$1,325
	Capacity Adjustment (Merciel/Boateng)		-\$1,325	

Cedar Green Land Acquisition, LLC
Certification of Convenience and Necessity Case
Tracking Number SA-2013-0354
Test Year Ending 09-30-2012
Schedule of Adjustments for Plant in Service - Sewer

<u>A</u> Plant Adjustment Number	<u>B</u> Plant In Service Adjustment Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment
P-19	Other General Equipment, includes stores, tools shop & garage, lab, power operated, communication, and other tangible equipment.	393.000		-\$419
	Capacity Adjustment (Merciel/Boateng)		-\$419	
Total Plant Adjustments				-\$184,109

Cedar Green Land Acquisition, LLC
Certification of Convenience and Necessity Case
Tracking Number SA-2013-0354
Test Year Ending 09-30-2012
Depreciation Expense - Sewer

Line Number	A Account Number	B Plant Account Description	C Adjusted Jurisdictional	D Depreciation Rate	E Depreciation Expense
1		INTANGIBLE PLANT			
2		TOTAL INTANGIBLE PLANT	<u>\$0</u>		<u>\$0</u>
3		SOURCE OF SUPPLY PLANT			
4	311.000	Structures & Improvements	<u>\$31,029</u>	4.00%	<u>\$1,241</u>
5		TOTAL SOURCE OF SUPPLY PLANT	<u>\$31,029</u>		<u>\$1,241</u>
6		COLLECTION PLANT			
7	352.200	Collection Sewers - Gravity	<u>\$3,479</u>	2.00%	<u>\$70</u>
8		TOTAL COLLECTION PLANT	<u>\$3,479</u>		<u>\$70</u>
9		PUMPING PLANT			
10	362.000	Receiving Wells and Pump Pits	\$61,991	4.00%	\$2,480
11	363.000	Pumping Equipment (Elec., Diesel, other)	<u>\$9,274</u>	10.00%	<u>\$927</u>
12		TOTAL PUMPING PLANT	<u>\$71,265</u>		<u>\$3,407</u>
13		TREATMENT & DISPOSAL PLANT			
14	373.000	Treatment and Disposal Equipment	\$53,901	5.00%	\$2,695
15	374.000	Plant Sewers	\$10,725	2.50%	\$268
16	375.000	Outfall Sewer Lines	<u>\$1,232</u>	2.00%	<u>\$25</u>
17		TOTAL TREATMENT & DISPOSAL PLANT	<u>\$65,858</u>		<u>\$2,988</u>
18		GENERAL PLANT			
19	393.000	Other General Equipment, includes stores, tools shop & garage, lab, power operated, communication, and other tangible equipment.	\$389	10.00%	\$39
20		TOTAL GENERAL PLANT	<u>\$389</u>		<u>\$39</u>
21		Total Depreciation	<u>\$172,020</u>		<u>\$7,745</u>

Cedar Green Land Acquisition, LLC
Certification of Convenience and Necessity Case
Tracking Number SA-2013-0354
Test Year Ending 09-30-2012
Accumulated Depreciation Reserve - Sewer

Line Number	A Account Number	B Depreciation Reserve Description	C Total Reserve	D Adjustment Number	E Adjustments	F Jurisdictional Allocation	G Adjusted Jurisdictional
1		INTANGIBLE PLANT					
2		TOTAL INTANGIBLE PLANT	\$0		\$0		\$0
3		SOURCE OF SUPPLY PLANT					
4	311.000	Structures & Improvements	\$12,922	R-4	-\$6,674	100.00%	\$6,248
5		TOTAL SOURCE OF SUPPLY PLANT	\$12,922		-\$6,674		\$6,248
6		COLLECTION PLANT					
7	352.200	Collection Sewers - Gravity	\$725	R-7	-\$374	100.00%	\$351
8		TOTAL COLLECTION PLANT	\$725		-\$374		\$351
9		PUMPING PLANT					
10	362.000	Receiving Wells and Pump Pits	\$25,638	R-10	-\$14,469	100.00%	\$11,169
11	363.000	Pumping Equipment (Elec., Diesel, other)	\$9,656	R-11	-\$4,987	100.00%	\$4,669
12		TOTAL PUMPING PLANT	\$35,294		-\$19,456		\$15,838
13		TREATMENT & DISPOSAL PLANT					
14	373.000	Treatment and Disposal Equipment	\$28,195	R-14	-\$14,492	100.00%	\$13,703
15	374.000	Plant Sewers	\$2,792	R-15	-\$1,442	100.00%	\$1,350
16	375.000	Outfall Sewer Lines	\$257	R-16	-\$133	100.00%	\$124
17		TOTAL TREATMENT & DISPOSAL PLANT	\$31,244		-\$16,067		\$15,177
18		GENERAL PLANT					
19	393.000	Other General Equipment, includes stores, tools shop & garage, lab, power operated, communication, and other tangible equipment.	\$405	R-19	-\$209	100.00%	\$196
20		TOTAL GENERAL PLANT	\$405		-\$209		\$196
21		TOTAL DEPRECIATION RESERVE	\$80,590		-\$42,780		\$37,810

To Rate Base Schedule

Cedar Green Land Acquisition, LLC
Certification of Convenience and Necessity Case
Tracking Number SA-2013-0354
Test Year Ending 09-30-2012
Schedule of Adjustments for Accumulated Depreciation Reserve - Sewer

<u>A</u> Reserve Adjustment Number	<u>B</u> Accumulated Depreciation Reserve Adjustments Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment Amount
R-4	Structures & Improvements	311.000		-\$6,674
	Capacity Adjustment (Merciel/Boateng)		-\$6,674	
R-7	Collection Sewers - Gravity	352.200		-\$374
	Capacity Adjustment (Merciel/Boateng)		-\$374	
R-10	Receiving Wells and Pump Pits	362.000		-\$14,469
	Plant retirement - pump (Boateng)		-\$1,228	
	Capacity Adjustment (Merciel/Boateng)		-\$13,241	
R-11	Pumping Equipment (Elec., Diesel, other)	363.000		-\$4,987
	Capacity Adjustment (Merciel/Boateng)		-\$4,987	
R-14	Treatment and Disposal Equipment	373.000		-\$14,492
	Capacity Adjustment (Merciel/Boateng)		-\$14,492	
R-15	Plant Sewers	374.000		-\$1,442
	Capacity Adjustment (Merciel/Boateng)		-\$1,442	
R-16	Outfall Sewer Lines	375.000		-\$133
	Capacity Adjustment (Merciel/Boateng)		-\$133	
R-19	Other General Equipment, includes stores, tools	393.000		-\$209
	Capacity Adjustment (Merciel/Boateng)		-\$209	

Accounting Schedule:07-1
Sponsor: Kofi A. Boateng
Page: 1 of 2

Cedar Green Land Acquisition, LLC
Certification of Convenience and Necessity Case
Tracking Number SA-2013-0354
Test Year Ending 09-30-2012
Schedule of Adjustments for Accumulated Depreciation Reserve - Sewer

<u>A</u> Reserve Adjustment Number	<u>B</u> Accumulated Depreciation Reserve Adjustments Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment Amount
Total Reserve Adjustments				<u><u>-\$42,780</u></u>

Cedar Green Land Acquisition, LLC
 Certification of Convenience and Necessity Case
 Tracking Number SA-2013-0354
 Test Year Ending 09-30-2012
 Revenue Schedule - Sewer

A	B	C	D	E	F	G	
Line Number	Account Number (Optional)	Revenue Description	Company/ Test Year Amount	Adjustment Number	Jurisdictional Adjustments	Jurisdictional Allocation	Adjusted Jurisdictional
Rev-1		ANNUALIZED REVENUES					
Rev-2		Annualized Rate Revenues	\$16,770	Rev-2	\$720	100.00%	\$17,490
Rev-3		Miscellaneous Revenues	\$0	Rev-3	\$0	100.00%	\$0
Rev-4		TOTAL ANNUALIZED REVENUES	\$16,770		\$720		\$17,490

Cedar Green Land Acquisition, LLC
Certification of Convenience and Necessity Case
Tracking Number SA-2013-0354
Test Year Ending 09-30-2012
Revenue Adjustment Schedule - Sewer

<u>A</u> Revenue Adj Number	<u>B</u> Adjustment Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment
Rev-2	Annualized Rate Revenues			\$720
	1. To Annualize Rate Revenues		\$720	
Rev-3	Miscellaneous Revenues			\$0
	1. To Annualize Miscellaneous Revenues		\$0	
Total Revenue Adjustments				\$720

Cedar Green Land Acquisition, LLC
 Certification of Convenience and Necessity Case
 Tracking Number SA-2013-0354
 Test Year Ending 09-30-2012
 Revenue Summary Schedule - Sewer

Line Number	A Description	Residential 5/8"		Commercial 2"	
		B Amount	C Amount	D Amount	E Amount
1	<u>Customer Charge Revenues:</u>				
2	Customer Number	53		0	
3	Bills Per Year	12		0	
4	Customer Bills Per year	636		0	
5	Current Customer Charge	<u>\$27.50</u>		<u>\$0.00</u>	
6	Annualized Customer Charge Revenues		\$17,490		\$0
7	<u>Commodity Charge Revenues:</u>				
8	Total Gallons Sold	0		0	
9	Less: Base Gallons Included In Customer Charge	<u>0</u>		<u>0</u>	
10	Commodity Gallons	0		0	
11	Block 1, Commodity Gallons per Block	0		0	
12	Block 1, Number of Commodity Gallons per Unit	<u>0</u>		<u>0</u>	
13	Block 1, Commodity Billing Units	0.00		0.00	
14	Block 1, Existing Commodity Charge	<u>\$0.00</u>		<u>\$0.00</u>	
15	Block 1, Annualized Commodity Charge Rev.		\$0		\$0
16	Total Annualized Sewer Rate Revenues		<u><u>\$17,490</u></u>		<u><u>\$0</u></u>

Commodity Billing Units are based on the number of commodity gallons applicable to each block, divided by the tariff usage rate gallons (e.g. for tariff rate of \$2.50 per 1,000 gallons of usage, the commodity gallons for that rate would be divided by 1,000 to arrive at the number of commodity billing units.

Cedar Green Land Acquisition, LLC
 Certification of Convenience and Necessity Case
 Tracking Number SA-2013-0354
 Test Year Ending 09-30-2012
 Revenue Summary Schedule - Sewer

Line Number	A Description	Total	
		F Amount	G Amount
1	<u>Customer Charge Revenues:</u>		
2	Customer Number	53	
3	Bills Per Year		
4	Customer Bills Per year	636	
5	Current Customer Charge		
6	Annualized Customer Charge Revenues		\$17,490
7	<u>Commodity Charge Revenues:</u>		
8	Total Gallons Sold	0	
9	Less: Base Gallons Included In Customer Charge	0	
10	Commodity Gallons	0	
11	Block 1, Commodity Gallons per Block		
12	Block 1, Number of Commodity Gallons per Unit		
13	Block 1, Commodity Billing Units		
14	Block 1, Existing Commodity Charge		
15	Block 1, Annualized Commodity Charge Rev.		\$0
16	Total Annualized Sewer Rate Revenues		\$17,490

Commodity Billing Units are based on the number of commodity gallons applicable to each block, divided by the tariff usage rate gallons (e.g. for tariff rate of \$2.50 per 1,000 gallons of usage, the commodity gallons for that rate would be divided by 1,000 to arrive at the number of commodity billing units.

**Cedar Green Land Acquisition, LLC
Certification of Convenience and Necessity Case
Tracking Number SA-2013-0354
Test Year Ending 09-30-2012
Miscellaneous Revenues Feeder - Sewer**

Line Number	<u>A</u> Description	<u>B</u> Amount
1	Total Miscellaneous Revenues	<u><u>\$0</u></u>

Cedar Green Land Acquisition, LLC
Certification of Convenience and Necessity Case
Tracking Number SA-2013-0354
Test Year Ending 09-30-2012
Expense Schedule - Sewer

Line Number	A Account Number (Optional)	B Expense Description	C Company/ Test Year Amount	D Adjustment Number	E Adjustments	F Jurisdictional Allocation	G Adjusted Jurisdictional
1		OPERATIONS EXPENSES					
2		Management Salary	\$0	S-2	\$900	100.00%	\$900
3		Operators Salary / Contractor Services	\$4,380			100.00%	\$4,380
4		Electricity - Pumping Treatment	\$3,361	S-4	\$16	100.00%	\$3,377
5		Chemicals	\$279	S-5	\$45	100.00%	\$324
6		TOTAL OPERATIONS EXPENSE	<u>\$8,020</u>		<u>\$961</u>		<u>\$8,981</u>
7		MAINTENANCE EXPENSES					
8		System Repairs and Maintenance	\$363	S-8	\$27	100.00%	\$390
9		TOTAL MAINTENANCE EXPENSE	<u>\$363</u>		<u>\$27</u>		<u>\$390</u>
10		CUSTOMER ACCOUNT EXPENSE					
11		Postage Expense	\$0	S-11	\$12	100.00%	\$12
12		TOTAL CUSTOMER ACCOUNT EXPENSE	<u>\$0</u>		<u>\$12</u>		<u>\$12</u>
13		ADMINISTRATIVE & GENERAL EXPENSES					
14		Property & Liability Insurance	\$1,656	S-14	-\$238	100.00%	\$1,418
15		TOTAL ADMINISTRATIVE AND GENERAL	<u>\$1,656</u>		<u>-\$238</u>		<u>\$1,418</u>
16		OTHER OPERATING EXPENSES					
17		MO DNR Fees	\$0	S-17	\$100	100.00%	\$100
18		PSC Assessment	\$0	S-18	\$1,290	100.00%	\$1,290
19		Corporate Registration	\$0	S-19	\$10	100.00%	\$10
20		Depreciation	\$0	S-20	\$7,745	100.00%	\$7,745
21		TOTAL OTHER OPERATING EXPENSES	<u>\$0</u>		<u>\$9,145</u>		<u>\$9,145</u>
22		TAXES OTHER THAN INCOME					
23		Real & Personal Property Taxes	\$635	S-23	-\$476	100.00%	\$159
24		TOTAL TAXES OTHER THAN INCOME	<u>\$635</u>		<u>-\$476</u>		<u>\$159</u>
25		TOTAL OPERATING EXPENSES	<u>\$10,674</u>		<u>\$9,431</u>		<u>\$20,105</u>

Cedar Green Land Acquisition, LLC
Certification of Convenience and Necessity Case
Tracking Number SA-2013-0354
Test Year Ending 09-30-2012
Expense Adjustment Schedule - Sewer

<u>A</u> Expense Adj Number	<u>B</u> Adjustment Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment
S-2	Management Salary			\$900
	To include management fees (Boateng)		\$900	
S-4	Electricity - Pumping Treatment			\$16
	To adjust test year expense (Sharpe)		\$16	
S-5	Chemicals			\$45
	To normalize test year expense (Sharpe)		\$45	
S-8	System Repairs and Maintenance			\$27
	To normalize test year expense (Sharpe)		\$27	
S-11	Postage Expense			\$12
	To include postage and stamps (Sharpe)		\$12	
S-14	Property & Liability Insurance			-\$238
	To normalize test year expense (Sharpe)		-\$238	
S-17	MO DNR Fees			\$100
	To include annual MDNR permit fees (Boateng)		\$100	
S-18	PSC Assessment			\$1,290
	To include PSC assessment (Boateng)		\$1,290	
S-19	Corporate Registration			\$10
	To include annual SOS fees (Boateng)		\$10	
S-20	Depreciation			\$7,745

Cedar Green Land Acquisition, LLC
Certification of Convenience and Necessity Case
Tracking Number SA-2013-0354
Test Year Ending 09-30-2012
Expense Adjustment Schedule - Sewer

<u>A</u> Expense Adj Number	<u>B</u> Adjustment Description	<u>C</u> Account Number	<u>D</u> Adjustment Amount	<u>E</u> Total Adjustment
	1. To Annualize Depreciation		\$7,745	
S-23	Real & Personal Property Taxes			-\$476
	To adjust test year expense (Sharpe)		-\$476	
Total Expense Adjustments				\$9,431

WATER RATES

total expenses, from Auditing EMS current customer level	\$ 17,038 53
Monthly Rate, Per Unit	\$ 26.79
Quarterly Rate, Per Unit	\$ 80.37

SEWER RATES

total expenses, from Auditing EMS current customer level	\$ 30,240 53
Monthly Rate, Per Unit	\$ 47.55
Quarterly Rate, Per Unit	\$ 142.64

Service Area Description

Area 1 - All that part of Lot 12 of Section 34, Township 38 North Range 17 West, described as follows: From the Northeast corner of said Lot 12, run West along the North line of said Lot 12, 501.2 feet to centerline of a county road; thence South 28 degrees 04 minutes East 173.5 feet; thence South 34 degrees 12 minute East 120.8 feet; thence South 17 degrees 34 minutes East 80.0 feet; thence South 11 degrees 10 minutes East 380.0 feet; thence South 25 degrees 06 minutes East 90.0 feet to the Southeast corner of Lewis Martin and Catherine Martin property for point of beginning; thence continue along said road South 27 degrees 36 minutes East 250.0 feet; thence leaving said road South 72 degrees 07 minutes West 958 feet more or less to the South line of said Lot 12; thence West along said South line 530 feet more or less to the right bank of the Big Niangua River; thence in a Northwesterly direction down South right bank to a point which bears South 72 degrees 07 minutes West from beginning point; thence North 72 degrees 07 minutes East 1340 feet, more or less, to the beginning point.

Area 2 - All that part of Lot 12 in Section 34, Township 38 North, Range 17 West, described as follows: From the Northeast corner of said Lot 12 run West 501.2 feet to the centerline of the County Road; thence along said road South 23 degrees 34 minutes East 173.5 feet; thence South 34 degrees 12 minutes East 120.8 feet; thence South 17 degrees 34 minutes East 80.0 feet; thence South 11 degrees 10 minutes East 70 feet for the beginning point; thence continue along the road South 11 degrees 10 minutes East 310.0 feet; thence South 25 degrees 06 minutes East (deed= South 25 degrees 05 minutes East) 90.0 feet; thence leaving the road South 72 degrees 07 minutes West 1340 feet, more or less, to the right bank of the Niangua River; thence Northeasterly downstream along the river bank to a point South 72 degrees 07 minutes West (deed =South 72 degrees 08 minutes West) 960 feet, more or less, from the beginning point; thence North 72 degrees 07 minutes East 960 feet to the beginning point.

Area 3 - That part of Lot 12 of Section 34, Township 38 North, Range 17 West, in Camden County, Missouri, described as follows: From the Northeast corner of said Lot 12, run South 1 degree 26 minutes West along the East line of said lot 12, 760.4 feet to an iron pin for the point of beginning; thence continue South 1 degree 26 minutes West along said East line of Lot 12, a distance of 100.0 feet to an iron pin; thence leaving said East line of Lot 12 and run South 63 degrees 04 minutes West along the Southeasterly line of the Herbert Bertram property (South 62 degrees 24 minutes West= Deed) 151.2 feet to the centerline of the County Road; thence North 27 degrees 36 minutes West along the centerline of said County Road 100.0 feet; thence leaving said centerline of the County Road and run North 66 degrees 32 minutes East 201.3 feet to the point of beginning.

Area 4 - That part of Lot 12 of Section 34, Township 38 North, Range 17 West in Camden County, Missouri, described as follows: From the Northeast corner of said Lot 12 run West along the North line of said Lot 12, 501.2 feet to the centerline of the County Road; thence along said centerline of the County road as follows: South 28 degrees 04 minutes East 173.5 feet; thence South 34 degrees 12 minutes East 120.8 feet; thence South 17 degrees 34 minutes East 80.0 feet; thence South 11 degrees 10 minutes East 380.0 feet; thence South 25 degrees 06 minutes East 47.2 feet to the point of beginning; thence continue along said centerline South 25 degrees 06 minutes East 42.8 feet; thence South 27 degrees 36 minutes East 57.2 feet; thence leaving said centerline of the County Road and run North 66 degrees 32 minutes East 201.3 feet to an iron pin in the East line of said Lot 12; thence North 1 degree 26 minutes East along said East line a distance of 100.0 feet to an iron pin; thence leaving said East line and run South 68 degrees 38 minutes West 248.92 feet to the point of beginning.

Area 5 - An area that includes Lots 2 and 3 of Amended Plat of Lot 55 of Westlake Subdivision, and parts of Lots 16 and 17 of Lowell's Lake View Subdivision in Camden County, Missouri, described as follows: From the Northeast corner of Lot 12 of Section 34, Township 38 North, Range 17 West, in Camden County, Missouri, run South 1 degree 26 minutes West along the East line of said lot 12, 760.4 feet to an iron pin; thence continue South 1 degree 26 minutes West along said East line of Lot 12, a distance of 100.0 feet to an iron pin for the point of beginning; thence leaving said East line of Lot 12 South 34 degrees 24 minutes East a distance of 248 feet; thence South 42 minutes 33 degrees West a distance of 255 feet more or less to the centerline of the County Road; thence northerly along the centerline of the County Road a distance of 351 feet more or less to the Southeasterly line of the Herbert Bertram property; thence run North 63 degrees 04 minutes East along the said Southeasterly line of the Herbert Bertram property 151.2 feet to the point of beginning.

to Hwy 54

Lake Rd 54-76
W. Lake Park Rd.

Section 34, Township 38 North Range 17 West

NE Corner Lot 12



Sewage Treatment Facility

Well and Tank

POB 2

POB 4

POB 3

POB 5

Area 2

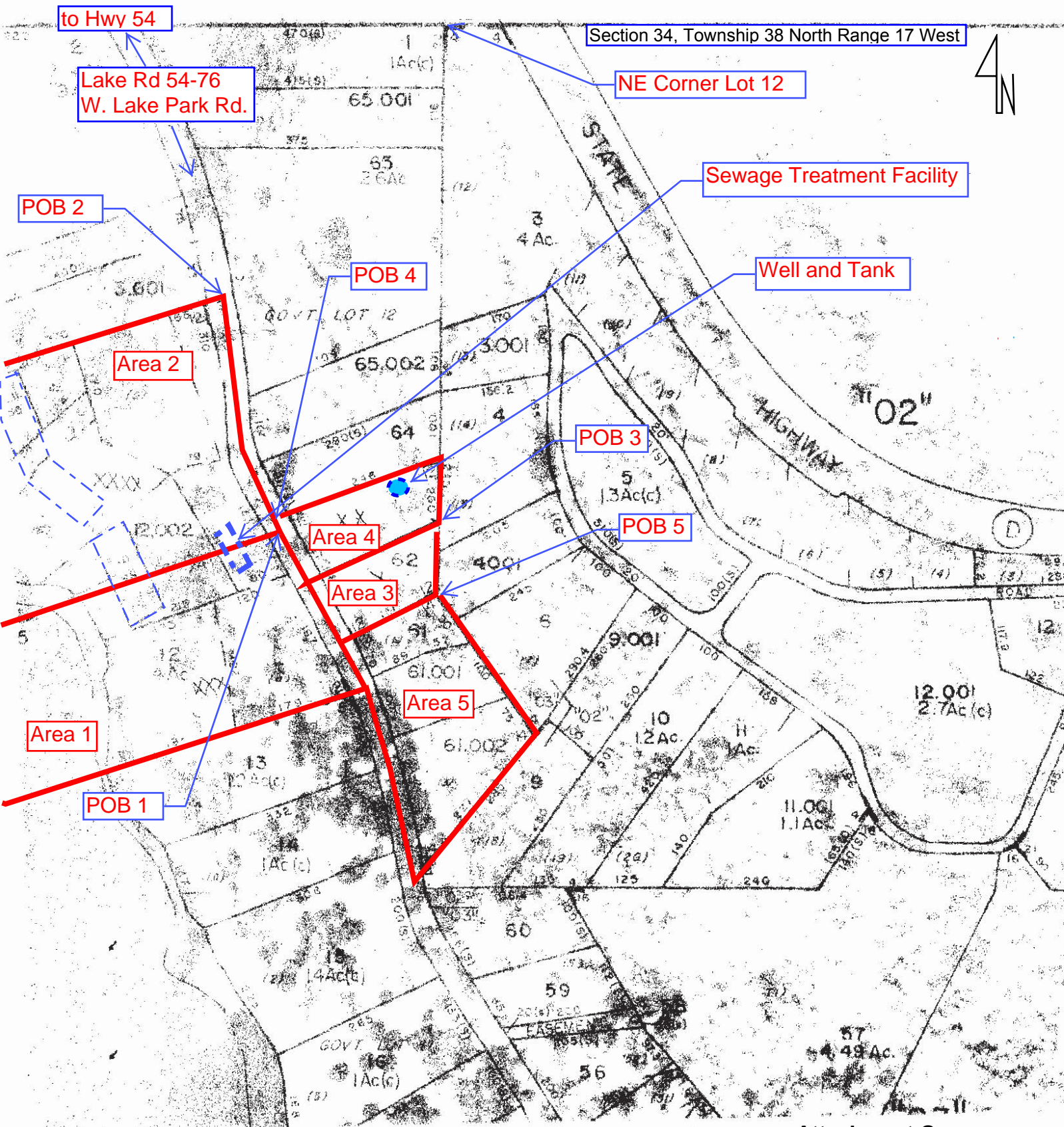
Area 4

Area 3

Area 5

Area 1

POB 1



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

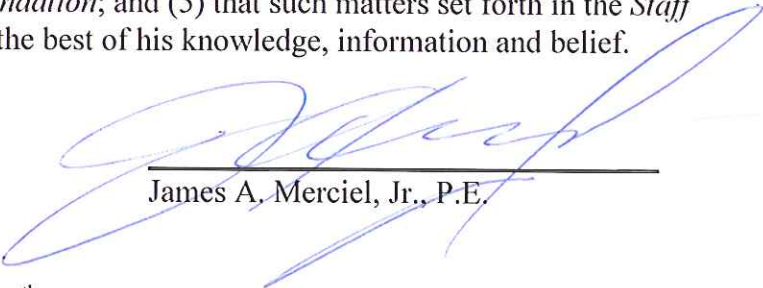
In the Matter of Cedar Green Land Acquisition,)
LLC for a Certificate of Convenience and)
Necessity Authorizing to Own, Operate,) File No. WA-2013-0117
Maintain, Control and Manage Water Systems)
in Camden County, Missouri)

In the Matter of Cedar Green Land Acquisition,)
LLC for a Certificate of Convenience and) File No. SA-2013-0354
Necessity Authorizing it to Own, Operate,)
Maintain, Control and Manage Sewer Systems)
in Camden County, Missouri)

AFFIDAVIT OF JAMES A. MERCIEL, JR., P.E.

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

James A. Merciel, Jr., P.E., of lawful age, on his oath states: (1) that he is the Assistant Manager – Engineering in the Water and Sewer Unit of the Missouri Public Service Commission; (2) that he participated in the preparation of the foregoing *Staff Recommendation to Approve Applications, With Conditions (Staff Recommendation)*, in memorandum form; (3) that certain information in the *Staff Recommendation* was provided by him; (4) that he has knowledge of matters set forth in the *Staff Recommendation*; and (5) that such matters set forth in the *Staff Recommendation* are true and correct to the best of his knowledge, information and belief.



James A. Merciel, Jr., P.E.

Subscribed and sworn to before me this 25th day of February 2013.



Notary Public

LAURA BLOCH
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: June 21, 2015
Commission Number: 11203914

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI
AFFIDAVIT OF KOFI AGYENIM BOATENG

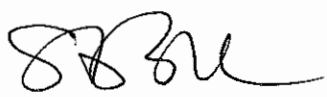
In the Matter of Cedar Green Land)
Acquisition, LLC for a Certificate of)
Convenience and Necessity Authorizing to)
Own, Operate, Maintain, Control and)
Manage Water Systems in Camden County,)
Missouri)

File No. WA-2013-0117

File No. SA-2013-0354

STATE OF MISSOURI)
) ss.
COUNTY OF ST LOUIS)

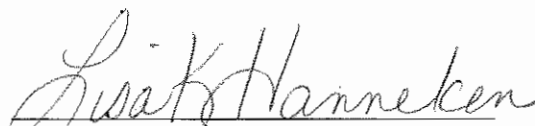
COMES NOW Kofi Agyenim Boateng, being of lawful age, and on his oath states the following: (1) that he is a Utility Regulatory Auditor in the Missouri Public Service Commission's Auditing Unit, (2) that he participated in the Staff's investigation of the subject of the instant case; (3) that he has knowledge of the foregoing *Staff Recommendation to Approve Applications, with Conditions* in memorandum form (Memorandum); (4) that he was responsible for the preparation of Attachments C & D to the Memorandum; (5) that he has knowledge of the matters set forth in Attachments C & D to the Memorandum; and (6) that the matters set forth in Attachments C & D to the Memorandum; are true and correct to the best of his knowledge, information, and belief.



Kofi Agyenim Boateng
Utility Regulatory Auditor III
Auditing Unit

Subscribed and sworn to before me this 25th day of February, 2013.

LISA K. HANNEKEN
Notary Public - Notary Seal
State of Missouri
Commissioned for Franklin County
My Commission Expires: April 27, 2014
Commission Number: 10967138



Notary Public

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

AFFIDAVIT OF SARAH SHARPE

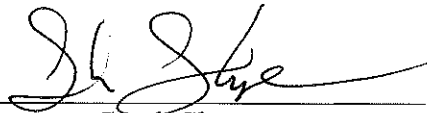
In the Matter of Cedar Green Land)
Acquisition, LLC for a Certificate of)
Convenience and Necessity Authorizing to)
Own, Operate, Maintain, Control and)
Manage Water Systems in Camden County,)
Missouri)

File No. WA-2013-0117

File No. SA-2013-0354

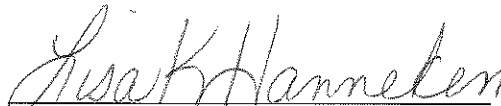
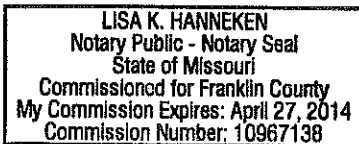
STATE OF MISSOURI)
) ss.
COUNTY OF ST LOUIS)

COMES NOW Sarah Sharpe, being of lawful age, and on her oath states the following: (1) that she is a Utility Regulatory Auditor in the Missouri Public Service Commission's Auditing Unit, (2) that she participated in the Staff's investigation of the subject of the instant case; (3) that she has knowledge of the foregoing *Staff Recommendation to Approve Applications, with Conditions* in memorandum form (Memorandum); (4) that she was responsible for the preparation of Attachments C & D to the Memorandum; (5) that she has knowledge of the matters set forth in Attachments C & D to the Memorandum; and (6) that the matters set forth in Attachments C & D to the Memorandum; are true and correct to the best of her knowledge, information, and belief.



Sarah Sharpe
Utility Regulatory Auditor I
Auditing Unit

Subscribed and sworn to before me this 25th day of February, 2013.



Notary Public

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

AFFIDAVIT OF ZEPHANIA MAREVANGEPO

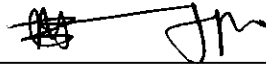
In the Matter of Cedar Green Land)
Acquisition, LLC for a Certificate of)
Convenience and Necessity Authorizing to)
Own, Operate, Maintain, Control and)
Manage Water Systems in Camden County,)
Missouri)

File No. WA-2013-0117

File No. SA-2013-0354

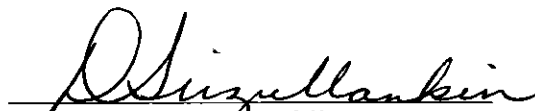
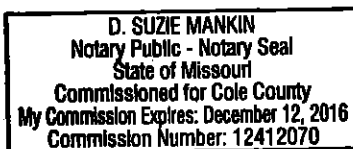
STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW Zephania Marevangepo, being of lawful age, and on his oath states the following: (1) that he is a Utility Regulator Auditor III in the Missouri Public Service Commission's Financial Analysis Unit, (2) that he participated in the Staff's investigation that is the subject of the instant case; (3) that he has knowledge of the foregoing *Staff Recommendation to Approve Applications, with Conditions* in memorandum form (Memorandum); (4) that the matters set forth in the Memorandum; are true and correct to the best of his knowledge, information, and belief.



Zephania Marevangepo
Utility Regulator Auditor III
Financial Analysis Unit

Subscribed and sworn to before me this 25th day of February, 2013.



Notary Public

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

AFFIDAVIT OF DAVID WILLIAMS

In the Matter of Cedar Green Land)
Acquisition, LLC for a Certificate of)
Convenience and Necessity Authorizing to)
Own, Operate, Maintain, Control and)
Manage Water Systems in Camden County,)
Missouri)

File No. WA-2013-0117

File No. SA-2013-0354

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW David Williams, being of lawful age, and on his oath states the following: (1) that he is a Utility Engineering Specialist in the Missouri Public Service Commission's Engineering & Management Services Unit, (2) that he participated in the Staff's investigation of the subject of the instant case; (3) that he has knowledge of the foregoing *Staff Recommendation to Approve Applications, with Conditions* in memorandum form (Memorandum); (4) that he was responsible for the preparation of Attachments A & B to the Memorandum; (5) that he has knowledge of the matters set forth in Attachments A & B to the Memorandum; and (6) that the matters set forth in Attachments A & B to the Memorandum; are true and correct to the best of his knowledge, information, and belief.

David Williams
David Williams
Utility Engineering Specialist
Engineering and Management
Services Unit

Subscribed and sworn to before me this 25th day of February, 2013.

D. SUZIE MANKIN
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: December 12, 2016
Commission Number: 12412070

Suzie Mankin
Notary Public