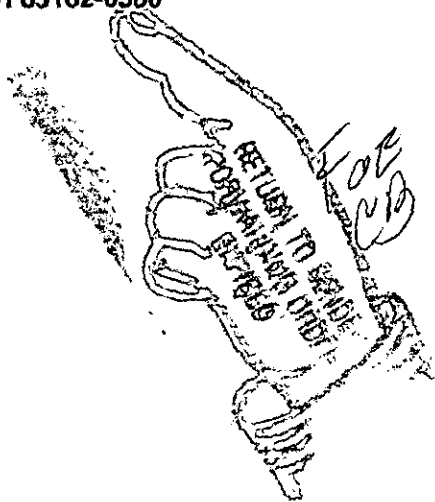


Missouri Public Service Commission
Adjudication Division - Data Center
P.O. Box 360
Jefferson City, Missouri 65102-0360

MO 419-2651 (9-01)



Woodland Heights Utilities, Inc.
Legal Department
593 Sappington Bridge Road
Sullivan, MO 63080



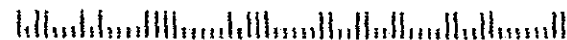
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**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 23rd day of
May, 2006.

In the Matter of the Cancellation of the
Certificate of Service Authority of
Woodland Heights Utilities, Inc.

)
)
)

Case No. WD-2006-0393

ORDER CANCELING CERTIFICATE AND TARIFFS

Issue Date: May 23, 2006

Effective Date: June 2, 2006

On April 12, 2006, the Staff of the Missouri Public Service Commission filed a motion to open a case and to cancel the certificate of convenience and necessity granted to Woodland Heights Utilities, Inc. The Staff's motion explains Woodland Heights was granted a certificate to provide water and sewer service to the Woodland Heights subdivision near Sullivan, Missouri, in February 1968. The company filed tariffs and last filed a motion to modify the water tariff in 1979. The tariff to provide sewer service was last modified in 1993.

The Staff's motion states that Woodland Heights was a Missouri corporation that was dissolved five times between 1984 and 1997 for failure to file annual registration reports with the Missouri Secretary of State. It was reinstated each time until the final dissolution in August of 1997.

The Staff reports that sometime in 1997 Woodland Heights ceased collecting revenues from customers, filed for bankruptcy protection and effectively abandoned the water and sewer systems. The homeowners association in the subdivision informally

began operating the utility systems and sought a new owner/operator to operate the systems.

The Staff reports that the Crawford County Circuit Court entered an order in Case No. CV100-31CC organizing the Public Water Supply District No. 1 of Crawford County. The owners of Woodland Heights transferred ownership of the real estate assets of the company to the newly-formed water supply district in November 2000, without seeking authority from the Commission. The Court also issued a decree creating a common sewer district as part of the water supply district.

Currently, the Staff advises, the former customers of Woodland Heights are receiving water and sewer services from the District, which is a publicly owned water and sewer utility that is not subject to the jurisdiction of the Commission. The District charges a flat rate of \$25 per month for water service and is operating the system in compliance with DNR regulations. The District also charges a flat rate of \$25 per month for sewer service. Plans are to connect the sewer collection system to the City of Sullivan for wholesale treatment, which will resolve any issues with a lagoon currently in use.

The Staff states that Woodland Heights has failed to submit annual reports since at least the year 2000. The Commission ceased assessing Woodland Heights prior to fiscal year 2000. The Staff has had no communication with Woodland Heights since 1997 when Woodland Heights abandoned its utility systems. Though a complaint would lie against Woodland Heights, the Staff relates that the facilities are being operated by a judicially sanctioned public water supply district, the customers are receiving safe and

adequate service from the District, and Woodland Heights no longer exists or has assets.

The Commission issued a Notice of Motion to Cancel Certificate and Tariff and Order Directing Response on April 17, 2006, and sent the Notice by certified mail, return receipt requested, to R. M. Alexander, the registered agent for Woodland Heights, at 601 Sappington Bridge Road, Sullivan, Missouri 63080. The Commission directed the same Notice to the company address, 593 Sappington Bridge Road, Sullivan, Missouri 63080. The Notice directed Woodland Heights to answer the Staff's Motion to Cancel by May 16, 2006. Both mailings were returned, unclaimed, to the Commission on April 24, 2006. Woodland Heights has not filed a response to the Staff's Motion.

The Commission has authority to grant or deny a certificate of convenience and necessity upon a determination of whether such a certificate is necessary or convenient for the public service.¹ The Commission may change or abrogate any order or decision of the Commission, unless such a change or abrogation is unauthorized by the law or the constitution.² The Staff cites prior Commission cases wherein the Commission has canceled water, sewer, gas or electric certificates and argues that the power to cancel a certificate is necessarily implied by the powers granted in Chapters 393 and 386, RSMo.

The Commission agrees with the Staff's analysis and will cancel Woodland Heights' certificate and tariffs.

¹ Section 393.170 RSMo 2000.

² Section 386.490 RSMo 2000.

IT IS ORDERED THAT:

1. The certificate of convenience and necessity granted to Woodland Heights Utilities, Inc., in Case No 16,189, is canceled.
2. The tariffs filed by Woodland Heights Utilities, Inc., for water and sewer services are canceled.
3. This order shall become effective on June 2, 2006.
4. This case may be closed on June 3, 2006.

BY THE COMMISSION

A handwritten signature in black ink, appearing to read 'Colleen M. Dale', written over a horizontal line.

Colleen M. Dale
Secretary

(S E A L)

Davis, Chm., Murray, Gaw, Clayton and Appling, CC., concur
Reed, Regulatory Law Judge

STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

**I have compared the preceding copy with the original on file in this office and
I do hereby certify the same to be a true copy therefrom and the whole thereof.**

**WITNESS my hand and seal of the Public Service Commission, at Jefferson City,
Missouri, this 23rd day of May 2006.**



Colleen M. Dale
Secretary

MISSOURI PUBLIC SERVICE COMMISSION

May 23, 2006

Case No. WD-2006-0393

General Counsel's Office
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200 Madison Street, Suite 800
Jefferson City, MO 65102

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200 Madison Street, Suite 650
Jefferson City, MO 65102

Woodland Heights Utilities, Inc.
Registered Agent
601 Sappington Bridge Road
Sullivan, MO 63080

Woodland Heights Utilities, Inc.
Legal Department
593 Sappington Bridge Road
Sullivan, MO 63080

Enclosed find a certified copy of an ORDER in the above-numbered case(s).

Sincerely,

A handwritten signature in black ink, appearing to read 'Colleen M. Dale', written over a horizontal line.

Colleen M. Dale
Secretary