

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

In the Matter of the Application of Confluence)
Rivers Utility Operating Company, Inc., for a)
Certificate of Convenience and Necessity to) **File No. WA-2023-0284**
Provide Water and Sewer Service in an Area)
of Johnson County, Missouri)

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission (“Staff”), through the undersigned counsel, and for its *Staff Recommendation*, respectfully states as follows:

1. On March 14, 2023, Confluence Rivers Utility Operating Company, Inc. (“Confluence Rivers”) filed applications with the Missouri Public Service Commission (“Commission”) seeking approval for a certificate of convenience and necessity (“CCN”) to acquire all or substantially all of the water and sewer system of Four Seasons North MHP, LLC (“Four Seasons”). In addition, Confluence Rivers requested a waiver of the 60-day notice requirements of 20 CSR 4240-4.017(1).

2. On March 15, 2023, the Commission ordered Staff to file a recommendation concerning Confluence Rivers’ application or a status report by May 3, 2023. On the same day, Confluence Rivers filed a motion to consolidate File Nos. WA-2023-0284 and SA-2023-0285. On March 28, 2023, the Commission granted Confluence Rivers’ motion to consolidate with File No. WA-2023-0284 being the lead case.

3. Staff filed its *Status Report* on May 1, 2023 requesting an extension of time to file its recommendation until June 21, 2023. On May 3, 2023, the Commission issued its *Order Shortening Time to Respond to Staff’s Request for Extension of Time* ordering any party wishing to respond to Staff’s request for additional time to respond no later than

May 5, 2023. On May 4, 2023, Confluence Rivers filed its response stating that it will not object to Staff's request for an extension of time. On May 10, 2023, the Commission granted Staff's request for an extension of time to file its recommendation on or before June 21, 2023.

4. Pursuant to Section 393.170, RSMo (2018), no water or sewer corporation shall provide service to consumers without first having obtained approval from the Commission.

5. When reviewing whether a utility should be granted a CCN, the Commission typically applies the five Tartan Criteria established in *In the Matter of Tartan Energy Company, et al.*, 3 Mo. PSC 3d 173, 177 (1994). The criteria are: (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.

6. In addition to the Tartan Criteria, when considering an application involving existing water and/or sewer systems, the Commission analyzes the Technical, Managerial, and Financial capabilities ("TMF") of the applicant.

7. As explained in *Staff's Memorandum*, attached hereto as Appendix A, Staff conducted an investigation into Confluence Rivers' request. Based on its review, Staff concludes that Confluence Rivers fulfills the requirements regarding TMF capacities and the Tartan Criteria. Accordingly, Staff asserts that approving Confluence Rivers' application for the issuance of a CCN is necessary and convenient for the public service

and is not detrimental to the public interest, and Staff recommends approval with conditions described in Staff's *Memorandum*.

8. Staff does not oppose Confluence Rivers' request for a waiver of the 60-day notice requirement of 20 CSR 4240-4.017(1).

WHEREFORE, Staff respectfully submits this *Staff Recommendation* and requests the Commission approve Confluence Rivers' request for the issuance of a CCN allowing Confluence Rivers to construct, install, own, operate, maintain, control and manage the water and sewer system assets currently owned by Four Seasons North MHP, LLC in Johnson County, Missouri; and grant such other and further relief as the Commission considers just in the circumstances.

Respectfully submitted,

/s/ Ron Irving

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile, or electronically mailed to all counsel of record this 20th day of June, 2023.

/s/ Ron Irving