BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Missouri-American Water Company)	
for a Certificate of Convenience and Necessity)	
Authorizing it to Install, Own, Acquire, Construct,)	Case No. WA-2012-0066
Operate, Control, Manage, and Maintain Water and)	Case No. SA-2012-0067
Sewer Systems in Christian and Taney Counties,)	
Missouri.)	

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission (Staff), by and through counsel, and recommends, subject to the conditions contained herein, that the Missouri Public Service Commission (Commission) grant to Missouri-American Water Company (MAWC), Certificates of Convenience and Necessity (CCN) to provide regulated water and sewer services in portions of Christian County and Taney County, Missouri. In support of this *Recommendation*, Staff states as follows:

- 1. On August 26, 2011, MAWC filed two *Applications* with the Commission, seeking a CCN for the authority to install, own, acquire, construct, operate, control, manage and maintain water and sewer systems in an incorporated village of Christian and Taney counties, Missouri (jointly referred to as "Applications"). These *Applications* were given Commission Case Nos. WA-2012-0066 and SA-2012-0067. On October 17, 2011, Case Nos. WA-2012-0066 and SA-2012-0067 were consolidated with the primary case being Case No. WA-2012-0066.
- 2. On September 9, 2011, the Commission issued an *Order Directing Notice and Setting Date for Submission of Intervention Requests*, ordering that notice of MAWC's Applications be served to interested parties and setting an intervention deadline of September 29, 2011. No parties intervened in this case.

- 3. On October 3, 2011, the Commission issued an *Order Directing Filing*, directing Staff to file a status report or a recommendation regarding MAWC's applications no later than November 2, 2011.
- 4. On October 27, 2011, Staff filed *Staff' Status Report* which stated that Staff's recommendation could be filed by November 30, 2011. On November 29, 2011, Staff filed a motion for extension of time. The Commission then issued an order extending Staff's filing deadline to December 20, 2011.
- 5. On December 19, 2011, Staff filed a second motion for extension of time. The following day, the Commission issued an order granting Staff's request by extending the filing deadline to January 6, 2012. This filing complies with that order.
- 6. Pursuant to Section 393.170, RSMo (2000), no water and/or sewer corporation shall provide service to consumers without first having obtained approval from the Commission. In determining whether or not to grant such approval the Commission has traditionally applied the five "Tartan Energy Criteria" established in *In the Matter of Tartan Energy Company, et al.*, 3 Mo. PSC 3d 173, 177 (1994). These criteria are further explained in the attached Staff Memorandum, Appendix A, and incorporated by reference herein.
- 7. As explained in Appendix A, Staff conducted an investigation into MAWC's requests, including but not limited to a review of the feasibility studies provided by MAWC and an evaluation of their estimated capital costs and proposed operating expenses. Based upon this review, Staff has determined that MAWC fulfills the requirements of the Tartan Energy Criteria.
- 8. Staff asserts that this transfer is necessary and convenient for the public service and is not detrimental to the public interest.

9. In conclusion, based upon its investigation, it is Staff's recommendation that the Commission issue an order that includes the attached provisions laid out in the sixteen numbered paragraphs under the section labeled "Staff's Recommendation" in Appendix A.

WHEREFORE, Staff respectfully submits this *Staff Recommendation* for the Commission's information and consideration and hereby requests the Commission issue an Order granting MAWC's Certificates of Convenience and Necessity, Install, Own, Acquire, Construct, Operate, Control, Manage, and Maintain Water and Sewer Systems in Christian and Taney Counties, Missouri, subject to the conditions contained herein.

Respectfully submitted,

/s/ Goldie Tompkins

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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 6th day of January, 2012.

/s/ Goldie Tompkins