

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

In the Matter of the Application of Confluence Rivers Utility Operating Company, Inc., for Authority to Acquire Certain Sewer Assets in an Area of Warren County, Missouri (North Oak Sewer District, Inc.)	) ) ) ) )	File No. SM-2024-_____
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**APPLICATION AND MOTION FOR WAIVER**

**COMES NOW** Confluence Rivers Utility Operating Company, Inc. (“Confluence Rivers”) pursuant to Section 393.190, 20 CSR 4240-2.060, 20 CSR 4240-4.017, and 20 CSR 4240-10.105, and for its *Application and Motion for Waiver*, states as follows to the Missouri Public Service Commission (“Commission”):

**I. Introduction**

1. Confluence Rivers is a Missouri corporation with its principal office and place of business at 1630 Des Peres Rd., Suite 140, St. Louis, MO 63131. Confluence Rivers is a Missouri corporation in good standing. A certified copy of Confluence Rivers’ certificate of good standing was filed in File No. WM-2018-0116 and is incorporated herein by reference.

2. Confluence Rivers provides water service to approximately 5,200 connections and sewer service to approximately 5,200 connections in the State of Missouri, pursuant to certificates of convenience and necessity previously granted by the Commission. Confluence Rivers is a “water corporation,” a “sewer corporation,” and a “public utility,” as those terms are defined in Section 386.020, RSMo, and is subject to the jurisdiction and supervision of the Commission as provided by law.

3. Confluence Rivers has no overdue Commission annual reports or assessment fees. There is no pending action or final unsatisfied judgment or decision against Confluence Rivers

from any state or federal agency or court which involves customer service or rates, which action, judgment or decision has occurred within three (3) years of the date of this Application.

4. Communications regarding this application should be addressed to the undersigned counsel and to:

Josiah Cox, President  
Confluence Rivers Utility Operating Company, Inc.  
1630 Des Peres Rd., Suite 140  
St. Louis, MO 63131  
Phone: (314) 380-8544  
E-mail: jcox@cswrgroup.com

## **II. The Proposed Sale Transactions**

5. Confluence Rivers proposes to acquire all or substantially all of the sewer system assets of the currently regulated system of North Oak Sewer District, Inc. Confluence Rivers seeks authority to acquire the system and to transfer the Certificate of Convenience and Necessity (“CCN”) to operate the system and provide service to the public. North Oak Sewer District, Inc. (“North Oak”) is a Missouri general business (for profit) corporation formed in 1999, with its principal office located at 634 Highway MM, Moscow Mills, Missouri 63362, and is in good standing with the Missouri Secretary of State. On July 13, 2000, the Commission granted North Oak a CCN to provide sewer services in Commission File No. SA-2000-417. North Oak is a “sewer corporation,” and a “public utility” as defined by Section 386.020, RSMo, and is subject to the jurisdiction and supervision of the Commission as provided by law. North Oak provides sewer services to approximately 20 residential homes, 4 commercial buildings, 4 apartment buildings, and 2 mobile home parks in the North Oak Estates subdivision in Warren County, Missouri.

6. The sewer system is an activated sludge treatment facility consisting of collection,

aeration treatment, clarifier, disinfection, and aerated sludge digestion, with sludge hauled by contract hauler. The treatment facility has many areas which are in need of repairs or replacement of equipment and infrastructure to ensure consistent compliance with regulatory and permit requirements. The facility is regulated under the Clean Water Act (EPA) and Missouri state law under NPDES permit MO0109673. The facility has exceeded BOD and E.Coli limits within the last three years.

7. On March 28, 2023, Central States Water Resources, Inc. (“Central States”) entered into an *Agreement for Sale of Utility System* with North Oak. A copy of the *Agreement for Sale of Utility System* is attached as **Appendix A-C** and marked Confidential in accordance with Commission Rule 20 CSR 4240-2.135(2)(A)(3) and (6), as it contains market specific information and information representing strategies employed in contract negotiations. Central States proposes to purchase substantially all the sewer system assets of North Oak, as specifically described in, and under the terms and provisions of, the *Agreement for Sale of Utility System*.

8. Pursuant to Paragraph 18 of the *Agreement for Sale of Utility System*, Central States plans to assign its rights under the agreement to Confluence Rivers at closing. **Appendix B** verifies the authority of Josiah Cox, the President of Confluence Rivers, to enter into the *Agreement for Sale of Utility System* and seek Commission approval of the transaction. Confluence Rivers requests authority to acquire and transfer the CCN of North Oak, or alternatively, permission, approval and a new CCN to construct, install, own, operate, maintain, control and manage a sewer system for the public in an area of Warren County, Missouri, as an addition to its existing service territories.

### **III. Additional Information**

9. A balance sheet and income statement with adjustments showing the results of the acquisition of the North Oak property for Confluence Rivers is attached as **Appendix C-C**. **Appendix C-C** has been identified as “Confidential” in accordance with Commission Rule 20 CSR 4240-2.135(2)(A)(3), (4) and (6), as it contains market-specific information and information representing strategies employed in contract negotiations.

10. Confluence Rivers is not aware of any franchises or permits from municipalities, counties, or other authorities that would be required in order to provide service in the requested areas.

11. The sale and purchase of the referenced assets will not increase the tax revenues of relevant political subdivisions, as both North Oak and Confluence Rivers are private entities.

#### **IV. Tariff/Rates**

12. Confluence Rivers proposes to adopt the existing tariff and rates for North Oak.

13. The current rate for this system does not reflect the current cost of providing service. Additionally, this system will require investment after the purchase by Confluence Rivers that will necessarily result in a request for a rate increase of some amount after those additions have been completed.

#### **V. Public Interest**

14. The grant of the requested CCN (and approval of the underlying transaction) and the proposed transfer is in the public interest and will result in regulated sewer services provided to the current and future residents of the service area. The system would be acquired by Confluence Rivers, a Missouri public utility, and be subject to the jurisdiction of the Commission to own and operate the sewer system for which approval is sought. As it has demonstrated to the

Commission in past cases, Confluence Rivers, with the support and assistance of its affiliates, is fully qualified, in all respects, to own and operate the sewer system for which the certificate is sought. Confluence Rivers' successful operation of other water and sewer systems in Missouri demonstrates its ability to provide safe and reliable service to customers and to comply with the Commission's rules, regulations, and decisions governing the ownership and operation of such systems. Confluence Rivers also has the financial strength and resources necessary to make expenditures and investments required to maintain the system.

#### **VI. Motion for Waiver**

15. Commission Rule 20 CSR 4240-4.017(1) requires "[a]ny person that intends to file a case shall file a notice with the secretary of the commission a minimum of sixty (60) days prior to filing such case." Because it did not file such a notice within the time period prescribed by that rule, Confluence Rivers seeks a waiver of the 60-day pre-filing notice requirement.

16. Under Rule 20 CSR 4240-4.017(1)(D), a waiver of the pre-filing notice requirement may be granted for good cause. In this regard, Confluence Rivers declares, as verified below, that it has had no communication with the Office of the Commission (as defined in 20 CSR 4240-4.015(10)) within the prior 150 days regarding any substantive issue likely to be in this case. Good cause for the requested waiver exists in accordance with Commission Rule 20 CSR 4240-4.017(1)(D) ("Good cause for waiver may include, among other things, a verified declaration from the filing party that it has had no communication with the office of the commission within the prior one hundred fifty (150) days regarding any substantive issue likely to be in the case....")

17. Therefore, as authorized by Rule 20 CSR 4240-4.017(1)(D), Confluence Rivers moves for a waiver of the 60-day notice requirement and acceptance of this application at this time.

**WHEREFORE**, for the reasons previously stated, Confluence Rivers respectfully requests the Commission issue an order:

(A) Waiving the 60-day notice requirement of Rule 20 CSR 4240-4.017(1) for good cause shown;

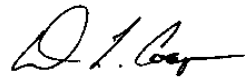
(B) Authorizing Confluence Rivers to acquire the system assets of North Oak Sewer District, Inc., as described in this Application;

(C) Authorizing Confluence Rivers to enter into, execute, and perform, in accordance with the terms described in the agreement attached to this application, and take any and all other actions that may be deemed necessary and appropriate to accomplish the purposes of the agreement and the Application, and to consummate related transactions in accordance with the agreement;

(D) Authorizing North Oak Sewer District, Inc. to sell and Confluence Rivers to acquire the assets identified herein; to include the CCN held by North Oak Sewer District, Inc. or, in the alternative, grant Confluence Rivers a new CCN authorizing it to install, acquire, build, construct, own, operate, control, manage, and maintain a sewer system for the public within the specified area currently served by North Oak Sewer District, Inc.; and,

(E) Granting such other relief as may be deemed necessary and appropriate to accomplish the purposes of the agreements and the Application and to consummate related transactions in accordance with the agreements.

Respectfully submitted,



Dean L. Cooper MBE #36592

Jesse W. Craig MBE #71850

**BRYDON, SWEARENGEN & ENGLAND P.C.**

312 E. Capitol Avenue  
P.O. Box 456  
Jefferson City, MO 65012  
(573) 635-7166 telephone  
[dcooper@brydonlaw.com](mailto:dcooper@brydonlaw.com)  
[jcraig@brydonlaw.com](mailto:jcraig@brydonlaw.com)

**ATTORNEYS FOR CONFLUENCE RIVERS  
UTILITY OPERATING COMPANY, INC.**

**CERTIFICATE OF SERVICE**

The undersigned certifies that a true and correct copy of the foregoing document was sent by electronic mail, on September 29, 2023, to the following:

Office of the General Counsel  
Governor Office Building  
Jefferson City, MO 65101  
[staffcounsel@psc.mo.gov](mailto:staffcounsel@psc.mo.gov)

Office of the Public Counsel  
Governor Office Building  
Jefferson City, MO 65101  
[opc@opc.mo.gov](mailto:opc@opc.mo.gov)

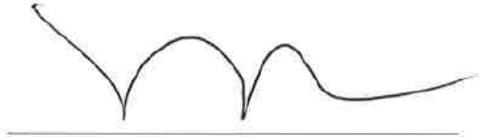


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**AFFIDAVIT**

State of Missouri     )  
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County of St. Louis    )

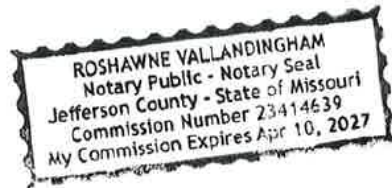
I, Josiah Cox, having been duly sworn upon my oath, state that I am the President of Confluence Rivers Utility Operating Company, Inc. (“Confluence Rivers”), that I am duly authorized to make this affidavit on behalf of Confluence Rivers, that I have knowledge of the matters stated herein, and that said matters are true and correct to the best of my information, knowledge, and belief. Additionally, no representative of Confluence Rivers has had any communication with the Office of the Missouri Public Service Commission as defined in Commission Rule 20 CSR 4240-4.015(10) within the one hundred fifty (150) days immediately preceding the filing of the Application regarding any substantive issue likely to be addressed in this case.



Subscribed and sworn before me this 28 day of September, 2023.

*Roshawne Vallandingham*  
Notary Public

My Commission Expires April 10, 2027





**APPENDIX A-C**

**HAS BEEN  
IDENTIFIED AS**

**CONFIDENTIAL**

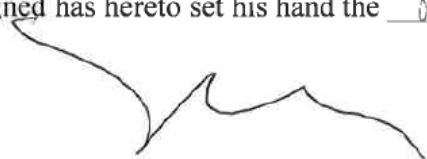
**IN ITS ENTIRETY PURSUANT TO  
20 CSR 4240-2.135(2)(A)3. and 6.**

**APPENDIX B**

VERIFICATION OF AUTHORITY

COMES NOW the undersigned, the President of Confluence Rivers Utility Operating Company, Inc. ("Confluence Rivers") and Central States Water Resources, Inc. ("CSWR"), and does hereby verify that CSWR had and has the requisite authority to enter into each *Agreement for Sale of Utility System* described in the Application and to carry out all the obligations contained in each *Agreement for Sale of Utility System*.

IN WITNESS WHEREOF, the undersigned has hereto set his hand the 8<sup>th</sup> day of September, 2023.



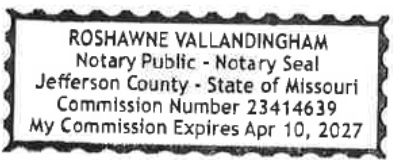
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Josiah Cox, President  
CONFLUENCE RIVERS UTILITY OPERATING  
COMPANY, INC. and CENTRAL STATES  
WATER RESOURCES, INC.

State of Missouri     )  
                                  )     ss  
County of St. Louis    )

Subscribed and sworn before me this 8<sup>th</sup> day of September, 2023.

  
Notary Public

My Commission Expires April 10, 2027



**APPENDIX C-C**

**HAS BEEN  
IDENTIFIED AS**

**CONFIDENTIAL**

**IN ITS ENTIRETY PURSUANT TO  
20 CSR 4240-2.135(2)(A)3,4. and 6.**