

**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. SA-2024-0129**
Provide Sewer Service in an Area of Jefferson)
County, Missouri (Country Life Acres))

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 September 29, 2023, Confluence Rivers Utility Operating Company, Inc. (“Confluence Rivers”) filed its *Application and Motion for Waiver* with the Missouri Public Service Commission (“Commission”) requesting the Commission approve the acquisition of the unregulated Country Life Acres sewer system and grant a Certificate of Convenience and Necessity (“CCN”) for the sewer system located in Jefferson County, Missouri. Additionally, Confluence Rivers requested a waiver of the 60-day notice requirements of 20 CSR 4240-4.017(1). On the same day, the Commission issued its *Order Directing Notice and Setting a Deadline for Intervention Requests* ordering any application to intervene to be filed no later than October 20, 2023.

2. On October 5, 2023, Confluence Rivers filed its *Amendment to the Application* in which it provided Amended Appendix C and Amended Appendix D to replace and amend Appendix C and Appendix D in the *Application*.

3. On October 23, 2023, the Commission ordered Staff to file a recommendation regarding Confluence Rivers’ *Application* or a status report stating when Staff expects to file its Recommendation, no later than November 29, 2023.

4. On November 29, 2023, Staff filed its *Status Report* stating that it expects to file its Recommendation on or before December 6, 2023. On December 4, 2023, the Commission granted Staff's request and ordered Staff to file a Recommendation no later than December 6, 2023.

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

6. 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.

7. 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.

8. 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*.

9. 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' acquisition of Country Life Acres sewer system and request for the issuance of a CCN for the sewer system located in Jefferson County, Missouri, and grant such other and further relief as the Commission considers just in the circumstances.

Respectfully submitted,

/s/ Ron Irving

Ron Irving
Senior Counsel
Missouri Bar No. 56147
Attorney for the Staff of the
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102
573-526-4612(Voice)
ron.irving@psc.mo.gov

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 December, 2023.

/s/ Ron Irving