

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

In the Matter of the Application of)	
Confluence Rivers Utility Operating Company,)	
Inc. to Acquire Certain Water and Sewer Assets,)	File Nos. WM-2018-0116
For a Certificate of Convenience and Necessity,)	SM-2018-0117
And, in Connection Therewith, to Issue)	
Indebtedness and Encumber Assets.)	

**MOTION FOR LEAVE TO AMEND APPLICATION
AND AMENDMENT TO APPLICATION**

COMES NOW Confluence Rivers Utility Operating Company, Inc. (“Confluence Rivers”), by and through its undersigned counsel, and, for its Motion for Leave to Amend Application, respectfully states as follows to the Missouri Public Service Commission (“Commission”):

MOTION TO AMEND

1. On November 2, 2017, Confluence Rivers filed an Application and Motion for Waiver for Confluence Rivers to acquire certain water and sewer assets of various water and sewer systems, along with a certificate of convenience and necessity (WM-2018-0117 and SM-2018-0117).
2. After a prehearing conference was held jointly in both proceedings on May 1, 2018, Confluence Rivers filed on behalf of all parties a *Status Report, Agreement Regarding Consolidation, and Proposed Procedural Schedule*. Among other things, that document called for Confluence Rivers to file its Amended Application by July 2, 2018.
3. Commission Rule 4 CSR 240-2.080(18) provides, in part, that a pleading may be amended at any time by leave of the Commission. Confluence Rivers asserts that the ability to address all proposed Confluence Rivers systems in one docket provides administrative economy and constitutes good cause for a grant of leave to amend. Moreover, such amendment was

contemplated by the parties as evidenced by the *Status Report, Agreement Regarding Consolidation, and Proposed Procedural Schedule* filed on May 10, 2018. Accordingly, Confluence Rivers believes that a grant of the requested leave will not prejudice the parties.

AMENDMENT

4. The amendment to the Confluence Rivers' Application is found in the following paragraphs. By this amendment, Confluence Rivers is adding its proposed purchase of substantially all of the water and/or sewer assets providing service to Eugene, Missouri; providing service to Wolf Creek Crossing; operated by Calvey Brook Water, Inc. and Calvey Brook Sewer, Inc.; and, designed to provide service to Auburn Lake Estates. Other than the addition of these systems, the original Application remains unchanged.

A. Eugene, MO (Water)

5. The Eugene, MO water system is owned by Cole County, Missouri. Cole County, Missouri may be contacted "in care of" Larry Benz, Cole County Public Works, 5055 Monticello Road, Jefferson City, MO 65109. Cole County provides water service to approximately 41 residential customers in Cole County, Missouri.

6. The Eugene water system formerly belonged to the City of Eugene, Missouri. Eugene disincorporated in 1997. Since then, the only remaining vestige of the town of Eugene has been the water system, which Cole County operates. In January 2010, the Cole County Commission turned over control of the Eugene water system to Cole County Public Works and its director, Larry Benz.

7. On April 25, 2018, Cole County, Missouri, and Central States entered into an agreement, a copy of which is attached as **Appendix T-C**. Pursuant to the agreement, Confluence Rivers proposes to purchase substantially all the water assets Cole County is using to

provide service to Eugene under the terms and provisions further described in the agreement. **Appendix T-C** has been identified as Confidential in accordance with Commission Rule 4 CSR 240-2.135(2)(A)(3) and (6), as it contains market specific information and information representing strategies employed in contract negotiations.

8. Confluence Rivers requests permission, approval, and a CCN to install, own, acquire, construct, operate, control, manage, and maintain a water system for the public in an area of Cole County, Missouri, as described in **Appendix U**, and as set forth on the map attached to this Application as **Appendix V**.

9. Attached hereto and marked as **Appendix W-C** is a list of ten residents or land owners within the proposed service area. **Appendix W-C** has been identified as Confidential in accordance with Commission Rule 4 CSR 240-2.135(2)(A)(1), as it contains customer-specific information.

10. Confluence Rivers will not require any franchises or permits from municipalities, counties, or other authorities in connection with the proposed systems.

11. To provide service to the proposed area, Confluence Rivers will purchase substantially all the water assets of the Eugene system under the terms and provisions further described in **Appendix T-C**.

B. Wolf Creek Crossing, Farmington, MO (Sewer)

12. Silas Properties, LLC (“Silas”) is an active Missouri limited liability company. Its mailing address is 103 East Columbia Street, Farmington, MO 63640. Silas Properties provides sewer service to approximately 35 residential customers in St. Francois County, Missouri, in a subdivision commonly known as Wolf Creek Crossing.

13. On January 15, 2018, Silas and Confluence Rivers entered into an agreement, a copy of which is attached as Appendix X-C. Pursuant to the agreement, Confluence Rivers proposes to purchase substantially all the sewer assets used to provide service to Wolf Creek Crossing, as specifically described in the agreement and under the terms and provisions further described in the agreement. Appendix X-C has been identified as Confidential in accordance with Commission Rule 4 CSR 240-2.135(2)(A)(3) and (6), as it contains market specific information and information representing strategies employed in contract negotiations.

14. Confluence Rivers further requests permission, approval, and a CCN to install, own, acquire, construct, operate, control, manage, and maintain a sewer system for the public in an area of St. Francois County, Missouri, as described in Appendix Y, and as set forth on the map attached to this Application as Appendix Z. This area is generally known as Wolf Creek Crossing.

15. Attached hereto and marked as Appendix AA-C is a list of ten residents or land owners within the proposed service area. Appendix AA-C has been identified as Confidential in accordance with Commission Rule 4 CSR 240-2.135(2)(A)(1), as it contains customer-specific information.

16. Confluence Rivers will not require any franchises or permits from municipalities, counties, or other authorities in connection with the proposed system.

17. To provide service to the proposed area, Confluence Rivers will purchase substantially all the sewer assets used to serve Wolf Creek Crossing, under the terms and provisions further described in Appendix X-C.

C. Calvey Brook Water, Inc. and Calvey Brook Sewer, Inc. (Water and Sewer)

18. Calvey Brook Water, Inc. is an administratively dissolved Missouri corporation. Its mailing address is P.O. Box 269, Washington, MO 63090. Calvey Brook Water is a “water 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. Calvey Brook Water was granted a CCN to operate a water utility in Commission Case No. WA-2004-0280. Pursuant to that CCN, Calvey Brook Water provides water service to approximately 26 residential customers in Franklin County, Missouri.

19. Calvey Brook Sewer, Inc. is an administratively dissolved Missouri corporation. Its mailing address is P.O. Box 269, Washington, MO 63090. Calvey Brook Sewer 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. Calvey Brook Sewer was granted a CCN to operate a sewer utility in Commission Case No. SA-2004-0279. Pursuant to that CCN, Calvey Brook Sewer provides sewer service to approximately 26 residential customers in Franklin County, Missouri.

20. On May 14, 2018, Calvey Brook Estates Homeowners Association, Inc. (P.O. Box 377, Washington, MO 63090), and Confluence Rivers entered into an agreement, a copy of which is attached as **Appendix BB-C**. Pursuant to the agreement, Confluence Rivers proposes to purchase substantially all the water and sewer assets of Calvey Brook Estates Homeowners Association, Inc. (as operated by Calvey Brook Water and Calvey Brook Sewer), as specifically described in the agreement and under the terms and provisions further described in the agreement. Such assets include the Calvey Brook Water and Calvey Brook Sewer CCNs. **Appendix BB-C** has been identified as Confidential in accordance with Commission Rule 4

CSR 240-2.135(2)(A)(3) and (6), as it contains market specific information and information representing strategies employed in contract negotiations.

D. Auburn Lake Estates, Lincoln County, MO (Water and Sewer)

21. Forest Ridge, LLC (“Forest Ridge”) is an active Missouri limited liability company. Its mailing address is 261 Elaine Drive, O’Fallon, MO 63366. Forest Ridge owns water and sewer systems for a developing subdivision in Lincoln County, Missouri, in a subdivision commonly known as Auburn Lake Estates.

22. Forest Ridge and Central States entered into an agreement, a copy of which is attached as **Appendix CC-C**. Pursuant to the agreement, Confluence Rivers proposes to purchase substantially all the water and sewer assets of Forest Ridge, under the terms and provisions described in the agreement. **Appendix CC-C** has been identified as Confidential in accordance with Commission Rule 4 CSR 240-2.135(2)(A)(3) and (6), as it contains market specific information and information representing strategies employed in contract negotiations.

23. Confluence Rivers further requests permission, approval, and a CCN to install, own, acquire, construct, operate, control, manage, and maintain water and sewer systems for the public in an area of Lincoln County, Missouri, as described in **Appendix DD**, and as set forth on the map attached to this Application as **Appendix EE**. This area is generally known as Auburn Lake Estates and is currently being served by Forest Ridge.

24. Attached hereto and marked as **Appendix FF-C** is a list of land owners within the proposed service area. **Appendix FF-C** has been identified as Confidential in accordance with Commission Rule 4 CSR 240-2.135(2)(A)(1), as it contains customer-specific information.

25. Confluence Rivers will not require any franchises or permits from municipalities, counties, or other authorities in connection with the proposed systems.

26. To provide service to the proposed area, Confluence Rivers will purchase substantially all the water and sewer assets of Forest Ridge, under the terms and provisions further described in **Appendix CC-C**.

GENERAL

27. Confluence Rivers proposes to adopt the rules and regulations where entities have such approved tariff provisions in place. In the alternative, Confluence Rivers will adopt the “standard” PSC Water and Sewer Department sample tariff.

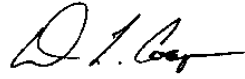
28. As to rates, Confluence Rivers proposes to use the existing rates for all residential customers.

29. A balance sheet and income statement with adjustments showing the results of the acquisition of the properties for Confluence Rivers is attached as **Appendix GG-C**. **Appendix GG-C** has been identified as Confidential in accordance with Commission Rule 4 CSR 240-2.135(2)(A)(3) and (6), as it contains market specific information and information representing strategies employed in contract negotiations.

30. The sale and purchase of the referenced assets should have no impact on the tax revenues of relevant political subdivisions, as Confluence Rivers and the Selling Utilities are private entities and their status as taxpaying entities will not change as a result of these transactions.

31. Attached hereto and marked as **Appendix HH-C** is a feasibility study for the water and sewer systems, including estimated expenses and revenues during the first three years of operation by Confluence Rivers. **Appendix HH-C** has been identified as Confidential in accordance with Commission Rule 4 CSR 240-2.135(2)(A)(3) and (6), as it contains market specific information and information representing strategies employed in contract negotiations.

WHEREFORE, Confluence Rivers respectfully requests that the Commission issue its order granting Confluence Rivers leave to amend its Application as described herein.



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CERTIFICATE OF SERVICE

I hereby certify that the above and foregoing document was filed in EFIS on this 3rd day of July, 2018, with notice of the same being sent to all counsel of record.

