

**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 Water Assets in an) File No. WM-2025-_____
Area of Gasconade County, Missouri (Gascony)
Water Company, Inc.))

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”):

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 5,800 connections and sewer service to approximately 6,000 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

THE PROPOSED SALE TRANSACTIONS

5. Confluence Rivers proposes to acquire all or substantially all of the water system assets of the currently regulated system of Gascony Water Company, Inc. Confluence Rivers seeks authority to acquire the system and to receive transfer of the Certificate of Convenience and Necessity (“CCN”) to operate the system and provide service to the public. Gascony Water Company, Inc. (“Gascony”) is a Missouri general business (for profit) corporation formed in 1998, with its principal office located at 2470 Lampong Drive, St. Louis, MO 63125, and is in good standing with the Missouri Secretary of State.

6. The Commission granted Gascony a CCN to provide water services in Commission File No. WA-97-510. The CCN went into effect in April 1999. Gascony 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. Gascony provides water services to approximately 40 Full-time Residential, 180 Part-time Residential, and 3 commercial customers in the Gascony Villages subdivision in Gasconade County, Missouri.

7. The Company’s source of supply is a deep groundwater well drilled in 1980 to a depth of 630 feet with a steel casing that extends 400 feet deep. The well pump is a five-

horsepower submersible pump capable of producing 35 gallons per minute (gpm). A well house contains the wellhead, piping, a 1,000 gallon hydro pneumatic tank, and all pump controls. A 1,000-gallon hydro pneumatic tank sits inside the well house to maintain pressure in the water distribution system. The water distribution system consists of approximately six miles of two-inch and two and a half-inch poly vinyl chloride (PVC) pipe.

8. On October 11, 2023, Central States Water Resources, Inc. (“Central States”) entered into an *Agreement for Sale of Utility System* with Gascony. 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 has the right to purchase substantially all the water system assets of Gascony under the terms and provisions of the *Agreement for Sale of Utility System*.

9. 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 Gascony, or alternatively, permission, approval and a new CCN to construct, install, own, operate, maintain, control and manage a water system for the public in an area of Gasconade County, Missouri, as an addition to its existing service territories.

ADDITIONAL INFORMATION

10. A balance sheet and income statement with adjustments showing the results of the acquisition of the Gascony 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.

11. Attached hereto and marked as **Appendix D-C** is the Engineering Memorandum concerning the Gascony facilities. **Appendix D-C** has been identified as “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.

12. 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.

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

TARIFF/RATES

14. Confluence Rivers proposes to utilize the existing customer rates for Gascony (Full-time Residential = \$101.57/Service Connection; Part-time Residential = \$50.79/Service Connection; Pool/Bathhouse = \$609.43; Kitchen = \$203.14; and, Dump Station = \$253.93). Confluence Rivers would further plan to submit tariff sheets, to be effective before closing on the assets, to include a service area map, service area written description, and rates to be included in its EFIS tariff P.S.C. MO No. 30, applicable to water service.

PUBLIC INTEREST

15. 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 water 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 water system for which approval is sought. As 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 water 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.

MOTION FOR WAIVER

16. 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.

17. 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....”)

18. 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:

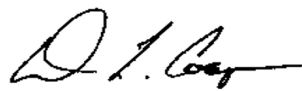
(A) Waiving the 60-day notice requirement of Rule 20 CSR 4240-4.017(1) for good cause shown;

(B) Authorizing Confluence Rivers to 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;

(C) Authorizing Gascony Water Company, Inc. to sell and Confluence Rivers to acquire the assets identified herein, to include the CCN held by Gascony Water Company, 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 water system for the public within the specified area currently served by Gascony Water Company, Inc.; and,

(D) 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
BRYDON, SWEARENGEN & ENGLAND P.C.
312 E. Capitol Avenue
P.O. Box 456
Jefferson City, MO 65012
(573) 635-7166 telephone
dcooper@brydonlaw.com

David L. Woodsmall MBE #40747
Central States Water Resources
1630 Des Peres Rd., Suite 140
Des Peres, MO 63131
dwoodsmall@cswrgroup.com

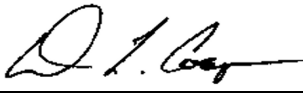
**ATTORNEYS FOR CONFLUENCE RIVERS
UTILITY OPERATING COMPANY, INC.**

CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the foregoing document was sent by electronic mail, on August 26, 2024, to the following:

Office of the General Counsel
Governor Office Building
Jefferson City, MO 65101
staffcounsel@psc.mo.gov

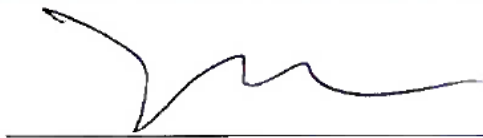
Office of the Public Counsel
Governor Office Building
Jefferson City, MO 65101
opc@opc.mo.gov



AFFIDAVIT

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

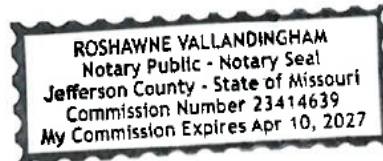
I, Josiah Cox, having been duly sworn upon my oath, state that I am the President of Confluence Rivers Utility Operating Company, Inc. ("Confluence Rivers"), that I am duly authorized to make this affidavit on behalf of Confluence Rivers, that I have knowledge of the matters stated herein, and that said 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 8th day of April, 2024.

Roshawne Vallandingham
Notary Public

My Commission Expires 04-10-2027



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 8th day of April, 2024.



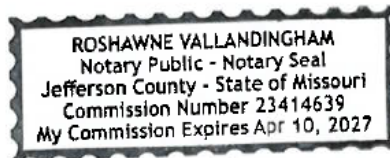
Josiah Cox, President
CONFLUENCE RIVERS UTILITY OPERATING
COMPANY, INC. and CENTRAL STATES
WATER RESOURCES, INC.

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

Subscribed and sworn before me this 8th day of April, 2024.

Roshawne Vallandingham
Notary Public

My Commission Expires 04-10-2027



APPENDIX C-C

HAS BEEN
IDENTIFIED AS

CONFIDENTIAL

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

APPENDIX D-C

**HAS BEEN
IDENTIFIED AS**

CONFIDENTIAL

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