STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 23rd day of October, 2024.

In the Matter of the Application of Confluence)
Rivers Utility Operating Company, Inc., for)
Certificates of Convenience and Necessity to)
Provide Water and Sewer Service in Lincoln)
County, Missouri, as an Expansion of its Existing)
Service Area (Creekside Development)

File No. WA-2025-0012

ORDER GRANTING CERTIFICATE OF CONVENIENCE AND NECESSITY

Issue Date: October 23, 2024 Effective Date: November 22, 2024

Procedural History

On July 5, 2024, Confluence Rivers Utility Operating Company, Inc. (Confluence Rivers) filed the above-referenced application. The application seeks a certificate of convenience and necessity (CCN) requesting the authority for Confluence Rivers to own, acquire, construct, operate, control, manage, and maintain a water system and a sewer system in an area of Lincoln County, Missouri (the Creekside Development). The requested CCN would allow Confluence Rivers to extend its water and sewer service to this area from the adjacent Glenmeadows subdivision, which is already serviced by Confluence Rivers. Confluence Rivers also requested the Commission waive the 60-day notice requirement.¹

The Commission created File No. WA-2025-0012 regarding water service authority and File No. SA-2025-0013 regarding sewer service authority. The Commission

_

¹ Commission Rule 20 CSR 4240-4.017.

consolidated those two files on July 31, 2024, designating File No. WA-2025-0012 as the lead case and closing File No. SA-2025-0013.

The Commission issued notice and set a deadline for intervention requests, but received no requests.

On September 30, 2024, Staff of the Commission (Staff) filed *Staff's Report and Recommendation* and supporting memorandum, recommending the Commission grant Confluence Rivers a CCN subject to the conditions and actions described in Staff's memorandum. Staff concluded that the requested CCN is necessary and convenient for the public service. On October 10, 2024, Confluence Rivers filed its *Response to Staff Report and Recommendation*, stating that they have no objection to the proposed conditions and actions.

Commission Rule 20 CSR 4240-2.080(13) allows parties ten days to respond to pleadings unless otherwise ordered by the Commission. The Commission issued no order to the contrary and no party objected to Confluence Rivers' application or Staff's recommendation.

Discussion

Certificate of convenience and necessity

Confluence Rivers is a "water corporation," a "sewer corporation," and "public utility" as those terms are defined in Section 386.020, RSMo (Supp. 2023), and is subject to the jurisdiction of the Commission. If the Commission approves Confluence Rivers' application, Confluence Rivers would provide water and sewer service for the Creekside Development.

The Commission may grant a water or a sewer corporation a CCN to operate after

determining that the construction and operation are "necessary or convenient for the public service."² The Commission articulated criteria (known as the Tartan criteria) to be used when evaluating applications for utility certificates of convenience and necessity in *In Re Intercon Gas, Inc.*³

The *Intercon* case combined the standards used in several similar certificate cases, and set forth the following criteria: (1) there must be a need for the service; (2) the applicant must be qualified to provide the proposed 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.

There is a need for the service, as the developer intends to construct an additional 85 lots which will require water and sewer service. Confluence Rivers is qualified to provide the service, as it already provides water service to approximately 5,800 Missouri customers, and sewer service to approximately 5,900 Missouri customers. Confluence Rivers has the financial ability to provide the service through access to capital from its parent company Central States Water Resources, Inc. The proposal is economically feasible in that the property developer will construct the distribution and collection systems and contribute them to Confluence Rivers. Based upon Staff's full investigation and findings, Staff concluded that granting the CCNs with certain conditions will promote the public interest.

Based on the application and Staff's recommendations, the Commission concludes that the factors for granting a CCN to Confluence Rivers have been satisfied and that with the conditions recommended by Staff it is necessary or convenient for the

3

² Section 393.170.3, RSMo. (Supp. 2023).

³ 30 Mo P.S.C. (N.S.) 554, 561 (1991).

public service for Confluence Rivers to provide water and sewer service to the Creekside Development. Thus, the Commission will grant Confluence Rivers a CCN to provide water and sewer service within the proposed service area, subject to the conditions recommended by Staff.

Waiver of 60-day notice rule

Confluence Rivers' application also asks the Commission to waive the 60-day notice requirement in 20 CSR 4240-4.017(1). Confluence Rivers has filed a verified declaration that it has had no communication with the Office of the Commission within the 150 days prior to filing the application regarding any substantive issue likely to be in this case. The Commission finds good cause exists to waive the notice requirement, and a waiver of 20 CSR 4240-4.017(1) will be granted.

THE COMMISSION ORDERS THAT:

- 1. Confluence Rivers is granted a certificate of convenience and necessity to provide water and sewer service in the Creekside Development described in the map and legal description Confluence Rivers provided to Staff, subject to the following conditions and requirements:
 - a. Water and sewer rates for the Creekside Development service area shall match the existing rates of the Glenmeadows service area;
 - Confluence Rivers shall submit tariff sheets, to become effective before closing on the assets, to include a service area map, service area written description, to be included in its tariffs P.S.C. MO No. 30 and 31, applicable to water and sewer service, respectively;
 - c. Confluence Rivers shall distribute to any new Creekside Development customers an informational brochure detailing the rights and responsibilities

- of the utility and its customers regarding its water and sewer services,⁴ consistent with the requirements of Commission Rule 20 CSR 4240-13, as Creekside Development customers initiate service with Confluence Rivers;⁵
- d. Confluence Rivers shall provide training to its call center personnel regarding rates and rules applicable to the water and sewer customers in the acquired areas;
- e. Confluence Rivers shall provide to the Customer Experience Department (CXD) Staff a copy of the first bill they render to a customer in the extended area:
- f. Confluence Rivers shall email Staff in CXD outlining completion of the above recommendations regarding the customer brochure, training, and billing.
- 2. The Commission makes no finding that would preclude it from considering the ratemaking treatment to be afforded any matters pertaining utility plant constructed within the new service area, or providing service in the new service area, in any later proceeding.
- 3. The 60-day notice requirement of Commission Rule 20 CSR 4240-4.017(1) is waived.
 - 4. This order shall become effective on November 22, 2024.

BY THE COMMISSION

Nancy Dippell

Nancy Dippell Secretary

⁴ The words "water and" have been inserted with the understanding that the phrase "water and sewer services" was meant by Staff to be included in the condition.

⁵ The Commission has replaced the word "Creekside" in Staff's recommended condition with "Confluence Rivers" for clarity.

Hahn, Ch., Coleman, Holsman Kolkmeyer, and Mitchell CC., concur.

Fewell, Regulatory Law Judge

STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this 23rd day of October 2024.

SSION OF THE OF

Nancy Dippell Secretary

MISSOURI PUBLIC SERVICE COMMISSION October 23, 2024

File/Case No. WA-2025-0012

MO PSC Staff

Staff Counsel Department 200 Madison Street, Suite 800 P.O. Box 360 Jefferson City, MO 65102

Office of the Public Counsel (OPC)

Marc Poston 200 Madison Street, Suite 650 P.O. Box 2230 staffcounselservice@psc.mo.gov Jefferson City, MO 65102 opcservice@opc.mo.gov

Confluence Rivers Utility Operating Company, Inc.

Dean Cooper 312 East Capitol P.O. Box 456 Jefferson City, MO 65102 dcooper@brydonlaw.com

Confluence Rivers Utility Operating Company, Inc.

Jesse Craig 312 East Capitol Avenue P.O. Box 456 Jefferson City, MO 65102 jcraig@brydonlaw.com

Confluence Rivers Utility Operating Company, Inc.

David Woodsmall 1650 Des Peres Road, Suite 303 Jefferson City, MO 65101 Des Peres, MO 63131 dwoodsmall@cswrgroup.com

MO PSC Staff

Paul Graham 200 Madison Street paul.graham@psc.mo.gov

Enclosed find a certified copy of an Order or Notice issued in the above-referenced matter(s).

Sincerely,

Secretary

Recipients listed above with a valid e-mail address will receive electronic service. Recipients without a valid e-mail address will receive paper service.