

**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 Area of )  
Gasconade County, Missouri (Gascony )  
Water Company, Inc.) )

**File No. WM-2025-0065**

**STAFF’S REPORT AND RECOMMENDATION**

**COMES NOW** the Staff of the Missouri Public Service Commission (“Staff”) and for its Staff Report and Recommendation states:

1. On August 26, 2024, Confluence Rivers Utility Operating Company, Inc. (“Confluence”) filed an Application and Motion for Waiver (“Application”) with the Missouri Public Service Commission (“Commission”), pursuant to Commission Rules 20 CSR 4240-2.060 and 20 CSR 4240-10.105, asking the Commission to:

A. Authorize Confluence to acquire Gascony Water Company, Inc. (“Gascony”), pursuant to Section 393.190, RSMo (2013);

B. Transfer Gascony’s Certificate of Convenience and Necessity (“CCN”) to Confluence or grant Confluence a new CCN, pursuant to Section 393.170 RSMo (2018); and;

C. Waive the 60-day notice requirement, pursuant to Commission Rule 20 CSR 4240-4.017(1)(D).

2. Staff has fully investigated the Application and has prepared a Memorandum setting out fully and in complete detail its investigation, findings, conclusions, and recommendations. It is attached and incorporated as “Attachment A” to this cover pleading.

3. It is Staff's position that Confluence's acquisition of Gascony is not detrimental to the public interest. As such, Staff recommends that the Commission allow Confluence to acquire Gascony, pursuant to paragraphs eight (8) and nine (9) of Confluence's application in this case. Missouri courts hold that "the Commission may not withhold its approval of the disposition of assets unless it can be shown that such disposition is detrimental to the public interest."<sup>1</sup>

4. With regard to Confluence's request that the Commission either transfer Gascony's current CCN to Confluence or grant Confluence a new CCN: Staff applied the Tartan Criteria<sup>2</sup> and found that all five criteria are satisfied. Thus, in line with Commission practice, Staff recommends that the Commission cancel Gascony's CCN and grant Confluence a new CCN for the acquired system at issue in this case.

5. In support of its motion for waiver of the 60-day pre-filing notice requirement, Confluence provided a verified declaration "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." Moreover, Staff has recommended that the Commission grant Confluence's motion for a waiver.

6. Staff made a total of thirteen recommendations to the Commission in this case, and each may be found in Staff's Memorandum.

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<sup>1</sup> State ex rel. City of St. Louis v. Public Service Commission of Missouri, 335 Mo. 448, 73 S.W.2d 393, 400 (Mo. banc 1934); State ex rel. Fee Fee Trunk Sewer, Inc. v. Litz, 596 S.W.2d 466, 468 (Mo. App., E.D. 1980).

<sup>2</sup> Case No. GA-94-127.

**WHEREFORE**, Staff prays that the Commission will accept this Report and Recommendation as compliant with the Commission's Orders.

Respectfully submitted,

/s/ Andrea B. Hansen

**Andrea B. Hansen**

Legal Counsel

Missouri Bar No. 73737

Attorney for the Staff of the

Missouri Public Service Commission

200 Madison Street

P.O. Box 360

Jefferson City, Missouri 65102

Phone: (573) 522-1243

Fax: (573) 526-1500

E-mail: [Andrea.Hansen@psc.mo.gov](mailto:Andrea.Hansen@psc.mo.gov)

### **CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been transmitted by electronic mail to counsel of record this 26<sup>th</sup> day of November, 2024.

/s/ Andrea B. Hansen