BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Commission's Proposed Rule 20 CSR 4240-60.050 And Proposed Rescission of 20 CSR 4240-3.305 Relating to Filing Requirements for Sewer Utility Applications for Certificates of Convenience and Necessity

File No. SX-2025-0116

STAFF COMMENTS

COMES NOW the Staff of the Missouri Public Service Commission ("Staff") and states as follows:

1. Staff supports the proposed rule of 20 CSR 4240-60.050, published in the Missouri Register dated November 15, 2024. This rule sets forth the filing requirements sewer utility companies must meet when filing its applications for certificates of convenience and necessity with the Commission. The companies must also meet additional requirements that are set out in 20 CSR 4240-2.060(1). The previous rule located in 20 CSR 4240-3.305 is being rescinded in concert with the newly rewritten rule, which is being moved to Chapter 60, Standards of Service by Sewer Utilities.

2. The proposed rule is submitted to update the standards, requirements and procedures for whenever the sewer utilities apply for a certificate of convenience and necessity with the commission, and to place such in the specific utility location for ease of access and use.

3. Staff's reasoning and position on the proposed rule are set forth more fully in the attached Staff Comments, which is incorporated by reference herein.

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WHEREFORE, Staff respectfully submits Staff's Comments for the Commission's

consideration and supports the proposed rule of 20 CSR 4240-60.050.

Respectfully submitted,

<u>/s/ J. Scott Stacey</u>

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ATTORNEY FOR STAFF OF THE PUBLIC SERVICE COMMISSION

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been transmitted by electronic mail to counsel of record this 13th day of December, 2024.

/s/ J. Scott Stacey

Missouri Public Service Commission Staff Comments on the Proposed Rule 20 CSR 4240-60.050 Filing Requirements for Sewer Utility Applications for Certificates of Convenience and Necessity and Proposed Rescission of 20 CSR 4240-3.305 Filing Requirements for Sewer Utility Applications for Certificates of Convenience and Necessity

<u>Summary:</u> Staff supports the proposal of Commission Rule 20 CSR 4240-60.050 and rescission of Commission Rule 20 CSR 4240-3.305. Significant revisions were made to the existing rule, 20 CSR 4240-3.305, resulting in the need to rescind the existing rule and propose a new rule under Commission Rule 20 CSR 4240-60 Standards of Service by Sewer Utilities, which is the location the proposed rule, 20 CSR 4240-60.050.

<u>Discussion:</u> New and existing sewer utilities seeking to serve or increase service area are required to submit an application for Certificates of Convenience and Necessity (CCN). The CCN gives the public utility the right to provide sewer service to an identified geographical area. The process can be difficult for sewer utilities due to requirements and information necessary to ensure that the sewer utility will be able to provide safe and adequate service.

The proposed Commission Rule, 20 CSR 4240-60.050 Filing Requirements for Sewer Utility Applications for Certificates of Convenience and Necessity, which was previously under 20 CSR 4240-3.305 with the same name, was determined necessary to provide more transparency to sewer utilities seeking a CCN. Important regulatory decisions should be based on high quality information, which is the purpose of the proposed rule as it was developed to benefit both sewer utilities and Staff with clear requirements. Additionally, the proposed regulation requirements are expected to reduce the amount of time it takes to complete a CCN proceeding by reducing subsequent information request from the sewer utility after the filing of a sewer CCN.

Based on the information above Staff support the proposed rule 20 CSR 4240-60.050 and proposed rescission of 20 CSR 4240-3.305.