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

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In the Matter of the Joint Application of Confluence Rivers Utility Operating Company, Inc., and Missouri-American Water Company for Authority for Confluence Rivers Utility Operating Company, Inc. to Acquire Certain Sewer Assets of Missouri-American Water Company in Callaway and Morgan Counties, Missouri.

File No. SM-2025-0067

#### JOINT RESPONSE TO STAFF REPORT AND RECOMMENDATION

**COME NOW** Confluence Rivers Utility Operating Company, Inc. ("Confluence Rivers") and Missouri-American Water Company ("MAWC") and state the following to the Missouri Public Service Commission ("Commission") as their *Joint Response to Staff Report and Recommendation* (Confluence Rivers and MAWC will reply separately to the Office of the Public Counsel's Response to Staff Recommendation filed on January 9, 2025):

1. On August 27, 2024, Confluence Rivers and MAWC filed an *Application and Motion for Waiver* requesting that the Commission approve the sale and purchase between them of nineteen small wastewater systems. The systems are in Callaway and Morgan Counties and total approximately 606 connections.

2. On December 30, 2024, Staff filed its *Staff's Report and Recommendation* and supporting *Memorandum* suggesting that the Commission approve Confluence Rivers' acquisition of the subject sewer system assets and issue CCNs, subject to 12 conditions and actions described in Staff's *Memorandum*.

3. Confluence Rivers and MAWC have reviewed the proposed conditions and actions listed on pages 16-17 of Staff's *Memorandum* and, with one clarification, have no objection to those proposed orders and requirements.

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4. Condition and action 4 states as follows: "Require Confluence to submit an <u>adoption notice</u> prior to closing on the assets, to adopt the existing MAWC tariffs." (emphasis added). Confluence Rivers has used an adoption notice at times to adopt existing tariffs of selling companies when the seller will no longer be a public utility. (See, for example, *In the Matter of the Application of Confluence Rivers Utility Operating Company, Inc., for Authority to Acquire Certain Water and Sewer Assets and for a Certificate of Convenience and Necessity*, File No. WA-2019-0299, EFIS Item No. 168 (10/5/2020)).

5. Here, MAWC will still be a sewer corporation after the closing of the subject transaction. Thus, rather than adopting MAWC's tariff in whole, Confluence Rivers proposes as follows:

Confluence Rivers proposes to utilize the existing customer rates for the nineteen (19) wastewater systems ([\$65.36/month). 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. 31, applicable to sewer service.

(Application, Tariffs and Rates, p. 6).

6. Confluence Rivers further states that it believes MAWC's Rules and Regulations applicable to the subject nineteen (19) wastewater systems are not substantively different than those in its EFIS tariff P.S.C. MO No. 31, applicable to sewer service.

**WHEREFORE**, Confluence Rivers and MAWC request the Commission issue an order approving the *Application* and grant Confluence Rivers the CCNs recommended in Staff's *Memorandum*, subject to the Staff's proposed orders and requirements, and for such other and

further relief as deemed appropriate in the circumstances.

Respectfully submitted,

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### ATTORNEYS FOR CONFLUENCE RIVERS UTILITY OPERATING COMPANY, INC. AND MISSOURI-AMERICAN WATER COMPANY

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# ATTORNEYS FOR MISSOURI-AMERICAN WATER COMPANY

## **CERTIFICATE OF SERVICE**

The undersigned certifies that a true and correct copy of the foregoing document was sent by electronic mail, on January 10, 2024, to the following:

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