



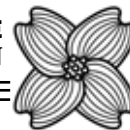
**RULES OF**

**Department of Commerce and Insurance**

**Division 4240—Public Service Commission**

**Chapter 60—Standards of Service by Sewer Utilities**

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**TITLE 20 – DEPARTMENT OF COMMERCE AND  
INSURANCE**

**Division 4240 – Public Service Commission  
Chapter 60 – Standards of Service by Sewer Utilities**

**20 CSR 4240-60.010 General Provision**

*PURPOSE: This rule sets forth the general provisions of and defines the terms used in Chapter 60, Standards of Service by Sewer Utilities.*

(1) The chapter applies to all sewer service by sewer corporations, as defined in section 386.020, RSMo (1986) and is to become effective March 2, 1973. All previous rules or standards conflicting with those contained in Chapter 60 are annulled and superseded. The rules apply to any sewer corporation which is now or may become engaged in the business of furnishing sewer service to any customer within the state of Missouri.

(2) The adoption of the rules in Chapter 60 shall in no way preclude the Public Service Commission from altering, amending or revoking them in whole or in part or from requiring any other or additional service equipment, facility or standard, either upon complaint, upon its own motion or upon the application of any utility.

(3) The following definitions shall apply to this chapter:

(A) Commission – The Public Service Commission of Missouri;

(B) Customer – Any person, individual, partnership, association, corporation or governmental agency being provided with sewage disposal service by a utility;

(C) Outfall sewer line – Sewers, either force or gravity, carrying effluent from treatment facility to point of discharge;

(D) Collecting sewers – Sewers, including force lines, gravity sewers, interceptors, laterals, trunk sewers, manholes, lampholes and necessary appurtenances, including service wyes;

(E) Service sewers to customers – Any sewer pipe extending from the customer's residence or other structure to the utility's collecting sewer, but excluding service wyes;

(F) Lift station – That portion of the sewerage system which is used to lift the sewage to a higher elevation;

(G) Premises – A tract of land or real estate, including buildings and other appurtenances thereon, belonging to the customer;

(H) Sewage – Sewage shall mean ground garbage, human and animal excretions and all other liquid waste normally disposed of by a residential, commercial or industrial establishment, through the sanitary sewer system;

(I) Sewer system – Includes all pipes, pumps, canals, lagoons, plants, structures and appliances and all other real estate, fixtures and personal property, owned, operated, controlled or managed in connection with or to facilitate the collection, carriage, treatment and disposal of sewage for municipal, domestic or other beneficial or necessary purpose;

(J) Sewer utility – Includes every corporation, company, association, joint stock company or association, partnership or person, their lessees, trustees or receivers appointed by any court, owning, operating, controlling or managing any sewer system, plant or property, for the collection, carriage, treatment or disposal of sewage anywhere within the state for gain; provided, that the provisions of this order shall not apply to sewer systems with fewer than twenty-five (25) outlets;

(K) Outlet – A service sewer connection to the collecting sewer;

(L) Treatment facility – A facility to treat sewage; and

(M) Sewer service – Removal and treatment of sewage.

(4) Each utility shall investigate promptly and thoroughly any complaint concerning its charges, practices, facilities or service. The utility shall maintain a file of customer complaints received on the service it provides. The file shall include the name and address, as well as the nature of the complaint and date of occurrence. A detailed explanation of what the utility did to correct the trouble which originated the complaint shall be recorded. The file shall be open to inspection of the commission or its staff during regular working hours and copies will be furnished the commission if requested.

(5) Unless otherwise specified by the commission, all records required by this chapter shall be preserved for two (2) years. Each utility shall notify the commission of the location at which it keeps the various classes of records required by these rules, if outside the state of Missouri. Each utility shall also maintain up to-date maps, plans or records of its entire sewer system, with such other information as may be necessary to enable the utility to advise prospective customers and others entitled to the information, as to the facilities available for serving any locality.

(6) Each utility shall file with the commission the name, title, address and telephone number of the person who should be contacted in connection with general management duties; customer relations (complaints); engineering operations; and emergencies during nonoffice hours. The commission shall be notified promptly of any changes which the utility may make in these contacts.

(7) A utility shall attempt to give advance notice to the customers before making smoke tests on sewers, indicating the date and approximate hour.

*AUTHORITY: sections 386.310(1) and 393.140(11), RSMo 1986. \* This rule originally filed as 4 CSR 240-60.010. Original rule filed Feb. 23, 1973, effective March 2, 1973. Moved to 20 CSR 4240-60.010, effective Aug. 28, 2019.*

*\*Original authority: 386.310(1), RSMo 1939, amended 1979, 1989, 1996 and 393.140(11), RSMo 1939, amended 1949, 1967.*

**20 CSR 4240-60.020 Engineering and Maintenance**

*PURPOSE: This rule prescribes the design, operation and maintenance of sewer systems.*

(1) Each sewer utility shall maintain and operate a sewage treatment facility of adequate capacity and properly equipped to treat the sewage and discharge effluent of the quality required by the laws of the state of Missouri and in other respects shall comply with the laws and regulations of the state and local health authority.

(2) The design and construction of a utility's system of sewers, treatment facility and all additions and modifications shall conform to the requirements prescribed by law except that any rule contained in this chapter shall apply which is more stringent than those prescribed by the Clean Water Commission.

(3) The sewer utility shall make reasonable efforts to eliminate



or prevent the entry of surface or ground water into its sanitary sewer system. It may request assistance from the appropriate state, county or municipal authorities, but such a request does not relieve the sewer utility of its responsibility to prevent the entry of such surface or ground water.

(4) Routine inspections shall be made by the utility of stream crossings where special construction is required at least on six (6) month intervals and more often if necessary, depending upon the amount of rainfall.

(5) Except where special circumstances make it necessary, the utility shall not accept or allow manholes that are covered with earth or other material that prevents the normal removal of the manhole lid. If an existing manhole is covered with earth or other material, the earth or material shall be removed as soon as is reasonably possible.

(6) All construction of sewers and appurtenances shall be inspected by the utility, or its authorized agent, to assure that they are constructed in accordance with approved plans and specifications and shall not be accepted until the construction complies with the plans and specifications. As-built plans and specifications shall be retained by the utility as a permanent record. All construction by other than company employees shall be done by a qualified contractor and materials and workmanship shall be guaranteed by appropriate parties for one (1) year subsequent to the date of acceptance.

(7) Service sewers to customers shall be connected to the collecting sewers by use of an approved wye or saddle. The same construction requirements which are used for collecting sewers shall be used for the construction of service sewers, except for pipe size.

(8) Unless otherwise authorized in writing by the commission, the utility shall make inspections of collecting sewers and manholes on a scheduled basis at intervals not to exceed one (1) year, unless conditions warrant more frequent inspections. It shall make inspections of all mechanical equipment on a daily basis. The utility shall maintain a record of findings and corrective actions required and/or taken, by location and date, that result from such inspections.

*AUTHORITY: sections 386.310(1) and 393.140(11), RSMo 1986.\* This rule originally filed as 4 CSR 240-60.020. Original rule filed Feb. 23, 1973, effective March 2, 1973. Moved to 20 CSR 4240-60.020, effective Aug. 28, 2019.*

*\*Original authority: 386.310(1), RSMo 1939, amended 1979, 1989, 1996; 393.140(11), RSMo 1939, amended 1949, 1967.*

#### **20 CSR 4240-60.040 Safety Program**

*PURPOSE: This rule prescribes safety measures and the procedures for reporting accidents.*

(1) Each utility shall adopt and execute a safety program, a copy of which shall be filed with the director of utilities of the Public Service Commission.

(2) Each sewer utility shall –

(A) Require its employees to use suitable tools and equipment in order that they may perform their work in a safe

manner;

(B) Require its employees to use safe practices in performing their work;

(C) Permit and require that each sewer and sewage treatment plant maintenance employee be trained with regard to good safety practices as related to the performance of his/her duties;

(D) Exercise reasonable care to reduce the hazards to which its employees, its customers and the general public may be subjected;

(E) Give reasonable assistance to the commission in the investigation of the cause of accidents and in the determination of suitable means of preventing accidents; and

(F) Maintain a summary of all reported accidents arising from its operations.

(3) Each sewer utility, as soon as reasonably possible, shall notify designated commission personnel by telephone of all accidents or incidents in connection with its system within its certificated areas, which result in the loss of life, personal injury requiring hospitalization or in property damage of at least one thousand dollars (\$1,000) except as to misuse or malfunction of customer facilities. Within thirty-six (36) hours of the accidents or incidents the sewer utility shall complete in writing and submit to the commission an authorized commission notification form pertaining to the accidents or incidents (Notification form PSC-S-1). Within sixty (60) days of the accidents or incidents, the sewer utility shall complete in writing and submit to the commission an authorized commission report form pertaining to the accidents or incidents (Report form PSC-S-2).

*AUTHORITY: section 386.310, RSMo 1986.\* This rule originally filed as 4 CSR 240-60.040. Original rule filed Feb. 23, 1973, effective March 2, 1973. Moved to 20 CSR 4240-60.040, effective Aug. 28, 2019.*

*\*Original authority: 386.310, RSMo 1939, amended 1979, 1989, 1996.*

#### **20 CSR 4240-60.050 Filing Requirements for Sewer Utility Applications for Certificates of Convenience and Necessity**

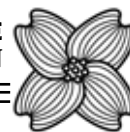
*PURPOSE: This rule sets forth requirements for applications to the commission requesting that the commission grant a certificate of convenience and necessity. As noted in the rule, additional requirements pertaining to such applications are set forth in 20 CSR 4240-2.060(1).*

(1) The procedures and application requirements contained herein are in addition to the requirements of 20 CSR 4240-2.060(1).

(2) If the application is for a service area where service is currently provided by an existing sewer system, notice shall be provided to all potential customers within the designated service area within twenty (20) days after the filing of an application for a certificate of convenience and necessity.

(A) The notice shall include a description of the approval being sought, proposed initial rates, an explanation that the proposed rates are subject to change pending approval of the application, the rates charged to other current customers of the buyer, and contact information for the buyer.

(B) The notice shall also include instructions for submitting public comments to the commission, the commission case number, and how to track the progress of the case in the



commission's electronic filing and information system (EFIS).

(C) An example of this customer notice shall be filed in the certificate of a convenience and necessity case by the purchasing applicant with any customer-specific information redacted.

(3) Application for a certificate of convenience and necessity by a sewer company must include the following, if available, or be subject to dismissal if the required information is not submitted within any time period that may be established by the commission:

(A) If the application is for a service area, where service is currently provided by an existing sewer system, the application shall contain the following items:

1. The legal description of the area to be certified;
2. A legible map of the proposed service area of appropriate scale and shall –

A. Be created using professional mapping software, or be based on a color aerial or satellite photograph;

B. Include a defined boundary of the entire service area encompassing all customers;

C. Show nearby roads and highways with large and legible labels;

D. Include a legend of map features for features shown on the map;

E. Include all collection, storage, and treatment features of the sewer system; and

F. Excludes unnecessary surveying information and detail;

3. A description of the existing collection and treatment system, including –

A. Age or, if unknown, the estimated age, and a general description of the type of treatment plant (such as "oxidation ditch, constructed in 2001");

B. Age or, if unknown, the estimated age, and material of the collection system and whether the system is gravity, pressure sewer with septic tanks, or a mixture of both;

C. Number of lift stations;

D. Design population equivalent that the treatment system is designed to serve according to the Missouri Department of Natural Resources (DNR), number of customers presently connected, and the projected number of customers within the next five (5) years; and

E. Any violations of DNR requirements within the last five (5) years;

4. A description of any proposed operation or capital improvements to the sewer system, including the reason for the improvements, estimated cost of capital improvements, and a proposed timeline for completion of the improvements that incorporates Missouri State Operating Permit (permit) requirements from DNR;

5. A description and copy of all notifications or meetings with existing customers prior to the filing of the application regarding the change in ownership –

A. If the purchase was subject to a vote of customers and that vote was approved by voters, provide a copy of all customer notifications, meeting handouts, presentations, and outreach efforts, including documentation that supported the sale of the system, and a copy of the ballot language which the voters reviewed when voting for the approval to sell the system and the results of that vote; or

B. If the purchase was not subject to a vote of customers, a copy of all notifications sent to customers by seller or buyer or, if unable to provide a copy of a notification, a statement indicating the notification could not be produced and reason

it could not be provided;

6. An economic feasibility study with the proposed method for financing, proposed rates, service charges, and revenues and expenses during the first three (3) years of operation;

7. A rate base calculation following the commission-approved Uniform System of Accounts (USOA) requirements with workpapers and supporting documentation for the assets to be acquired. All workpapers and supporting documents for the valuation of the sewer utility assets being acquired shall include but not be limited to the following:

A. A list of all USOA accounts that are in use or expected to be in use based on the capital improvements identified in paragraph (3)(A)4.;

B. The existing plant in service balance by USOA account number for each plant item;

C. Copies of invoices for the original purchase, installation, and subsequent capital repairs and additions, if any;

D. The current depreciation reserve for each USOA account with supporting backup calculations showing how the amounts were derived and depreciation rates used; and

E. The amount of Contribution in Aid of Construction (CIAC);

8. A description of any other sewer service areas of commission-regulated companies or political subdivisions within one (1) mile of the proposed service area. If there are any customers within another service area currently being served by the system to be acquired, a list of the addresses of these customers;

9. A description of the estimated cost the buyer will incur to incorporate the seller's sewer system customers into the buyer's company;

10. The estimated costs to operate the system, including copies of any available support documentation, for each of the following:

A. Any contracts in effect necessary for the provision of service;

B. Estimated Public Service Commission assessments expense;

C. DNR fees and assessments expense;

D. Estimated corporate allocation/expense including a detailed explanation of how the allocations were calculated;

E. Chemical expense;

F. Electrical expense;

G. Postage expense;

H. Repair and maintenance expense;

I. Testing and sampling expense;

J. Mowing expense;

K. Office supplies expense;

L. Customer billing expense;

M. Outside services expense;

N. Income tax expense; and

O. Any other miscellaneous expenses;

11. Financial statements, general ledgers, invoices, and billing registers for the seller's water and/or sewer systems for the previous five (5) years; and

12. The purchasing agreement that set forth the terms of the acquisition including purchase price; and

13. Whether an acquisition premium exists and if the purchasing utility intends to seek recovery of such premium in future rates;

(B) If the application is for a service area where service is not currently provided by an existing sewer system, the application shall contain the following items:



1. A description of the circumstances (economic, environmental, etc.) driving the need for service in the requested area and the facts showing that the granting of the application is required by the public convenience and necessity;

2. If there are ten (10) or more residents or landowners, the name and address of at least ten (10) proposed service area residents or landowners, or the name and address of all residents and landowners if fewer than ten (10) in the proposed service area;

3. A description of any other sewer service areas of commission-regulated companies or political subdivisions within one (1) mile of the proposed service area;

4. A report bearing the seal of a professional engineer registered in the state of Missouri, including –

A. A physical description of the proposed collection and treatment system to be constructed;

B. The cost of the proposed treatment system and the cost of alternative treatment systems examined; and

C. A timeline for completion of construction, which incorporates permit requirements from DNR;

5. Projected financial details including –

A. The proposed method for financing construction and the resulting capital structure;

B. An economic feasibility study detailing expected revenues earned and expected expenses to be incurred during all phases of the project;

C. Projected rate base over all phases of the project;

D. Proposed rates charged to ratepayers over all phases of the project. If the phases of the project will continue past five (5) years, estimated rate charges for phases beyond five (5) years may be submitted; and

E. Projections on customer growth over all phases of the project including the number of existing households currently utilizing an unregulated form of sewer sanitation expected to become utility customers;

6. The legal description of the area to be certificated; and

7. A legible map of the proposed service area, meeting the following requirements:

A. Be created with professional mapping software, or be based on a color aerial or satellite photograph;

B. Include a defined boundary of the entire service area, which encompasses all customers;

C. Show nearby roads and highways with large and legible labels;

D. Include a legend of the map features; and

E. Include all collection, storage, and treatment features of the sewer system within the service area; and

(C) If the application is for a new structure, such as construction of a new pipeline to convey sewage to a treatment facility that will not involve additional customers, the application shall contain the following items:

1. The legal description of the area to be certificated;

2. A legible map of the proposed service area, meeting the following requirements:

A. Be created with professional mapping software, or be based on a color aerial or satellite photograph;

B. Include defined boundaries of the entire service area(s);

C. Show nearby roads and highways with large and legible labels;

D. Include a legend of map features; and

E. Include all collection, storage, and treatment features of the sewer system within the service area;

3. A report bearing the seal of a professional engineer registered in the state of Missouri, including –

A. A detailed physical description of the feature to be constructed;

B. A description of why the new features are necessary;

C. The cost of the proposed feature and any of the available alternative examined; and

D. A timeline for completion of construction, which incorporates permit requirements from DNR; and

4. The projected impact upon the applicant's revenue requirements.

(4) When no evidence of approval of the affected governmental bodies is necessary, a statement to that effect shall be submitted with the application.

(5) When approval of the affected governmental bodies is required, evidence must be provided as follows:

(A) When consent or franchise by a city or county is required, approval shall be shown by a certified copy of the document granting the consent or franchise, or an affidavit of the applicant that consent has been acquired; and

(B) A certified copy of the required approval of other governmental agencies.

*AUTHORITY: section 386.250, RSMo 2016.\* Original rule filed Oct. 2, 2024, effective May 30, 2025.*

*\*Original authority: 386.250, RSMo 1939, amended 1963, 1967, 1977, 1980, 1987, 1988, 1991, 1993, 1995, 1996.*