# BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Application of Confluence	)		
Rivers Utility Operating Company, Inc., for a	)		
Certificate of Convenience and Necessity to	)		
Provide Water Service In an Area of Pulaski	)	File No. WA-2026-	
County, Missouri (Leon Travis Blevins a/k/a	)		
Travis Blevins and Patricia Blevins, d/b/a Misty	)		
Mountain PWS a/k/a Misty Water Works, Charity	)		
PWS, and Rolling Hills PWS).	)		

### **APPLICATION AND MOTIONS FOR WAIVER**

**COMES NOW** Confluence Rivers Utility Operating Company, Inc. ("Confluence Rivers") pursuant to Sections 393.170, RSMo, 20 CSR 4240-2.060, 20 CSR 4240-50.060, and 20 CSR 4240-4.017, and for its *Application and Motion for Waiver*, states as follows to the Missouri Public Service Commission ("Commission"):

### **INTRODUCTION**

- 1. Confluence Rivers is a Missouri corporation with its principal office and place of business at 1630 Des Peres Rd., Suite 140, St. Louis, MO 63131. Confluence Rivers is a Missouri corporation in good standing. A certified copy of Confluence Rivers' certificate of good standing was filed in File No. WM-2018-0116 and is incorporated herein by reference.
- 2. Confluence Rivers provides water service to approximately 6,400 connections and sewer service to approximately 6,500 connections in the State of Missouri, pursuant to certificates of convenience and necessity previously granted by the Commission. Confluence Rivers is a "water corporation," a "sewer corporation," and a "public utility," as those terms are defined in Section 386.020, RSMo, and is subject to the jurisdiction and supervision of the Commission as provided by law.

3. Confluence Rivers has no overdue Commission annual reports or assessment fees.

There is no pending action or final unsatisfied judgment or decision against Confluence Rivers

from any state or federal agency or court that involves customer service or rates, which action,

judgment or decision has occurred within three years of the date of this Application.

4. Communications regarding this application should be addressed to the undersigned

counsel and to:

Aaron Silas, Director of Regulatory and Customer Operations

Confluence Rivers Utility Operating Company, Inc.

1630 Des Peres Rd., Suite 140

St. Louis, MO 63131

Phone: (314) 380-8510

E-mail: asilas@cswrgroup.com

THE PROPOSED SALE TRANSACTION

5. Confluence Rivers proposes to acquire the Rolling Hills and Charity water systems

assets of the currently unregulated systems of Leon Travis Blevins a/k/a Travis Blevins and

Patricia Blevins, d/b/a Misty Mountain PWS a/k/a Misty Water Works, Charity PWS, and Rolling

Hills PWS ("Blevins"). Confluence Rivers seeks a Certificate of Convenience and Necessity

("CCN") to operate the systems and provide service to the public.

6. On August 21, 2024, the Commission issued its Report and Order in a complaint

case filed by the Staff of the Commission ("Staff") (File No. WC-2023-0353). The Commission

found Blevins was operating a water corporation and public utility providing water for gain

without certification where such certification is required by Missouri statute. The order also

determined that because Blevins was unable to provide safe and adequate water service it was

necessary for the Commission to direct its General Counsel to petition the Circuit Court to appoint

a receiver to take control of Blevins' water systems.

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- 7. In response, the General Counsel of the Commission filed a *Verified Petition of Injunction* in the Circuit Court of Pulaski Count, Missouri, on October 16, 2024 (Case No. 24PU-CV01695). The Court subsequently issued an *Order Granting Injunction* on December 2, 2024.
- 8. The General Counsel of the Commission also filed a *Petition to Attach the Assets of a Non-Compliant Water System and to Appoint a Receiver* in the Circuit Court of Pulaski Count, Missouri, on October 17, 2024 (Case No. 24PU-CV01704). Blevins' response to the *Petition* indicated that he had agreed to sell certain assets to CSWR. The receivership case remains pending.
- 9. On December 16, 2024, Central States Water Resources, Inc. ("CSWR") entered into an *Agreement for Sale of Utility System* ("*Agreement*") with Blevins. A copy of the *Agreement* is attached as **Appendix A-C** and marked Confidential in accordance with Commission Rule 20 CSR 4240-2.135(2)(A).3 and .6, as it contains market-specific information and information representing strategies employed in contract negotiations. (20 CSR 4240-50.060(3)(A)12). CSWR proposes to purchase from Blevins the Rolling Hills and Charity water systems, as specifically described in and under the terms and provisions of the *Agreement*.
- 10. Pursuant to Paragraph 18 of the *Agreement*, CSWR plans to assign its rights under the *Agreement* to Confluence Rivers at closing. **Appendix B** verifies the authority of Josiah Cox, the President of Confluence Rivers, to enter into the *Agreement* and seek Commission approval of the transaction.

#### MOTION FOR WAIVER REGARDING CERTAIN REQUIREMENTS

11. After the execution of this *Agreement*, Confluence Rivers has been unable to contact Blevins and has received no responses to its inquires and requests for information. Accordingly, as noted below, some of the information called for by Commission Rule 20 CSR

4240-50.060 is not available to Confluence Rivers and not supplied with this Application. Therefore, Confluence Rivers requests a waiver from those provisions of Commission Rule 20 CSR 4240-50.060 for which it must rely on Blevins to supply the required information.

#### CERTIFICATE OF CONVENIENCE AND NECESSITY

- 12. Blevins owns and/or operates three water systems Misty Mountain, Rolling Hills and Charity -- in Pulaski County, Missouri. This Application concerns the Rolling Hills and Charity water systems. The facilities are regulated by the Missouri Department of Natural Resources ("DNR") under permits Nos. MO-3036361 (Charity) and MO-3036362 (Rolling Hills).
- 13. The Rolling Hills water system is located in Pulaski County approximately 7 miles west of Waynesville. The facility serves approximately 17 connections across a 276-acre service area consisting of a residential subdivision. The system consists of 1 deep water well within the service area. The existing facility has had frequent monitoring/reporting violations, but no maximum contaminant violations are shown in Missouri drinking water records. (20 CSR 4240-50.060(3)(A)3).
- 14. The Charity water system is located in Pulaski County approximately 7 miles northeast of St. Robert. The facility serves approximately 18 connections across a 130-acre residential subdivision. The system consists of 3 deep water wells spread out across the service area. (20 CSR 4240-50.060(3)(A)7). The existing facility has had frequent monitoring/reporting violations, but no maximum contaminant violations are shown in Missouri drinking water records. (20 CSR 4240-50.060(3)(A)3).
- 15. There are no customers currently being served by Blevins that are located in the service area of another water provider. (20 CSR 4240-50.060(3)(A)7).
  - 16. After acquisition, Confluence Rivers plans operation or capital improvements to

the water system. (20 CSR 4240-50.060(3)(A)4). Attached hereto and marked as **Appendix C1**-C and **Appendix C2**-C are the Engineering Memorandum concerning the Rolling Hills and Charity facilities that provides a description of those improvements to the water systems, including the reason for the improvements, estimated cost of capital improvements, and a proposed timeline for completion of the improvements. **Appendix C1**-C and **Appendix C2**-C have been identified as "Confidential" in accordance with Commission Rule 20 CSR 4240-2.135(2)(A)3. and 6., as they contain market-specific information and information representing strategies employed in contract negotiations.

- 17. Confluence Rivers requests permission, approval and a CCN to construct, install, own, operate, maintain, control and manage water systems for the public in an area of Pulaski County, Missouri, as an addition to its existing service territories. Legal descriptions of the areas sought to be certificated are attached hereto as **Appendix D1** and **Appendix D2**. (20 CSR 4240-50.060(3)(A)1). Maps of the areas sought to be certificated are attached as **Appendix E1** and **Appendix E2**. (20 CSR 4240-50.060(3)(A)2).
- 18. There are no known communications with existing customers. (20 CSR 4240-50.060(3)(A)5).
- 19. Within twenty (20) days after the filing of this Application, Confluence Rivers will provide notice to all potential customers within the designated service area. An example of this customer notice is attached hereto as **Appendix-F**. (20 CSR 4240-50.060(2)).

#### **ADDITIONAL INFORMATION**

20. Attached hereto and marked as <u>Appendix G-C</u> is a feasibility study for the Rolling Hills and Charity water systems for which Confluence Rivers seeks a CCN, with the proposed method for financing, proposed rates, service charges, revenues and expenses during the first three

years of operation by Confluence Rivers. (20 CSR 4240-50.060(3)(A)6). **Appendix G-C** has been identified as "Confidential" in accordance with Commission Rule 20 CSR 4240-2.135(2)(A).3 and .6 as it contains market specific information and information representing strategies employed in contract negotiations.

- 21. <u>Appendix G-C</u> includes an estimate of the costs to operate the system, including copies of any available support documentation. (20 CSR 4240-50.060(3)(A)9). <u>Appendix G-C</u> has been identified as "Confidential" in accordance with Commission Rule 20 CSR 4240-2.135(2)(A).3 and .6 as it contains market specific information and information representing strategies employed in contract negotiations.
- 22. Confluence Rivers has attempted to contact the seller and has been unable to obtain financial statements, general ledgers, invoices, or billing registers for the Blevins' water systems for the previous five (5) years. (20 CSR 4240-50.060(3)(A)10).
- 23. Attached hereto and marked as <u>Appendix H-C</u> is 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. (20 CSR 4240-50.060(3)(A)11). <u>Appendix H-C</u> has been identified as "Confidential" in accordance with Commission Rule 20 CSR 4240-2.135(2)(A).3 and .6 as it contains market specific information and information representing strategies employed in contract negotiations.
- 24. Confluence Rivers believes an acquisition premium does exist and Confluence Rivers intends to seek recovery of such premium in future rates. (20 CSR 4240-50.060(3)(A)13).
- 25. Confluence Rivers is not aware of any franchises or permits from municipalities, counties, or other authorities that would be required in order to provide service in the requested area. (20 CSR 4240-50.060(4).

#### **TARIFF/RATES**

- 26. 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. 30, applicable to water service.
- 27. Confluence Rivers proposes to utilize the existing customer rate of \$55.00 per month for all customers of Blevins. Based on the Report and Order referenced above, Blevins has stated that the price he charges for water is \$55.00 per month for existing customers and \$60.00 for new customers. There is an additional charge of \$15.00 per month if the customer owns a pool.
- 28. The water systems will require investment after purchase by Confluence Rivers that will necessarily result in a future request for a rate increase of some amount.

#### **PUBLIC INTEREST**

29. The grant of the requested CCN (and approval of the underlying transactions) is in the public interest and results in regulated water service being provided to the current and future residents of the Blevins service areas. The systems would be acquired by Confluence Rivers, a Missouri public utility, and be subject to the jurisdiction of the Commission. As demonstrated to the Commission in past cases, Confluence Rivers, with the support and assistance of its affiliates, is fully qualified, in all respects, to own and operate the water systems for which the certificate is sought. Confluence Rivers' successful operation of other water and sewer systems in Missouri demonstrates its ability to provide safe and reliable service to customers and to comply with the Commission's rules, regulations, and decisions governing the ownership and operation of such system. Confluence Rivers also has the financial strength and resources necessary to make expenditures and investments required to maintain the systems.

#### **MOTION FOR WAIVER**

- 30. Commission Rule 20 CSR 4240-4.017(1) requires "[a]ny person that intends to file a case shall file a notice with the secretary of the commission a minimum of sixty (60) days prior to filing such case." Because it did not file such a notice within the time period prescribed by that rule, Confluence Rivers seeks a waiver of the 60-day pre-filing notice requirement.
- 31. Under Rule 20 CSR 4240-4.017(1)(D), a waiver of the pre-filing notice requirement may be granted for good cause. In this regard, Confluence Rivers declares, as verified below, 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. Good cause for the requested waiver exists in accordance with Commission Rule 20 CSR 4240-4.017(1)(D) ("Good cause for waiver may include, among other things, a verified declaration from the filing party that it has had no communication with the office of the commission within the prior one hundred fifty (150) days regarding any substantive issue likely to be in the case…").
- 32. Therefore, as authorized by Rule 20 CSR 4240-4.017(1)(D), Confluence Rivers moves for a waiver of the 60-day notice requirement and acceptance of this application at this time.

**WHEREFORE**, for the reasons previously stated, Confluence Rivers respectfully requests the Commission issue an order:

- (A) Waiving the 60-day notice requirement of Rule 20 CSR 4240-4.017(1) for good cause shown;
- (B) Granting Confluence Rivers a CCN authorizing it to install, acquire, build, construct, own, operate, control, manage, and maintain water distribution systems for the public within the Rolling Hills and Charity water systems described herein;

- (C) Authorizing Confluence Rivers to acquire the Rolling Hills and Charity water system assets of Blevins, as described in this *Application and Motion for Waiver*; and
- (D) Granting such other relief as may be deemed necessary and appropriate to accomplish the purposes of the *Agreement*, the *Application and Motion for Waiver*, and consummate related transactions in accordance with the *Agreement*.

Respectfully submitted,

Dean L. Cooper MBE #36592

BRYDON, SWEARENGEN & ENGLAND P.C.

312 E. Capitol Avenue

P.O. Box 456

Jefferson City, MO 65102

(573) 635-7166 telephone

dcooper@brydonlaw.com

ATTORNEYS FOR CONFLUENCE RIVERS UTILITY OPERATING COMPANY, INC.

## **CERTIFICATE OF SERVICE**

The undersigned certifies that a true and correct copy of the foregoing document was sent by electronic mail this 29<sup>th</sup> day of August 2025, to the following:

Staff Counsel Division staffcounselservice@psc.mo.gov Office of the Public Counsel opcservice@opc.mo.gov

Dean L. Cooper

## AFFIDAVIT

State of Missouri	)				
County of St. Louis	) ss )				
Confluence Rivers U authorized to make the matters stated herein, knowledge, and belie communication with Commission Rule 20	Itility Operating Compis affidavit on behalf and that said matters of. Additionally, no the Office of the MCSR 4240-4.015(10)	pany, Inc. ("Conformation of Confluence Rivers are true and correspondent to the conformation of the confo	n, state that I am the President of fluence Rivers"), that I am duly vers, that I have knowledge of the ect to the best of my information, Confluence Rivers has had any rvice Commission as defined in dred fifty (150) days immediately ive issue likely to be addressed in		
Subscribed and sworn before me this $28^{+1}$ day of Agust, 2025.					
		Mashaune Notary Public	Vallandingham		
My Commission Expir	res <u>04-10-202</u> -	7_	ROSHAWNE VALLANDINGHAM Notary Public - Notary Seal Jefferson County - State of Missouri Commission Number 23414639 My Commission Expires Apr 10, 2027		

## **APPENDIX A-C**

HAS BEEN IDENTIFIED AS

## **CONFIDENTIAL**

IN ITS ENTIRETY PURSUANT TO 20 CSR 4240-2.135(2)(A)3. and 6.

## APPENDIX B

#### VERIFICATION OF AUTHORITY

COMES NOW the undersigned, the President of Confluence Rivers Utility Operating Company, Inc. ("Confluence Rivers") and Central States Water Resources, Inc. ("CSWR"), and does hereby verify that CSWR had and has the requisite authority to enter into each Agreement for Sale of Utility System described in the Application and to carry out all the obligations contained in each Agreement for Sale of Utility System.

IN WITNESS WHEREOF, the under August, 2025.	ersigned has hereto set his hand the Abh day of
	M
	Josiah Cox, President CONFLUENCE RIVERS UTILITY OPERATING COMPANY, INC. and CENTRAL STATES WATER RESOURCES, INC.
State of Missouri ) ) ss County of St. Louis )	
Subscribed and sworn before me this	day of August, 2025.
	Manaune Vallandingham Notary Public
My Commission Expires <u>04-10-2027</u>	ROSHAWNE VALLANDINGHAM Notary Public - Notary Seal Jefferson County - State of Missouri Commission Number 23414639 My Commission Expires Apr 10, 2027

## **APPENDIX C1-C and C2-C**

# HAVE BEEN IDENTIFIED AS

## **CONFIDENTIAL**

IN THEIR ENTIRETY PURSUANT TO 20 CSR 4240-2.135(2)(A)3. and 6.

### APPENDIX D1

#### **Rolling Hills Service Area**

The area served is part of Pulaski County, Missouri and being more particularly described as follows:

Commencing from the northwest corner of Section 35, Township 36 North, Range 13 West of the 5<sup>th</sup> P.M.; thence along the west line of said Section 35, Southerly 2256.40 feet more or less to the point of beginning; thence leaving the west line of said Section 35, S82°46′21″E 605.26 feet more or less; thence S83°04′37″E 259.06 feet more or less; thence S85°11′24″E 637.91 feet more or less; thence S82°20′13″E 88.93 feet more or less; thence N72°23′59″E 718.19 feet more or less; thence S89°37′25″E 38.74 feet to the east right-of-way line of Rolling Hills Lane; thence along the east right-of-way line of Rolling Hills Lane, Southerly 650.63 feet more or less; thence leaving said east right-of-way line of Rolling Hills Lane, S89°06′09″E 977.78 feet more or less; thence S0°57′15″W 1123.88 feet more or less; thence N89°41′13″W 1147.29 feet more or less; thence N83°13′24″W 27.36 feet more or less to the west right-of-way line of Rustler Lane; thence along said west right-of-way line of Rustler Lane, Northerly 1162.41 feet more or less; thence leaving said west right-of-way line of Rustler Lane, S3°43′54″W 596.32 feet more or less; thence N89°32′03″W 1215.22 feet more or less to the west line of said Section 35; thence along the west line of said Section 35, Northerly 1717.73 feet more or less to the point of beginning, containing 107.03 acres more or less.

### APPENDIX D2

#### **Charity Service Area**

The area served is part of Pulaski County, Missouri and being more particularly described as follows:

Commencing from the northwest corner of Section 32, Township 37 North, Range 10 West of the 5<sup>th</sup> P.M.; thence along the north line of said Section 32, Easterly 2225.07 feet more or less to the point of beginning; thence leaving said north line of Section 32, N0°49′21″E 90.32 feet more or less; thence S89°12'42"E 548.64 feet more or less; thence S89°18'34"E 280.23 feet more or less; thence S89°44'31"E 311.37 feet more or less; thence S0°28'36"E 750.13 feet more or less to the north right-of-way line of Charity Drive; thence along said north right-of-way line of Charity Drive, Easterly 561.71 feet more or less; thence leaving said north right-of-way line, S2°09'20"W 1970.32 feet more or less; thence N71°32'07"W 1636.47 feet more or less; thence S89°56'11"W 196.81 feet more or less; thence S20°17'21"E 537.13 feet more or less; thence N89°34'11"W 591.36 feet more or less; thence N21°32'59"W 473.22 feet more or less to the south right-of-way line of Covenant Drive; thence along said south right-of-way line, Easterly 49.27 feet more or less; thence leaving said south right-of-way line of Covenant Drive, N19°11′56″W 54.28 feet more or less to the north right-of-way line of said Covenant Drive; thence along said north right-of-way line Westerly 138.92 feet more or less; thence leaving said north right-of-way line of Covenant Drive, N20°34'49"W 399.14 feet more or less; thence N55°55′50″E 279.54 feet more or less; thence N33°15′09″W 198.81 feet more or less; thence S56°02'19"W 1115.37 feet more or less to the east right-of-way line of Highway "PP"; thence along the east right-of-way line of Highway "PP", Northerly 863.28 feet more or less; thence leaving said east right-of-way line of Highway "PP", N40°45'17" E 946.05 feet more or less; thence S64°02′27″E 290.81 feet mor or less to the north right-of-way line of Charity Drive; thence along said north right-of-way line of Charity Drive, Easterly 1134.59 feet more or less; thence leaving said north right-of-way line of Charity Drive, N40°37′10″E 440.77 feet more or less; thence S57°03′00″E 162.82 feet more or less; thence N0°03′52″W 234.51 feet more or less to the point of beginning, containing 157.13 acres mor or less.

# **APPENDIX E1 and E2**

## HAVE BEEN FILED SEPARATELY

# APPENDIX F

## HAS BEEN FILED SEPARATELY

## **APPENDIX G**

# HAS BEEN IDENTIFIED AS

## **CONFIDENTIAL**

IN ITS ENTIRETY PURSUANT TO 20 CSR 4240-2.135(2)(A)3. and 6.

## **APPENDIX H**

# HAS BEEN IDENTIFIED AS

## **CONFIDENTIAL**

IN ITS ENTIRETY PURSUANT TO 20 CSR 4240-2.135(2)(A)3. and 6.