

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its Office
in Jefferson City, Missouri on
the 22nd day of October, 2025.

In the Matter of the Proposed Commission)
Rule 20 CSR 4240-10.195 Appraisal)
Requirements for Acquisition of a)
Small Water or Sewer Utility to be used by)
a Large Water or Sewer Public Utility)

Case No. WX-2026-0108

**FINDING OF NECESSITY AND ORDER DIRECTING PROPOSED RULE
20 CSR 4240-10.195 BE FILED FOR PUBLICATION**

Issue Date: October 22, 2025

Effective Date: October 22, 2025

The Commission has undertaken this rulemaking to establish the requirements for using an appraisal to set the ratemaking rate base in an acquisition of a small water and/or sewer utility by a large water public utility in accordance with section 393.320, RSMo, which became effective on August 28, 2025. This proposed rule is necessary as a result of the passage of Senate Bill No. 4¹ which amended section 393.320, RSMo. Subsection 9 of section 393.320, RSMo, requires the Commission to promulgate rules setting out procedures for establishing the ratemaking rate base for certain acquisitions of small water utilities by a large water utility.

The Commission finds that establishing the rule is necessary to protect the public interest and to carry out the purposes of the statute that granted the rulemaking authority.

¹ *SS#2 SB4, First Regular Session of the 103rd General Assembly, effective August 28, 2025.*

The Commission will seek further comments from interested stakeholders during the rulemaking process.

THE COMMISSION ORDERS THAT:

1. The Secretary of the Commission shall file the proposed rule 20 CSR 4240-10.195 with the Secretary of State for publication in the Missouri Register as a proposed rulemaking.
2. This order shall be effective when issued.



BY THE COMMISSION

Nancy Dippell

Nancy Dippell
Secretary

Hahn, Ch., Coleman, Kolkmeier,
and Mitchell CC., concur.

Dippell, Chief Regulatory Law Judge

STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this 22nd day of October 2025.



Nancy Dippell

Nancy Dippell
Secretary

MISSOURI PUBLIC SERVICE COMMISSION

October 22, 2025

File/Case No. WX-2026-0108

**MO PSC Staff
Staff Counsel Department
200 Madison Street, Suite 800
P.O. Box 360
Jefferson City, MO 65102
staffcounsel@psc.mo.gov**

**Office of the Public Counsel (OPC)
Marc Poston
200 Madison Street, Suite 650
P.O. Box 2230
Jefferson City, MO 65102
opc@opc.mo.gov**

Enclosed find a certified copy of an Order or Notice issued in the above-referenced matter(s).

Sincerely,

A handwritten signature in black ink that reads "Nancy Dippell". The signature is written in a cursive, flowing style.

**Nancy Dippell
Secretary**

Recipients listed above with a valid e-mail address will receive electronic service. Recipients without a valid e-mail address will receive paper service.