

In the matter of the application of Emerald Pointe)
Utility Company, for authority to issue up to and including) File No. _____
\$1,000,000 of indebtedness.)

COMES NOW Emerald Pointe Utility Company (Emerald Pointe or Company) by and through its undersigned counsel, pursuant to §§ 393.180 and 393.190, RSMo, and Missouri Public Service Commission (Commission) rules 4 CSR 240-2.060, 2.080, 3.320, 3.615 and 4.020(2)(B) for its application to issue up to and including an aggregate of \$1,000,000.00 of indebtedness as described further below, states as follows:

1. Emerald Pointe is a Missouri corporation duly organized and existing under the laws of the State of Missouri with its principal office and place of business located at 118 State Drive, Hollister, MO 65672. Applicant provides water and sewer service to the public in accordance with certificates of public convenience and necessity issued by the Commission in Cases Nos. WA-96-96, WA-2004-0581 and WA-2005-0306. Emerald Pointe is a “water corporation,” “sewer corporation” and “public utility” as those terms are defined in Section 386.020(43), (49) and (59), RSMo, and is subject to the jurisdiction, control and regulation of the Commission. A certified copy of Emerald Pointe’s certificate of good standing was provided in File No. SA-2012-0362, and is hereby incorporated by reference. Emerald Pointe has no pending action or final unsatisfied judgments or decisions against it from any state or federal agency or court which involve customer service or rates having occurred within three years from the date of this Application. Emerald Pointe has no annual report or assessment fees that are currently overdue.

2. Communications respecting this Application should be addressed to the undersigned counsel and:

Bruce D. Menke, Chief Operations Officer
Emerald Pointe Utility Company
118 State Drive
Hollister, Missouri 65672
(417) 332-1099
bmenke@snadonproperties.com

AUTHORITY SOUGHT

3. The Company seeks an order from the Commission granting it the authority to issue up to \$1,000,000.00 of secured indebtedness as more fully described below.

FINANCING DETAIL

4. A certified copy of a Secretary's Certificate noting approval by the Company's Board of Directors authorizing the proper officers of the Company to do all things necessary to authorize the financing transactions contemplated by this Application and as more particularly described herein is included as **Appendix 1** and incorporated herein by reference.

5. On or before March 1, 2013, Emerald Pointe intends to execute a Term Loan with Hawthorne Bank (Bank). The Term Loan will be based on monthly principal and interest payments based on a 20 year amortization with a five year balloon. The Term Loan will allow Emerald Pointe to complete the construction and connection of a new sewer line from the City of Hollister to Emerald Pointe (authorized in File No. SA-2012-0362) and pay off existing debt to principals for funding of prior sewer line construction. A portion of the loan proceeds will be utilized to eliminate the existing wastewater treatment facility and convert it to a lift station. Attached as **Appendix 2HC** is the term sheet for the Hawthorne Bank Conditional Loan Commitment, which outlines the principal terms of the agreement including the interest rate, applicable fees and required collateral.

6. The loan will result in a first lien on substantially all of the properties currently owned and subsequently acquired by Emerald Pointe, including its certificates of convenience and necessity. Consequently, the loan obligations will be secured by a lien or encumbrance on Emerald Pointe's existing utility franchises, plant and system that are used to provide service to its customers, and also on an encumbrance against any additional plant and assets.

FILING REQUIREMENTS AND RELATED MATERIALS

7. Marked as **Appendix 3HC**, attached hereto and made a part hereof for all purposes, is information regarding Emerald Pointe's financial information for the twelve month period ending September 30, 2012. Marked as **Appendix 4HC** and attached hereto and made part hereof for all purposes, are financial statements with adjustments showing the *pro forma* effect of the contemplated financing. Marked as **Appendix 5** is a schedule of capitalization expenditures for the prior five years. The issue is subject to the fee schedule in section 386.300, RSMo.

8. Subjecting Emerald Pointe's operating properties to the lien will not be detrimental to the public interest, and in fact will be beneficial to the public interest because the public health, safety and welfare will be served by the ability of Emerald Pointe to obtain access to the financing on the most favorable terms available. The proposed financing transactions will have no material impact on the tax revenues of the political subdivisions in which any of the structures, facilities or equipment of the companies involved are located.

MOTION FOR EXPEDITED TREATMENT

9. The Company desires to finalize this transaction on or before March 1, 2013, or as soon thereafter as possible, and pursuant to 4 CSR 240-2.080(16), Emerald Pointe respectfully seeks expedited treatment of this matter and requests that the Commission act by February 18,

2013, or as soon as possible thereafter. As explained herein, the loan will finance ongoing, and soon to be finished, projects for Emerald Pointe.

CONTINGENT REQUEST FOR WAIVER

10. The Company does not anticipate that this matter will be a contested case since no hearing is required by statute and previous financings before this Commission have been approved without the filings having become contested.

11. Accordingly, Emerald Pointe was not required to file a 60-day Notice of Filing pursuant to 4 CSR 240-4.020(2). However, to the extent that a 60-day Notice of Filing could otherwise be required under 4 CSR 240-4.020(2), Emerald Pointe respectfully requests that such notice requirement be waived for good cause as the Company has filed this Application within a matter of days after having reached a Conditional loan Commitment with a lender.

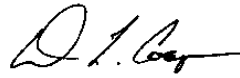
WHEREFORE, the Company requests that the Commission approve this Application as described herein, and issue an order that:

- (a) Authorizes Emerald Pointe to enter into, execute and deliver loan agreements with Hawthorne Bank to incur indebtedness provided that the aggregate principal amount of all such debt obligations shall not exceed \$1,000,000, collectively bearing a commercially reasonable interest rate, and having such designation and redemption, purchase and other terms as shall be determined by Emerald Pointe;
- (b) Authorizes Emerald Pointe to create and make effective a first lien on all of the franchises, certificates of convenience and necessity, plant and system of Emerald Pointe, to secure its obligations under the loan as provided in **Appendix 2HC**;
- (c) Authorizes Emerald Pointe to enter into, execute, deliver and perform the necessary promissory notes, loan agreements and other documents necessary to

effectuate the described transactions; and,

(d) Authorizes Emerald Pointe to take such other actions as may be reasonably incidental, necessary or appropriate to complete the transaction.

Respectfully submitted,



Dean L. Cooper MBE# 36592
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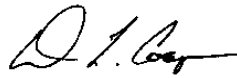
**ATTORNEYS FOR EMERALD POINTE
UTILITY COMPANY**

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been sent by electronic mail this 27th day of December, 2012, to:

Office of the General Counsel
Missouri Public Service Commission
Governor State Office Building
Jefferson City, Missouri 65101
gencounsel@psc.mo.gov

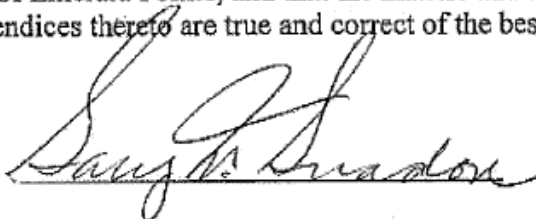
Office of the Public Counsel
Governor State Office Building
Jefferson City, Missouri 65101
opcservice@ded.mo.gov



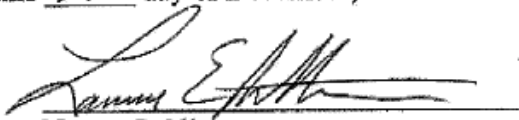
AFFIDAVIT

State of Missouri)
)
County of _____) ss

I, Gary W. Snadon, having been duly sworn upon my oath, state that I am the President of Emerald Pointe Utility Company (Emerald Pointe), that I am duly authorized to make this affidavit on behalf of Emerald Pointe, and that the matters and things stated in the foregoing application and appendices thereto are true and correct of the best of my information, knowledge and belief.



Subscribed and sworn before me this 27 day of December, 2012.


Notary Public

My Commission Expires May 10, 2013

