

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

In the Matter of the Application of Confluence)
Rivers Utility Operating Company, Inc. and)
Cannon Home Association, Inc., for Authority)
Allowing Confluence to Acquire Certain Sewer) **File No. SM-2026-_____**
Assets and for a Certificate of Convenience and)
Necessity to Provide Sewer Service In an Area of)
Ralls County, Missouri (Cannon Home)
Association, Inc))

JOINT APPLICATION AND MOTION FOR WAIVER

COMES NOW Confluence Rivers Utility Operating Company, Inc. (“Confluence Rivers”) and Cannon Home Association, Inc. (“Cannon Home”), pursuant to Sections 393.170 and 393.190, RSMo, 20 CSR 4240-2.060, 20 CSR 4240-60.050, 20 CSR 4240-10.105, and 20 CSR 4240-4.017, and for its *Joint 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 6,500 connections and sewer service to approximately 7,400 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, Assistant Vice President 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

SELLER

5. Confluence Rivers proposes to acquire all or substantially all of the sewer system assets of Cannon Home Association, Inc. (“Cannon Home”). Cannon Home is a Missouri general business (for profit) corporation in good standing with its principal office and place of business at 42000 Timber Ridge Trail Drive, Perry, MO 63462-5502. Attached hereto as **Appendix A** is a Certificate of Good Standing issued by the Missouri Secretary of State. Cannon Home provides sewer service to approximately 126 connections. Cannon Home is 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.

6. Cannon Home has no overdue Commission annual reports or assessment fees. There is no pending action or final unsatisfied judgment or decision against Cannon Home from any state or federal agency or court which involves customer service or rates, which action, judgment or decision has occurred within three (3) years of the date of this Application.

THE PROPOSED SALE TRANSACTION

7. Effective July 15, 2025, Central States Water Resources, Inc. (“CSWR”) entered into an *Agreement for Sale of Utility System* (“*Agreement*”) with Cannon Home. A copy of the *Agreement* is attached as **Appendix B-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 4240-60.050(3)(A)12). CSWR proposes to purchase substantially all the sewer system assets of Cannon Home, as described in and under the terms and provisions of the *Agreement*.

8. Pursuant to Paragraph 18 of the *Agreement*, CSWR plans to assign its rights under the *Agreement* to Confluence Rivers at closing. **Appendix C** verifies the authority of Josiah Cox, the President of Confluence Rivers, to enter into the *Agreement* and seek Commission approval of the transaction. **Appendix D** verifies the authority of Dennis Gill, the President of Cannon Home, to enter into the *Agreement* and seek Commission approval of the transaction.

CANNON HOME SYSTEM

9. The Cannon Home system is located in Ralls County, on the south side of Mark Twain Lake and provides service to Mark Twain Estates, Lick Creek Estates, and Timber Ridge Resort. The connections consist of single-family homes, rental cabins, a restaurant, and a store. The facilities are open year-round. Confluence Rivers currently owns and operates Lost Valley Wastewater within 3 miles of Cannon Homes and Freeman Hills around 25 miles southwest of Cannon Home near Mexico, Missouri.

10. The system is a no-discharge storage and irrigation system with a single-cell lagoon. Sludge remains in the lagoon. The system currently operates under NPDES general permit number MO-G823163.

11. The facility includes the following features:

- Lagoon: 35,000 Square Feet and Approximately 7 feet deep according to the operator. The storage volume of the lagoon will need to be confirmed to determine if it has adequate storage to continue with surface irrigation;
- 9 Acres of land application area to the west of the lagoon;
- An additional 25 acres of land application area is currently leased from Pyramid Commercial LLC; and,
- Duplex submersible pumping systems in each of the four lift stations located in the service area.

12. After acquisition, Confluence Rivers plans to make operation or capital improvements to the Cannon Home sewer system. (20 CSR 4240-60.050(3)(A)4). Attached hereto and marked as **Appendix E-C** is the Engineering Memorandum concerning the Cannon Home system that provides a description of those improvements to the sewer system, including the reason for the improvements and estimated cost of capital improvements. Records identifying the Cannon Home sewer system compliance based on EPA records are included in Appendix E-C. **Appendix E-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.

13. There is no other same or similar sewer service available in the areas served by Cannon Home (i.e. no other sewer service within one (1) mile of the proposed service area). (20 CSR 4240-60.050(3)(A)8).

ADDITIONAL INFORMATION

14. A balance sheet and income statement with adjustments showing the results of the acquisition of the Cannon Home property for Confluence Rivers is attached as **Appendix F-C**. **Appendix F-C** has been identified as “Confidential” in accordance with Commission Rule 20 CSR

4240-2.135(2)(A)(3), (4) and (6), as it contains market-specific information and information representing strategies employed in contract negotiations.

15. The sale and purchase of the referenced assets will not increase the tax revenues of relevant political subdivisions, as both Cannon Home and Confluence Rivers are for profit entities.

16. Confluence Rivers requests permission, approval and a CCN to construct, install, own, operate, maintain, control and manage a sewer treatment system for the public in an area of Ralls County, Missouri, for which Cannon Home currently holds a CCN as an addition to its existing service territories. A legal description of the area sought to be certificated is attached hereto as **Appendix G**. (20 CSR 4240-60.050(3)(A)1). A map of the area is attached as **Appendix H**. (20 CSR 4240-60.050(3)(A)2).

17. Attached hereto and marked as **Appendix I-C** is a feasibility study for the Cannon Home sewer system for which Confluence Rivers seeks a CCN, with the proposed method for financing, proposed rates, service charges, and revenues and expenses during the first three years of operation by Confluence Rivers and includes an estimate of the costs to operate the system. (20 CSR 4240-60.050(3)(A)6 and 20 CSR 4240-60.050(3)(A)9). **Appendix I-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.

18. Confluence Rivers estimates that it will incur approximately \$575 to incorporate Cannon Home sewer system customers into Confluence Rivers. (20 CSR 4240-60.050(3)(A)9).

19. The primary documentation related to the costs to operate the system utilized by Confluence Rivers are the annual reports Cannon Home has filed with the Commission. **Appendix J-C** contains copies of other documentation related to the costs to operate the system.

(20 CSR 4240-60.050(3)(A)9). **Appendix J-C** has been identified as “Confidential” in accordance with Commission Rule 20 CSR 4240-2.135(2)(A).4 as it contains market specific information.

20. Attached hereto and marked as **Appendix K-C** 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 4240-60.050(3)(A)7). **Appendix K-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. Confluence Rivers believes an acquisition premium does exist and Confluence Rivers intends to seek recovery of a premium associated with this transaction in future rates. (20 CSR 4240-60.050(3)(A)13).

22. Confluence Rivers referencing the Commission Annual Reports filed by Cannon Home and available in EFIS in regard to financial statements, general ledgers, invoices, or billing registers for the Cannon Home sewer system for the previous five (5) years. (20 CSR 4240-60.050(3)(A)10).

23. There are no known direct communication with existing customers. (20 CSR 4240-60.050(3)(A)5). 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-L**. (20 CSR 4240-60.050(2)).

24. 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 4240-60.050(4)).

TARIFF/RATES

25. Confluence Rivers proposes to utilize the existing customer rates for Cannon Home. Upon acquisition, Confluence Rivers would propose to serve these customers using its currently approved rules and terms of service as reflected in P.S.C. MO No. 31. 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.

26. The sewer system will require investment after the purchase by Confluence Rivers that will necessarily result in a future request for a rate increase of some amount.

PUBLIC INTEREST

27. The grant of the requested CCN (and approval of the underlying transactions) is in the public interest and results in regulated sewer service being provided to the current and future customers of the Cannon Home sewer system. The systems would be acquired by Confluence Rivers, a Missouri public utility, and remain 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 sewer system 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 any expenditures and investments required to maintain the systems.

MOTION FOR WAIVER

28. 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 and Cannon Home seek a waiver of the 60-day pre-filing notice requirement.

29. 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 and Cannon Home declare, as verified below, that they have 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...”).

30. Therefore, as authorized by Rule 20 CSR 4240-4.017(1)(D), Confluence Rivers and Cannon Home move 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 and Cannon Home respectfully request the Commission issue an order:

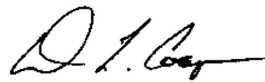
(A) Waiving the 60-day notice requirement of Rule 20 CSR 4240-4.017(1) for good cause shown;

(B) Authorizing Confluence Rivers to enter into, execute, and perform, in accordance with the terms described in the *Application and Motion for Waiver* attached to this application, and take any and all other actions that may be deemed necessary and appropriate to accomplish the purposes of the agreement and the Application, and to consummate related transactions in accordance with the agreement;

(C) Authorizing Cannon Home to sell and Confluence Rivers to acquire the assets identified herein; to include the CCN originally issued to Cannon Home or, in the alternative, grant Confluence Rivers a new CCN authorizing it to install, acquire, build, construct, own, operate, control, manage, and maintain sewer systems for the public within the specified areas currently served by Cannon Home;

(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. AND
CANNON HOME ASSOCIATION, INC.**

CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the foregoing document was sent by electronic mail this 23rd day of June 2026, to the following:

Staff Counsel Division
staffcounsel@psc.mo.gov

Office of the Public Counsel
opcservice@opc.mo.gov



Dean L. Cooper

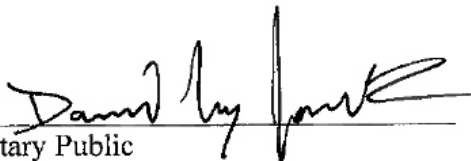
AFFIDAVIT

State of Missouri)
) ss
County of St. Louis)

I, Josiah Cox, having been duly sworn upon my oath, state that I am the President of Confluence Rivers Utility Operating Company, Inc. ("Confluence Rivers"), that I am duly authorized to make this affidavit on behalf of Confluence Rivers, that I have knowledge of the matters stated herein, and that said matters are true and correct to the best of my information, knowledge, and belief. Additionally, no representative of Confluence Rivers has had any communication with the Office of the Missouri Public Service Commission as defined in Commission Rule 20 CSR 4240-4.015(10) within the one hundred fifty (150) days immediately preceding the filing of the Application regarding any substantive issue likely to be addressed in this case.



Subscribed and sworn before me this 11th day of June, 2026.


Notary Public

My Commission Expires 5/4/28



AFFIDAVIT

State of Missouri)
)
County of Ralls) ss

I, Dennis Gill, having been duly sworn upon my oath, state that I am the President of Cannon Home Association, Inc. ("Cannon Home"), that I am duly authorized to make this affidavit on behalf of Cannon Home, that I have knowledge of the matters stated herein, and that said matters are true and correct to the best of my information, knowledge, and belief. Additionally, no representative of Cannon Home has had any communication with the Office of the Missouri Public Service Commission as defined in Commission Rule 20 CSR 4240-4.015(10) within the one hundred fifty (150) days immediately preceding the filing of the Application regarding any substantive issue likely to be addressed in this case.

Dennis L Gill

Subscribed and sworn before me this 16th day of June, 2026.

Jill Palmer
Notary Public

My Commission Expires 04/27/2030



APPENDIX A

HAS BEEN
FILED SEPARATELY

APPENDIX B-C

**HAS BEEN
IDENTIFIED AS**

CONFIDENTIAL

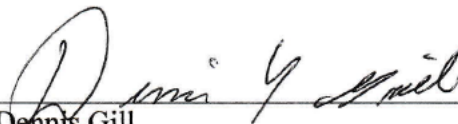
**IN ITS ENTIRETY PURSUANT TO
20 CSR 4240-2.135(2)(A)3. and 6.**

APPENDIX C

VERIFICATION OF AUTHORITY

COMES NOW the undersigned, the President of Cannon Home Association, Inc. ("Cannon Home"), and does hereby verify that Cannon Home 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*.

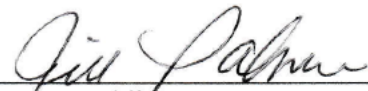
IN WITNESS WHEREOF, the undersigned has hereto set his hand the 16th day of June, 2026.



Dennis Gill
Cannon Home Association, Inc

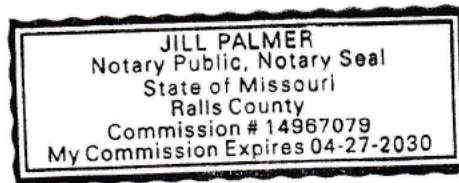
State of Missouri)
)
County of Ralls) ss

Subscribed and sworn before me this 16th day of June, 2026.



Notary Public

My Commission Expires 04/27/2030

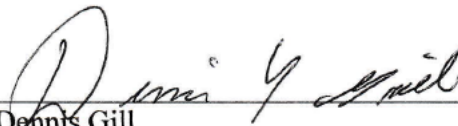


APPENDIX D

VERIFICATION OF AUTHORITY

COMES NOW the undersigned, the President of Cannon Home Association, Inc. ("Cannon Home"), and does hereby verify that Cannon Home 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*.

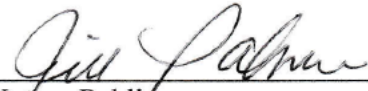
IN WITNESS WHEREOF, the undersigned has hereto set his hand the 16th day of June, 2026.



Dennis Gill
Cannon Home Association, Inc

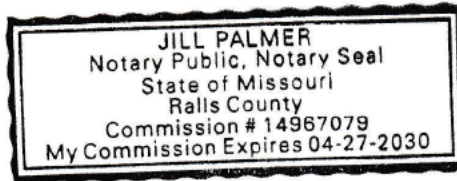
State of Missouri)
) ss
County of Ralls)

Subscribed and sworn before me this 16th day of June, 2026.



Notary Public

My Commission Expires 04/27/2030



APPENDIX E-C

**HAS BEEN
IDENTIFIED AS**

CONFIDENTIAL

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

APPENDIX F-C

**HAS BEEN
IDENTIFIED AS**

CONFIDENTIAL

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

APPENDIX G

**HAS BEEN
FILED SEPARATELY**

APPENDIX H

HAS BEEN
FILED SEPARATELY

APPENDIX I-C

**HAS BEEN
IDENTIFIED AS**

CONFIDENTIAL

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

APPENDIX J-C

**HAS BEEN
IDENTIFIED AS**

CONFIDENTIAL

**IN ITS ENTIRETY PURSUANT TO
20 CSR 4240-2.135(2)(A)4.**

APPENDIX K-C

**HAS BEEN
IDENTIFIED AS**

CONFIDENTIAL

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

APPENDIX L

HAS BEEN
FILED SEPARATELY