

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

In the Matter of Missouri-American)
Water Company for a Certificate of)
Convenience and Necessity Authorizing)
it to Install, Own, Acquire, Construct,) File No. _____
Operate, Control, Manage and Maintain)
A Water System in an area of Stone)
County, Missouri, within the City Limits)
of Kimberling City (Golden Acres)
Subdivision)

**APPLICATION AND, IF NECESSARY,
MOTION FOR WAIVER**

COMES NOW Missouri-American Water Company (MAWC) pursuant to Sections 393.140 and 393.170, RSMo and 4 CSR 240-2.060, 4 CSR 240-3.600, and 4 CSR 240-4.017, and for its Application and, If Necessary, Motion for Waiver, states as follows to the Missouri Public Service Commission (Commission):

SUMMARY

On April 4, 2017, 81% of the votes cast (100 in favor, 24 against) in Stone County, Missouri, voted in favor of the following proposition:

**OFFICIAL BALLOT
ELECTION
STONE COUNTY, MISSOURI**

Tuesday, April 4, 2017

QUESTION

Shall the City of Kimberling City be permitted to sell/or convey the ownership rights of the Golden Acres water distribution system to a private party in order to reduce the City's operating expenses.

YES ☐

NO ☐

On August 20, 2018, the City of Kimberling City (Kimberling City) entered into an Asset Purchase Agreement with MAWC, which outlines MAWC's purchase of the Golden Acres water system.

By this application, MAWC requests a certificate of convenience and necessity from the Commission to provide water service in the Golden Acres subdivision utilizing the water system to be purchased from the City of Kimberling City.

BACKGROUND

1. This Application is being filed by MAWC to obtain a certificate of convenience and necessity to install, own, acquire, construct, operate, control, manage and maintain a water system in Stone County, Missouri.

2. MAWC is a Missouri corporation with its principal office and place of business at 727 Craig Road, St. Louis, Missouri 63141. MAWC is a Missouri corporation in good standing. A certified copy of MAWC's certificate of good standing was submitted in Case No. SA-2007-0316 and is incorporated by reference. MAWC currently provides water service to the public in and around the cities of St. Joseph, Joplin, Brunswick, Mexico, Warrensburg, Parkville, Riverside, Jefferson City, and parts of St. Charles, Warren, Jefferson, Morgan, Pettis, Benton, Barry, Stone, Greene, Taney, Christian, and Platte Counties, and most all of St. Louis County, Missouri. MAWC currently provides water service to approximately 457,300 customers. MAWC provides sewer service to approximately 11,000 customers in Callaway, Jefferson, Pettis, Cole, Morgan, Platte, Taney, Stone, Christian, and Warren Counties, Missouri. MAWC 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. MAWC has no overdue Commission annual reports or assessment fees. There

is no pending action or final unsatisfied judgment or decision against MAWC from any state or federal agency or court which involves customer service or rates, which action, judgment or decision has occurred within three years of the date of this Application other than cases pending before this Commission – Case Nos. WA-2018-0222, WO-2018-0373, WC-2019-0004, WM-2019-0018, WC-2019-0028, WC-2019-0039, and the appeal of Case No. WR-2017-0285, which is pending before the Missouri Court of Appeals.

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

For Missouri-American Water Company:

Ms. Takisha Walker

Manager Business Development – Proposal and Integration

Missouri-American Water Company

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For City of Kimberling City (Golden Acres Subdivision)

Mr. Russ Schenewerk

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Mr. Gerald Harman

City Administrator

Kimberling City – City Hall

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Kimberling City, MO 65686

Office 417-739-4903

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CERTIFICATE

4. MAWC requests permission, approval and a Certificate of Convenience and Necessity to install, own, acquire, construct, operate, control, manage and maintain a water system for the public in an area of Stone County, Missouri, as set forth on the map attached to this Application as **Appendix A**. This area is generally known as the Golden Acres subdivision. There are approximately 35 customers at this time. It is anticipated that there will be approximately 35 customers by the time of closing.

5. A legal description of the area sought to be certificated for water service is attached to this Application as **Appendix B**.

6. Attached hereto and marked as **Appendix C-C** is a list of ten residents or land owners within the proposed service area. Appendix C-C has been identified as Confidential in accordance with Commission Rule 4 CSR 240-2.135, as it contains customer-specific information.

7. Attached hereto and marked as **Appendix D-C** is a feasibility study for the water and sewer systems, including estimated expenses and revenues during the first three years of operation by MAWC. No external financing is anticipated. Appendix D-C has been identified as Confidential in accordance with Commission Rule 4 CSR 240-2.135, as it contains market specific information and information representing strategies employed in contract negotiations.

8. MAWC will require a franchise be issued by Kimberling City. No other franchises or permits from municipalities, counties, or other authorities in connection with the proposed systems is required. MAWC will file the Kimberling City franchise when enacted.

9. To provide service to the proposed area, MAWC will purchase a water distribution system from City of Kimberling City (Kimberling City). A copy of the Asset Purchase Agreement governing this transaction is attached hereto as **Appendix E** (Agreement).

10. The grant of the requested certificate (and approval of the underlying transaction) will result in regulated water service to be provided to the current and future residents of the Golden Acres subdivision. The water system would be acquired by MAWC, a Missouri public utility, and be subject to the jurisdiction of the Commission. MAWC has considerable expertise and experience in providing water and sewer utility services to residents of the State of Missouri and is fully qualified, in all respects, to own and operate the water system currently being operated in the Golden Acres subdivision.

RATES, RULES AND REGULATIONS

11. MAWC proposes to provide service to the customers of the Golden Acres water system utilizing the rules and regulations currently found in MAWC's water tariff book Mo. PSC No. 13, until such time as the rates or rules and regulations may be modified according to law. MAWC proposes that the Golden Acres water system be consolidated into the service area described in MAWC's tariff as "All Missouri Service Areas Outside of St. Louis County and Outside of Mexico" for rates purposes.

REQUEST FOR WAIVER

12. Rule 4 CSR 240-4.017(1) provides that "(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." A notice was not filed 60 days prior to the filing of this Petition, and MAWC seeks a waiver of the 60-day notice requirement.

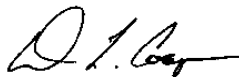
13. Rule 4 CSR 240-4.017(1)(D) provides that a waiver may be granted for good cause. Good cause exists in this case. MAWC and Golden Acres declare (as verified below)

that they have had no communication with the office of the Commission (as defined by Commission Rule 4 CSR 240-4.015(10)) within the prior 150 days regarding any substantive issue likely to be in this case, other than those pleadings filed for record. Accordingly, for good cause shown, MAWC moves for a waiver of the 60-day notice requirement of Rule 4 CSR 240-4.017(1) and acceptance of this Application.

WHEREFORE, MAWC requests the Commission grant it permission, approval and a Certificate of Convenience and Necessity authorizing MAWC to:

- a) install, acquire, build, construct, own, operate, control, manage and maintain a water system for the public within the areas referred to above;
- b) acquire the assets identified herein of City of Kimberling City; and,
- c) take such other actions as 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.

Respectfully submitted,



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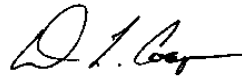
ATTORNEYS FOR MISSOURI-AMERICAN
WATER COMPANY

CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the foregoing document has been sent by electronic mail this 11th day of September, 2018, to:

General Counsel's Office
staffcounsel@psc.mo.gov

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



AFFIDAVIT

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

I, Andrew Clarkson, having been duly sworn upon my oath, state that I am the Vice-President of Operations of Missouri-American Water Company, that I am duly authorized to make this affidavit on behalf of MAWC, 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. Additionally, no representative of MAWC has had any communication with the office of the Missouri Public Service Commission as defined in Commission Rule 4 CSR 240-4.015(10) within the immediately preceding 150 days regarding the subject matter of this Application

Andrew Clarkson

Subscribed and sworn before me this 11th day of September, 2018.

Juanita Brooks
Notary Public

My Commission Expires 6/8/21

