

**STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION  
JEFFERSON CITY  
January 5, 1999**

**CASE NO: WM-99-238**

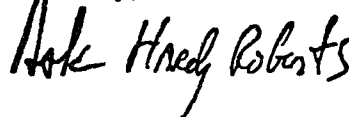
**Shannon Cook/John B. Coffman  
Office of the Public Counsel  
P.O. Box 7800  
Jefferson City, MO 65102**

**General Counsel  
Missouri Public Service Commission  
P.O. Box 360  
Jefferson City, MO 65102**

**Charles Brent Stewart/Jeffrey A. Keevil  
Stewart & Keevil, L.L.C.  
1001 Cherry Street, Suite 302  
Columbia, MO 65201**

**Enclosed find certified copy of ORDER in the above-numbered case(s).**

**Sincerely,**



**Dale Hardy Roberts  
Secretary/Chief Regulatory Law Judge**

**Uncertified Copy:**

**Michael J. Ashfield  
AquaSource, Inc.  
16810 Barker Springs, Suite B 215  
Houston, TX 77084**

**Garah F. Helms  
Capital Utilities, Inc.  
P.O. Box 7017  
Jefferson City, MO 65102**

**STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION**

At a Session of the Public Service  
Commission held at its office  
in Jefferson City on the 5th  
day of January, 1999.

In the Matter of the Joint Application of )  
Capital Utilities, Inc., Riverside Utility )  
Company, Inc., and Foxfire Utility Company, )  
Inc. for Authority to Sell and Transfer ) **Case No. WM-99-238**  
Their Stock and to Transfer Control of )  
Said Companies to Operating Subsidiaries )  
of AquaSource, Inc. )

**ORDER GRANTING MOTION FOR EXTENSION OF TIME  
TO FILE RECOMMENDATION**

Capital Utilities, Inc., Riverside Utility Company, Inc., and  
Foxfire Utility Company, Inc. filed a joint application with the  
Commission on November 25, 1998, for authority to sell and transfer stock  
and control of the companies to operating subsidiaries of AquaSource,  
Inc. The applicants requested expeditious approval of the sale and  
transfer and requested that the Commission enter its decision on or  
before December 31.

On December 9, the Commission issued an Order and Notice that  
notified proper parties of this application and ordered the Staff of the  
Public Service Commission (Staff) to file a memorandum advising either  
approval or rejection of the sale and transfer no later than December 22.  
On December 18, Staff filed a Motion for Extension, which requests that  
the date upon which the staff recommendation is due be extended until  
January 31, 1999. In its Motion, Staff says that a preliminary review

7.

of the application has revealed a need for additional financial and accounting information not included in the application. That additional information has been requested from the applicants. Staff requests additional time in which to obtain and review the information required to conduct a thorough review of the application prior to issuing a Staff recommendation.

The Commission has reviewed and considered the Staff's request for extension. The Commission has also considered the need for prompt consideration of the application and the applicants' desire to have this matter concluded before the end of the year. In order to demonstrate good cause for expedited treatment, an applicant must show: A) What benefit will inure to the applicant or the public from expedited treatment, or what harm will ensue if the Commission does not act expeditiously; and B) that the applicant itself acted expeditiously and filed its application at the earliest possible time. The applicants have not made either showing.

The Joint Application contains only a vague statement indicating that the shareholders of the selling companies would benefit if the transactions closed before the end of the year. In addition, it is noted that the related sale of Water Management Services of Missouri took place on October 16 but that this application was not filed with the Commission until November 25. While the Commission will, when possible, comply with requests for expedited consideration, its primary obligation is to ensure that the proposed sale and transfer of stock and control is in the public interest. The Commission is unable to meet that obligation without a

properly informed recommendation from Staff. Therefore, Staff's request for extension of time in which to file its recommendation will be granted.

**IT IS THEREFORE ORDERED:**

1. That Staff's Motion for Extension is granted.
2. That no later than January 31, 1999, the Staff of the Public Service Commission shall file a memorandum advising either approval or rejection of the sale and transfer and giving the reasons for its recommendation.
3. That this order shall become effective on January 15, 1999.

**BY THE COMMISSION**



**Dale Hardy Roberts**  
**Secretary/Chief Regulatory Law Judge**

( S E A L )

Lumpe, Ch., Murray, Schemenauer  
and Drainer, CC., concur  
Crumpton, C., absent

Woodruff, Regulatory Law Judge

ALJ/Sec'y: Woodruff/Boyce

12-28  
Date Circulated

WM-99-238  
CASE NO.

[Signature]  
Lumpe, Chair

[Signature]  
Crumpton, Commissioner

[Signature]  
Murray, Commissioner

[Signature]  
Schemenauer, Commissioner

[Signature]  
Drainer, Vice-Chair

1-5  
Agenda Date

Action taken: 4-CAS

Must Vote Not Later Than \_\_\_\_\_

**STATE OF MISSOURI  
OFFICE OF THE PUBLIC SERVICE C**

**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 05TH day of JANUARY, 1999.**

Dale Hardy Roberts

\_\_\_\_\_  
**Dale Hardy Roberts  
Secretary/Chief Regulatory Law Judge**