# STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a Session of the Public Service Commission held at its office in Jefferson City on the 1st day of July, 1994.

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In the matter of the application of Ascension Resorts, Ltd. for a certificate of convenience and necessity to provide water and sewer services to the public in an unincorporated area in Stone County, Missouri.

CASE NO. WA-94-246

# ORDER GRANTING CERTIFICATE

On February 15, 1994, Ascension Resorts, Ltd. (Ascension Resorts) filed an application with the Commission for a certificate of public convenience and necessity to provide water and sewer service in an unincorporated area of Stone County, Missouri. On February 25, 1994, the Commission issued an Order and Notice directing its Executive Secretary to send notice of the application. The Commission stated that if no one filed an application to intervene or motion for hearing, Ascension Resorts would be allowed to submit evidence in support of the application by verified statement. No application to intervene nor motion for hearing was filed.

On June 13, 1994, the Staff of the Commission (Staff) filed a memorandum recommending that the Commission approve Ascension Resorts' application subject to several conditions. Staff proposed a total revenue requirement for Ascension Resorts of \$37,881 and a rate of return of 11.24 percent on a rate base of \$6,281. The rates necessary to produce such revenue would be as follows:

# Monthly Water Rates-

Customer charge, includes 2,000 gallons- \$6.88; Commodity charge- \$1.93 per 1,000 gallons;

## Monthly Sewer Rates-

Residential- \$14.04; Commercial- \$2.81 per 1,000 gallons; \$14.04 minimum;

Water Connection Charge- \$300.00.

Staff also recommended that:

(a) Ascension Resorts file a tariff within 10 days after the effective

date of this Order;

- (b) a review of Ascension Resorts' rates be conducted within 18 months after the effective date of this Order;
- (c) Ascension Resorts keep its books and records in accordance with the Uniform System of Accounts;
- (d) Ascension Resorts utilize the depreciation rates previously approved for it by the Commission in Case No. WA-94-60; and
  - (e) Ascension Resorts consolidate its operations in its next rate case.

Upon review of Ascension Resorts application and Staff's recommendation, the Commission finds that providing a clean and reliable source of water to the proposed service area is in the public interest, and that Ascension Resorts' proposal, subject to Staff's recommendations, is reasonable. Thus, the Commission determines that Ascension Resorts' application for a certificate of convenience and necessity, subject to the conditions outlined by Staff, is in the public interest and should be approved.

## IT IS THEREFORE ORDERED:

- 1. That Ascension Resorts, Ltd. is hereby granted a certificate of convenience and necessity to construct, install, operate and maintain a water system in an unincorporated area of Stone County, Missouri, as contemplated by its application and this Order.
- 2. That Ascension Resorts, Ltd. shall file a complete tariff consistent with this Order within ten (10) days of the effective date of this Order.
- 3. That the tariff to be filed pursuant to Ordered Paragraph 2 shall reflect the rates for water and sewer services specified in this Order.
- 4. That Ascension Resorts, Ltd. and the Staff of the Commission shall review Ascension Resorts, Ltd.'s rates within eighteen (18) months after the effective date of this Order.
- 5. That Ascension Resorts, Ltd. shall consolidate its operations in its next rate case.
- 6. That Ascension Resorts, Ltd. shall keep its books and records in accordance with the Uniform System of Accounts.

- 7. That Ascension Resorts, Ltd. shall utilize the depreciation rates previously approved for it by the Commission in Case No. WA-94-60.
- 8. That nothing in this Order shall be considered as a finding by the Commission of the reasonableness of the expenditures herein involved, nor of the value for ratemaking purposes of the properties herein included, nor as an acquiescence in the value placed on said properties by Ascension Resorts, Ltd.
- 9. That the Commission reserves the right to consider the ratemaking treatment to be afforded the facilities constructed pursuant to the certificate of convenience and necessity granted herein, and its resulting cost of capital, in any later proceeding.
  - 10. That this Order shall become effective on July 12, 1994.

BY THE COMMISSION

David L. Rauch Executive Secretary

(SEAL)

Mueller, Chm., McClure, Perkins Crumpton, CC., Concur. Kincheloe, C., Absent.