

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the matter of the application of Lakewood Manor,)
Limited, for permission, approval, and a certificate of)
convenience and necessity authorizing it to construct,) CASE NO. WA-90-7
install, own, operate, control, manage and maintain a)
water system for the public, located in an unincor-)
porated area in Barry County, Missouri.)

APPEARANCES: Tom W. Cardin, Attorney at Law, 607 Main Street,
Cassville, Missouri 65625, and Gary W. Duffy,
Attorney at Law, Hawkins, Brydon, Swearingen,
& England P.C., P. O. Box 456, Jefferson City,
Missouri 65102, for the Applicant.

Martha S. Hogerty, Public Counsel, P. O. Box 7800,
Jefferson City, Missouri 65102, for the Office of the
Public Counsel and the Public.

Robert J. Hack, Assistant General Counsel, P. O. Box 360,
Jefferson City, Missouri 65102, for the Staff of the
Missouri Public Service Commission.

HEARING

EXAMINER: Michael F. Pfaff

REPORT AND ORDER

On July 10, 1989, Lakewood Manor, Limited (Applicant) filed a verified application seeking a certificate of public convenience and necessity to provide water service as a public utility in an unincorporated area in Barry County, Missouri, known as Lakewood Manor Subdivision. Applicant also seeks the Commission's approval to install, own, acquire, construct, operate, control, manage and maintain a public water system in the area above mentioned.

By Order and Notice of August 16, 1989, the Commission acknowledged the application and gave formal notice of same to the Barry County Commission, area newspapers, property owners in Lakewood Manor Subdivision and to General Assembly

members with constituents in Lakewood Manor Subdivision. In the same order, the Commission set an intervention date of September 17, 1989. None sought to intervene.

Findings of Fact

Having considered all of the competent and substantial evidence upon the whole record, the Missouri Public Service Commission makes the following findings of fact:

Applicant is a Missouri corporation with its principal office and place of business at HCRI, Box 4472, Shell Knob, Missouri 65747. The feasibility study required by Commission rule has been submitted as Exhibit No. 4; the required metes and bounds description was attached as Exhibit No. 3. There are no water companies in the area to be served by Applicant, and a construction permit for the project has been issued by the Department of Natural Resources.

On November 1, 1989, the Commission Staff filed a memorandum recommending that this application be approved, that the Applicant file a complete original tariff within sixty (60) days, and that Applicant maintain its books and records pursuant to the Uniform System of Accounts. Staff also recommends that the Commission approve water rates of \$9.02 per month for the first 2000 gallons, and \$2.23 per each thousand gallons thereafter.

Having reviewed the application, the attached exhibits and Staff's recommendation, the Commission finds that Applicant is qualified to provide the service, that the service is needed, and that a grant of authority will promote the public interest. The Commission therefore finds that Applicant should be granted a certificate of public convenience and necessity. The Commission also finds that the water rates proposed by Staff are reasonable and should be adopted.

Conclusions of Law

The Missouri Public Service Commission has arrived at the following conclusions of law:

The Commission has jurisdiction over this application pursuant to Sections 393.170 and 393.150, RSMo 1986. Section 393.170 states the Commission has the authority to grant a certificate of public convenience and necessity when it has determined such a grant will be in the public interest. Section 393.150 empowers the Commission to set just and reasonable rates.

The Commission has determined that an oral hearing is not necessary in the instant case. The requirement for a hearing contained in Section 393.170 was met when the opportunity for hearing was provided and no proper party requested the opportunity to present evidence. State ex rel. Rex Deffenderfer Enterprises, Inc. vs. Public Service Commission, 776 S.W.2d 494, 496 (Mo.App. 1989). Although notice was given, no interventions or motions for hearing were filed. The Applicant submitted its evidence by verified statement. Since there has been no objection to the same, the Commission concludes that pursuant to Section 536.070(12), the verified statements are sufficient to grant the requested authority.

The Applicant is qualified and financially able to operate the water system described in the application. The Commission has determined that there is now and will be a future need for adequate water service in the proposed service area and that it is in the public interest to grant the authority requested by the Applicant. The Commission also determines that the rates above described are reasonable and should be adopted.

It is, therefore,

ORDERED: 1. That Lakewood Manor, Limited is hereby granted a certificate of public convenience and necessity to construct, install, own, operate, control, manage and maintain a water system for the public in an unincorporated area in Barry County, Missouri, as described in Exhibit No. 3 of the application filed herein.

ORDERED: 2. That the water rates shall be as above set out, subject to Staff's review of same within eighteen (18) months of this Report and Order.

ORDERED: 3. That Lakewood Manor, Limited shall file, within sixty (60) days of the effective date of this Report and Order, tariffs reflecting the rates and charges as authorized in this order. Said tariffs shall also contain the rules and regulations concerning the utility's operation and service, which shall comply with the Commission's rules.

ORDERED: 4. That Lakewood Manor, Limited shall keep its books and records in accordance with the Uniform System of Accounts.

ORDERED: 5. That this Report and Order shall become effective on the 29th day of December, 1989.

BY THE COMMISSION

Harvey G. Hubbs
Harvey G. Hubbs
Secretary

(S E A L)

Steinmeier, Chm., Mueller, Fischer,
and Rauch, CC., Concur.

Dated at Jefferson City, Missouri,
this 29th day of November, 1989.