STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 15th day of June, 2011.

In the Matter of the Joint Application of Aqua)
Missouri, Inc. and the City of Taos, Missouri,)
for Authority to Acquire Certain Assets of Aqua)
File No. SO-2011-0331
Missouri, Inc., and in Connection Therewith,)
Certain Other Related Transactions.

ORDER GRANTING APPLICATION WITH CONDITIONS

Issue Date: June 15, 2011 Effective Date: June 25, 2011

The Missouri Public Service Commission is approving the application subject to conditions recommended by Staff.

On April 7, 2011, Aqua Missouri, Inc. and the City of Taos, Missouri filed the application seeking authority for the City of Taos, Missouri to acquire the sewer system of Aqua Missouri, Inc.

By order dated April 8, 2011, the Commission provided for notice of the application to affected political subdivisions and others. In that same order, the Commission set a deadline for applications to intervene. As of the date of this order, the Commission has received no application to intervene. Staff filed its recommendation on June 10, 2011, favoring the application subject to certain conditions. Because the applicants sought expedited treatment, the Commission will dispense with the time for responses to the recommendation.

¹ Motion filed on May 31, 20011; granted by order dated June 3, 2011.

No law requires an evidentiary hearing,² and no person has sought one,³ so this action is not a contested case and the Commission need not separately state its findings of fact.

The Commission has jurisdiction to rule on the application under the following provision:

No [sewer company] shall hereafter sell . . . its . . . works or system . . . without having first secured from the commission an order authorizing it so to do. [4]

The Commission will only deny the application if approval would be detrimental to the public interest. ⁵ The public interest will suffer no detriment from the sale, according to the verified filings, with the conditions set forth below. Therefore, the Commission will approve the application subject to those conditions.

THE COMMISSION ORDERS THAT:

- 1. The application for authority to transfer assets ("transfer") from Aqua Missouri, Inc. ("Aqua") to the City of Taos, Missouri is approved subject to the following conditions.
- 2. Unless the transfer of assets is complete, no later than 30 days after the effective date of this order and at the end of each subsequent 30-day period, Aqua shall file a status report stating whether the transfer is complete, is proceeding, or will not occur.
- 3. Within three business days after the transfer is complete, Aqua shall file notice of the transfer, including evidence that the transfer has occurred, so that the

² Section 536.010(4), RSMo Supp. 2010.

³ State ex rel. Rex Deffenderfer Ent., Inc. v. Public Serv. Comm'n, 776 S.W.2d 494, 496 (Mo. App., W.D. 1989).

⁴ Section 393.190.1, RSMo 2000.

⁵ State ex rel. City of St. Louis v. Public Serv.Comm'n of Missouri, 73 S.W.2d 393, 400 (Mo. 1934).

Commission may cancel Aqua's certificate of convenience and necessity and sewer tariff on file for the area being served by the assets transferred.

- 4. This order shall become effective on June 25, 2011.
- 5. This file shall remain open for notice of the transfer, and the cancellation of any associated tariff, and certificate of convenience and necessity.

BY THE COMMISSION

(SEAL)

Steven C. Reed Secretary

Gunn, Chm., Clayton, Davis, Jarrett, and Kenney, CC., concur.

Daniel Jordan, Senior Regulatory Law Judge