



Missouri Public Service Commission

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October 14, 1997

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Director, Utility Services
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Chief Administrative Law Judge
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General Counsel

Mr. Cecil I. Wright
Executive Secretary
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102

RE: Case No. WA-98-36 - Osage Water Company

Dear Mr. Wright:

Enclosed for filing in the above-captioned case are an original and fourteen (14) conformed copies of **STAFF'S RESPONSE TO MOTION TO SUBMIT CASE ON VERIFIED APPLICATIONS**.

This filing has been mailed or hand-delivered this date to all counsel of record.

Thank you for your attention to this matter.

Sincerely yours,

R. Blair Hosford
Assistant General Counsel
(573) 751-8702
(573) 751-9285 (Fax)

RBH/wf
Enclosure
cc: Counsel of Record

FILED
OCT 14 1997
MISSOURI
PUBLIC SERVICE COMMISSION

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

FILED

OCT 14 1997

MISSOURI
PUBLIC SERVICE COMMISSION

In the Matter of the Application of Osage)
Water Company for a Certificate of)
Convenience and Necessity Authorizing it to)
Construct, Install, Own, Operate, Control,)
Manage and Maintain a Water System for the)
Public Located in an Unincorporated Portion)
of Camden County, Missouri)

Case No. WA-98-36

STAFF'S RESPONSE TO MOTION TO SUBMIT CASE ON VERIFIED APPLICATION

COMES NOW the Staff of the Missouri Public Service Commission (Staff) and for its response states:

1. Osage Water Company (Company) is an existing public utility which operates water systems in certain areas of Camden County pursuant to certificates of convenience and necessity granted by the Missouri Public Service Commission (Commission).
2. On July 28, 1997, the Company filed an application requesting a certificate of convenience and necessity for a water and sewer system in an area of unincorporated Camden County, Missouri, to serve a project known as Cedar Glen Condominiums.
3. The Company's 1992 and 1993 Annual Reports, originally due April 15, 1993 and 1994, respectively, were filed with the Commission on March 7, 1997.
4. The Company's 1994 and 1995 Annual Reports, originally due April 15, 1995 and 1996, respectively, were filed on July 22, 1997. The Company's 1996 Annual Report, originally due April 15, 1997, was filed on August 27, 1997.
5. On September 15, 1997, copies of the engineering plans and specifications for the proposed water and sewer systems were provided to Staff.

6. On October 1, 1997, the Company filed its Motion to Submit Case on Verified Application and Attachments which states that this case is ready for submission.

7. The Staff disagrees that this case is ready for submission.

8. The Commission has articulated the following criteria to evaluate an application for a certificate of convenience and necessity:

- (1) There must be a need for the service;
- (2) The applicant must be qualified to provide the proposed service;
- (3) The applicant must have the financial ability to provide the service;
- (4) The applicant's proposal must be economically feasible; and
- (5) The service must promote the public interest.

Re Tartan Energy Company, 3 Mo. P.S.C. 3d 173, 177 (1994).

9. Due to discrepancies and missing information in the Company's Annual Reports, the Staff has concerns about the Company's financial ability.

10. The Staff intends to conduct a thorough on-site audit of the Company's records. Assuming that the Company's records are readily accessible, the Staff expects to complete its audit and to file a recommendation in this case by December 12, 1997. The Staff's recommendation will address each of the five criteria articulated in Re Tartan Energy Company.

11. The Staff has a major concern on the extent of the requested service area based on the application as filed, and the Company's plans to ultimately serve the currently undeveloped portions of the requested area.

WHEREFORE, the Staff requests the Commission to deny the Company's Motion to Submit Case on Verified Application and Attachments.

Respectfully submitted,



R. Blair Hosford
Assistant General Counsel
Missouri Bar No. 21775

Attorney for the Staff of the
Missouri Public Service Commission
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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed or hand-delivered to all counsel of record as shown on the attached service list this 14th day of October, 1997.



Service List for Case No. WA-98-36
Revised: October 14, 1997

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