

**ATTACHMENT A  
STAFF'S PROPOSED CHANGES TO**

**SECTION 6. CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY  
AND CERTIFICATES OF ENVIRONMENTAL COMPATIBILITY AND PUBLIC  
NEED, AND RELATED FEES AND FILINGS**

Rule 6.11     Petition Process for Class €B or Lower Water and Sewer Companies

This Rule 6.11 governs the process by which a Class €B or lower water or sewer company may become subject to regulation as a public utility under Ark. Code Ann. § 23-1-101(9)(G).

(a)     Petition Process

A Class €B or lower water or sewer company, otherwise exempt from regulation as a public utility, shall become subject to the Commission's jurisdiction upon the Commission's order approving either of the following petitions:

(1)     By the Company

The petition shall include, but not be limited to, the following information:

- (A)     A request that the Commission declare the company to be a public utility and issue a CCN to the company;
- (B)     A description of the facilities being operated, under construction, or proposed to be constructed for the purpose of providing water or sewer services. Such description shall include information pertaining to the size, capacity, and location of the facilities (including a map of the service area) and the customers served, or to be served, by those facilities;
- (C)     A description of the current business organization, ownership and management of the company, including an identification (i.e., name, address, telephone number, and electronic mail address) of the company's officers and those Persons responsible for supervising the provision of water or sewer services;
- (D)     A description of any contracts or agreements for the construction, purchase, lease, or operation of any facilities providing water or sewer service. Such description shall identify any affiliation, if any, between the parties to such contracts or agreements;

- (E) A schedule of the company's rates and charges for its water or sewer service as of the date of the filing of the petition and an explanation of those rates and charges;
- (F) An income and expense statement for the previous fiscal year's water or sewer operations and a statement of the revenues, fixed charges, and operating expenses estimated for the current fiscal year's water or sewer operations; and
- (G) A statement that, as of the filing of the petition hereunder, the company has notified each of its water or sewer customers of the company's filing hereunder by first-class mail, properly addressed with charges prepaid.

(2) By a Majority of the Metered Customers

The petition shall include, but not be limited to, the following information:

- (A) A general description of the company, including the location of its business office, an identification of its management, and a description of its service area and customer base;
- (B) A request that the company be made subject to the Commission's jurisdiction, supported by the attachment of completed petitions which include the names, addresses, and signatures of all petitioning customers; and
- (C) If the company is a water company, a statement setting forth the basis for the customers' belief that the water company's combined annual operating revenues exceed the threshold set by Ark. Code Ann. § 23-1-101 for such companies.

The company shall, upon request of the Commission or the Staff, provide a list of metered customers.

(b) Subsequent Requirements

After hearing and upon finding that a Class CB or lower water or sewer company is subject to jurisdiction under this Section, the Commission shall, as appropriate:

- (1) If the petition was filed by customers, order the company to file the information required under Subsection (a)(1)(B-F);
- (2) Prescribe any other terms and conditions which must be satisfied before the issuance of a permanent CCN;
- (3) Issue an interim or permanent CCN to the company, as

appropriate;

- (4) Establish interim rates and charges, subject to refund, for the company's services;
- (5) Order the company to give notice of its intention to file a General Rate Change Application; ~~and/or~~ and
- (6) Order the company to file an application for a General Rate Change Application pursuant to Section 8.