

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

Forrest L. Hatfield,)	
)	
Complainant,)	
)	
v.)	<u>Case No. WC-2006-0128</u>
)	
Melody Lake Water & Sewer, LLC,)	
)	
Respondent.)	

ORDER CLOSING CASE

Issue Date October 19, 2007

Effective Date: October 29, 2007

Background

In 2006 several residents¹ of Melody Lake Ranch, a subdivision in Franklin County, Missouri, filed complaints with the Missouri Public Service Commission against Melody Lake Water & Sewer, LLC. The complaints were consolidated into the above-captioned case. Generally, the Complainants voiced frustration over how the company was being run with regard to resident input on rate increases and the transfer of Franklin County Service Company² to Melody Lake Water & Sewer.

While reviewing the consolidated complaints, the Commission directed the Staff of the Commission to file a separate complaint against all persons and entities having to do with the unauthorized transfer of assets. After completing its investigation, Staff filed a

¹ Forrest L. Hatfield, Robert G. Boone and Harold J. Reitz.

² Franklin County Service Company was the water company serving the area since 1968.

recommendation to dispose of the complaint, which the Commission adopted in an order issued on June 7, 2007.³

Assuming the resolution of Staff's complaint also laid to rest the concerns of the Complainants in Case No. WC-2006-0128, the Commission issued an order directing the Complainants to file a statement of whether they were satisfied with the results of Staff's complaint or, if not, whether they wished to proceed with their complaints. The order was issued on June 18. Complainants were directed to file responses no later than July 18. Forrest L. Hatfield filed a response on July 5. His response was as follows:

I don't care what you do with my complaint, but still don't think that it was right that the people of Melody Lake Ranch nor the Board of Governors of Melody Lake Ranch were not asked to vote on whether to accept the Franklin County Water and Sewer. Also, the above was not asked to vote on making the Water and Sewer Company an LLC company. I think that the state just doesn't want to be bothered by such a small subdivision and how it should be run. Thanks anyway.

To date, neither Robert G. Boone nor Harold J. Reitz has filed a response.

Discussion

As pointed out in the Commission's Order in Case No. WC-2006-0363, referenced above, the transfer of Franklin County Service Company to Melody Lake Water & Sewer Company was made without necessary Commission approval. However, Franklin County Service Company no longer exists and Melody Lake Water & Sewer is operated by those it serves.

To resolve both the concerns of the Complainants in WC-2006-0128 and Staff's complaint in Case No. WC-2006-0363, the Commission adopted Staff's recommendation to reorganize Melody Lake Water & Sewer so that its board has more power, only customers

³ See Case No. WC-2006-0363, Order Adopting Staff Recommendation and Disposing of Complaint.

of the utility serve as board members and, the customers have complete control over the selection of board members. With these changes, the Commission would no longer exercise jurisdiction over the utility.⁴

Case No. WC-2006-0363 having apparently resolved their concerns, the Commission sought statements from the Complainants in this matter. One filed a timely response, the others have not responded. The concerns Mr. Hatfield expressed in his response can now be addressed by the customers of Melody Lake. The customers of Melody Lake Water and Sewer now control who the Board of Directors are. If the Board acts in a manner that is inconsistent with the customers' wishes, the by-laws provide the customers with a remedy.

Disposition of this Complaint

Mr. Hatfield has stated that he doesn't care what the Commission does with his complaint and Mr. Reitz and Mr. Boone have not responded to the Commission's order. Commission rules 4 CSR 240-2.116(3) state that complainants and their complaints may be dismissed for failure to respond to a Commission order. Because the Commission feels the concerns of the Complainants have been properly addressed in the context of Staff's complaint and no Complainant has stated that they wish to further pursue this complaint, the Commission will dismiss this matter.

IT IS ORDERED THAT:

1. This case is dismissed.

⁴ Note the standards set out *In the Matter of the Application of Rocky Ridge Ranch Property Owners' Association for an order of the Public Service Commission authorizing cessation of PSC jurisdiction and regulation over its operations*, Case No. WD-93-307.

2. This order shall become effective on October 29, 2007.
3. This case may be closed on October 30, 2007.

BY THE COMMISSION

A handwritten signature in black ink, appearing to read 'Colleen M. Dale', written over a faint, illegible background.

Colleen M. Dale
Secretary

(S E A L)

Kennard L. Jones, Senior Regulatory
Law Judge, by delegation of authority
pursuant to Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,
on this 19th day of October, 2007.