

At a session of the Public Service Commission held at its office in Jefferson City on the 1st day of November, 2017.

Respondents.

$$\begin{pmatrix} 1 \\ 1 \\ 1 \\ 1 \\ 1 \\ 1 \\ 1 \\ 1 \\ 1 \\ 1 \end{pmatrix}$$

The Commission granted a default determination against Respondent on September 16, 2015, after Respondent failed to answer the Commission Staff's ("Staff") June 11, 2015, complaint. Attorney Jennifer Hernandez entered on behalf of Respondent on September 30, 2015, and requested the default determination be set aside and Respondent be allowed to answer the complaint out of time. Jennifer Hernandez moved to stay the case on October 22, 2015. Both motions were granted. Attorney Arturo Hernandez entered on behalf of Respondent on April 15, 2016, and Jennifer Hernandez withdrew. Arturo Hernandez later moved to withdraw on September 26, 2016, stating that he had no contact with Respondent since July 2016 despite several attempts at communication. His request to withdraw was granted.

Service of the complaint has been attempted multiple times, and even though Respondents have had Attorneys enter the case on their behalf, the question as to whether adequate service occurred remained ambiguous until recently. Respondents were served in this case on June 12, 2017, by mail.

On September 8, 2017, the Commission ordered the parties to file a status report. On September 14, 2017, Staff filed *Staff's Renewed Motion for Default Determination*, asking the Commission to make a finding of default.

On September 25, 2017, the Commission set aside the stay of the case and ordered Respondents to answer Staff's complaint no later than October 25, 2017. Respondents have not filed an answer to Staff's June 11, 2015, complaint.

Commission Rule 4 CSR 240-2.070(10) provides that if a respondent in a complaint case fails to file a timely answer, the Commission may determine the respondent is in default, and may find all allegations in the complaint are admitted by the respondent.

Staff's complaint alleges three violations:

Count I. From January 2013 through April 2015, Respondents operated a water system in Missouri without having obtained the required certificate of convenience and necessity from this Commission, in violation of § 393.170.2 RSMo.

Count II. From January 2013 through April 2015, Respondents failed to provide safe and adequate service in violation of § 393.130.1 RSMo.

Count III. From January 2013 through April 2015, Respondents failed to promote and safeguard the public health in violation of § 386.310.1 RSMo.

Staff asks the Commission to direct its General Counsel to proceed to circuit court to seek the imposition of civil penalties against the Respondents for violation of Missouri statutes. The Commission's rules allowed Respondents an opportunity to contest Staff's allegations before the Commission, and Respondents chose not to answer Staff's complaint. Therefore, Respondents have defaulted.

Based on that default, the Commission finds that the allegations in Staff's complaint are established. Specifically, the Commission finds Respondent Fawn Lake Water Corp. and Respondent Rachel Hackman are water corporations and public utilities, as those terms are defined by Missouri statute. The Commission further finds Respondent Fawn Lake Water Corp. and Respondent Rachel Hackman have violated Section 393.170, RSMo, by providing water service without Commission authority. The Commission finds that Respondent Fawn Lake Water Corp., and Respondent Rachel Hackman have violated Section 393.130.1, RSMo, by failing to furnish safe and adequate water service to their customers. The Commission finds that Respondent Fawn Lake Water Corp. and Respondent Rachel Hackman have violated Section 386.310.1, RSMo, by failing to promote and safeguard the public health. The Commission finds that these violations occurred from January 2013 through April 2015.¹ Finally, the Commission finds that Respondent Fawn Lake Water Corp. and Respondent Rachel Hackman are subject to penalties. The Commission will authorize the General Counsel to proceed to circuit court to collect penalties for each and every day's violation of law. Under 4 CSR 240-2.070(10), Respondents have

¹ EFIS No. 1 (June 11, 2015) *Staff Complaint*, Exhibit A as incorporated.

seven days from the issue date of this order to file a motion to set aside this order of default.

THE COMMISSION ORDERS THAT:

1. *Staff's Renewed Motion for Default Determination* is granted.
2. A default determination is entered against Fawn Lake Water Corp. and Rachel Hackman.
3. The facts alleged in Staff's complaint are found to be established.
4. The Commission's General Counsel is authorized to file an action in the circuit court of its choosing to seek the imposition of civil penalties against Fawn Lake Water Corp. and Rachel Hackman, as allowed by Sections 386.570 and 386.600, RSMo 2016.
5. The Respondents are allowed until November 13, 2017, to move to set aside this order of default.
6. This order shall become effective on December 1, 2017.



BY THE COMMISSION

A handwritten signature in black ink that reads "Morris L. Woodruff".

Morris L. Woodruff
Secretary

Hall, Chm., Stoll, Kenney, Rupp, and
Coleman, CC., concur.

Clark, Regulatory Law Judge


STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this 1st day of November 2017.




Morris L. Woodruff
Secretary

MISSOURI PUBLIC SERVICE COMMISSION

November 1, 2017

File/Case No. WC-2015-0330

**Missouri Public Service
Commission**

Staff Counsel Department
200 Madison Street, Suite 800
P.O. Box 360
Jefferson City, MO 65102
staffcounsel@psc.mo.gov

Office of the Public Counsel

Hampton Williams
200 Madison Street, Suite 650
P.O. Box 2230
Jefferson City, MO 65102
opc@psc.mo.gov

Fawn Lake Water Corp.

Legal Department
3910 Old Highway 94 S., Ste. 100
St. Charles, MO 63304

**Missouri Public Service
Commission**

Kevin Thompson
200 Madison Street, Suite 800
P.O. Box 360
Jefferson City, MO 65102
kevin.thompson@psc.mo.gov

Rachel Hackman

Rachel Hackman
3910 Old Highway 94 S, Ste. 100
St. Charles, MO 63304

Enclosed find a certified copy of an Order or Notice issued in the above-referenced matter(s).

Sincerely,



**Morris L. Woodruff
Secretary**

Recipients listed above with a valid e-mail address will receive electronic service. Recipients without a valid e-mail address will receive paper service.