

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 18th day of
September, 2008.

In the Matter of the Staff of the Missouri)
Public Service Commission's Request for an)
Appointment of an Interim Receiver and for)
an Order Directing the General Counsel to)
Petition the Circuit Court of Phelps County)
for the Appointment of a Receiver for Gladlo)
Water & Sewer Company, Inc.)

Case No. WO-2009-0086

ORDER GRANTING DEFAULT

Issue Date: September 18, 2008

Effective Date: September 25, 2008

On September 3, 2008, the Staff of the Commission filed the above-styled petition. Staff claims that Gladlo Water & Sewer Company (hereafter "Gladlo") has effectively abandoned its water system in Phelps County, Missouri. Therefore, Staff asked for expedited treatment of its petition for an order directing the Commission's General Counsel to petition the Circuit Court of Phelps County for the appointment of a receiver.

The Commission gave Gladlo notice of the petition on September 8, and informed Gladlo it had until September 15 to answer the petition.¹ Gladlo failed to respond.

Commission Rule 4 CSR 240-2.070(9) provides that if a respondent fails to timely respond to a complaint, the Commission may deem the complaint admitted, and may enter

¹ As permitted by Commission Rule 4 CSR 240-2.080(15), the Commission shortened Gladlo's time to answer the petition from 10 days to 7, due to Staff's Motion for Expedited Treatment.

an order granting default.² Because Gladlo failed to respond, the Commission finds it in default and finds that Staff's allegations are deemed admitted.

Therefore, the Commission makes the following findings.³

1) Gladlo is a public utility, water corporation and sewer corporation as defined in Section 386.020,

2) Gladlo it is providing water service to fewer than 8,000 customers in the Whispering Pines Subdivision in Phelps County, Missouri.

3) The Missouri Secretary of State has administratively dissolved Gladlo due to Gladlo's failure to file its 2007 annual registration report.

4) Gladlo has failed to pay its 2008 annual assessment to the Commission.

5) Gladlo has not sent bills to customers for payment of water services for the last four months, and Gladlo has not received income for that same time period to manage its costs, and will soon be insolvent.

6) Gladlo has not paid its electric bill for several months, thus endangering its ability to operate its well pump.

7) Gladlo is operating without an operating permit from the Missouri Department of Natural Resources,

8) Gladlo has failed to provide water samples to the Missouri Department of Natural Resources for June, July and August, 2008.

² The rule also allows the Commission to set aside a default order if the respondent files a motion to set aside the order within seven days of the order's issue date if the Commission finds good cause for the respondent's failure to timely respond.

³ The list of findings is not exhaustive, but merely a summary of the more pertinent findings. Because Gladlo failed to answer the petition, all of Staff's allegations are deemed admitted.

9) Gladlo's owner has abandoned the system, and is unwilling and unable to operate the system.

IT IS ORDERED THAT:

1. Default is hereby entered against Gladlo Water & Sewer Company, Inc., and the averments of the complaint are deemed admitted.

2. The General Counsel of the Commission is authorized and ordered to file a petition for the appointment of a receiver against Gladlo Water & Sewer Company in Phelps County, Missouri.

3. Upon receipt of names and contact information of potential interim receivers willing and able to operate Gladlo Water & Sewer Company, the Staff will provide the Commission this information.

4. This order shall become effective on September 25, 2008.

5. This case shall close on September 26, 2008.

BY THE COMMISSION

A handwritten signature in black ink, appearing to read 'Colleen M. Dale', written over a horizontal line.

Colleen M. Dale
Secretary

(S E A L)

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

Pridgin, Senior Regulatory Law Judge