

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

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|-------------------------------------|---|-------------------------------------|
| The Office of the Public Counsel, |) | |
| An Agency of the State of Missouri, |) | |
| |) | |
| Complainant, |) | |
| |) | |
| v. |) | <u>Case No. WC-2015-0340</u> |
| |) | |
| Fawn Lake Water Corp., |) | |
| Rachel Hackman, |) | |
| A Missouri Water Corporation, |) | |
| |) | |
| Respondents |) | |

STAFF STATUS REPORT

COMES NOW the Staff of the Missouri Public Service Commission (“Staff”), by and through counsel, and for its *Status Report*, respectfully states as follows:

1. On June 11, 2015, Staff filed its Complaint in Case No. WC-2015-0330 (“Staff Complaint”), asserting that Respondents Fawn Lake Water Corp. and its owner and registered agent, Ms. Rachel Hackman, own and operate an unauthorized water corporation, in violation of § 393.170.2, RSMo.

2. Respondents’ answer to the Staff Complaint was due by July 13, 2015, but Respondents failed to file an answer.

3. On June 19, 2015, the Office of the Public Counsel filed a separate complaint in Case No. WC-2015-0340 (“OPC Complaint”) against Fawn Lake Water Corp. and Rachel Hackman. The OPC Complaint alleges similar facts as the Staff Complaint, but OPC asked for different relief.

4. Respondents' answer to the OPC Complaint was due by July 20, 2015, but Respondents failed to file an answer.

5. On June 29, 2015, Staff filed a motion to consolidate both complaint cases, arguing that the two complaints are substantially similar and can best be addressed in a single proceeding. OPC responded on July 15, 2015, indicating its agreement that the two complaints should be consolidated as long as all counts and relief sought by the parties remain intact.

6. On September 11, 2015, the Commission issued its *Order Denying Motion to Consolidate*. The Commission indicated the reason for denying consolidation lied in the potential for default determination in both cases for failure to answer the complaints.

The order stated:

The chief benefit of consolidating the two complaints would be to allow for the conduct of a single hearing to determine the facts common to the complaints. Since an evidentiary hearing may not be required, that benefit of consolidation does not exist.

The entry of an order in default would shift the focus of the two complaints from the facts, which would be deemed admitted, to the relief sought in the complaints. The relief sought by Staff differs from the relief sought by Public Counsel and as a result, the consideration of the relief the Commission can grant in those complaints is best handled separately in the unconsolidated complaints.

7. Because the Staff Complaint was not consolidated with the OPC Complaint, Staff has only made filings in the OPC Complaint case when ordered to do so. Further, other than conversations regarding service copies to the company, Staff has not been in communication with OPC regarding the OPC Complaint.

8. On May 19, 2017, the Commission directed the use of a special process server due to various concerns regarding adequate service of the Commission's orders.

On June 21, 2017, Staff filed a *Notice of Return Receipt* indicating personal service was achieved on June 7, 2017.

9. More than 30 days have elapsed since the date the Respondents received service,¹ but at the time of this filing, Respondents have neither filed an answer, nor filed any other type of responsive pleading in this docket.

10. Staff is unaware of whether OPC has been in communication with Respondents, so Staff defers to OPC to update the Commission on the status of this case.

WHEREFORE, the Staff submits its *Status Report*.

Respectfully submitted,

/s/ Marcella L. Forck

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was hand delivered by hand, U.S. Mail, or served electronically on this 14th day of September, 2017, to the parties of record.

/s/ Marcella L. Forck

¹ The *Order Directing Use of a Special Process Server*, filed on May 19, 2017, granted Respondents 30 days from the date of service in which to file an *Answer*.