

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

Staff of the Missouri Public Service
Commission,

Complainant,

v.

Ridge Creek Water Company, LLC,
Ridge Creek Development, LLC, and
Michael Stoner and Denise Stoner,
Individually,

Respondents.

CERTIFIED MAIL

File No. WC-2017-0200

NOTICE OF COMPLAINT

Issue Date: January 23, 2017

Effective Date: January 23, 2017

On January 20, 2017, the Staff of the Commission filed a complaint with the Missouri Public Service Commission against Ridge Creek Water Company, LLC; Ridge Creek Development, LLC; and Michael Stoner and Denise Stoner, individually, alleging that the Respondents are failing to provide safe and adequate water service to their customers. Pursuant to Commission Rule 4 CSR 240-2.070, the Respondents have 30 days from the date of this notice to file an answer. Since this notice is being issued on January 23, the answer is due no later than February 22.¹

¹ Staff has also filed a Motion for Expedited Treatment and Injunction in connection with this complaint. Provisions for the filing of a response to that motion will be established by the Commission in a separate order.

Provisions governing procedures before the Commission are found in Commission Rule 4 CSR 240, Chapter 2. In particular, the procedures relating to discovery are found at Commission Rule 4 CSR 240-2.090.

THE COMMISSION ORDERS THAT:

1. The Commission's Data Center shall send, by certified mail, a copy of this notice and order and a copy of the complaint to the Respondents at:

Ridge Creek Water Company, LLC.
18499 Highway 133
P.O. Box KK
Dixon, Missouri 65459

Registered Agent:
Mark Comley
601 Monroe St., Suite 301
P.O. Box 537
Jefferson City, Missouri 65101

Ridge Creek Development, LLC
20684 Lynwood Road
Waynesville, Missouri 65583-4604

Michael Stoner
18499 Highway 133
P.O. Box KK
Dixon, Missouri 65459

Denise Stoner
18499 Highway 133
P.O. Box KK
Dixon, Missouri 65459

2. The Respondents shall file their answer to this complaint no later than February 22, 2017. All pleadings shall be mailed to:

Secretary of the Public Service Commission
P.O. Box 360
Jefferson City, Missouri 65102-0360,

or shall be filed using the Commission's electronic filing and information service.

3. This order shall be effective when issued.



BY THE COMMISSION

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

Morris L. Woodruff
Secretary

Morris L. Woodruff, Chief Regulatory
Law Judge, by delegation of authority
pursuant to Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,
on this 23rd day of January, 2017.

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

The Staff of the Missouri Public Service Commission,)	
)	
)	
Complainant,)	
)	
vs.)	<u>Case No. WC-2017 -</u>
)	
Ridge Creek Water Company, LLC,)	
Ridge Creek Development, L.L.C., and)	
Michael Stoner and Denise Stoner, individually.)	
)	
Respondents.)	

VERIFIED COMPLAINT

COMES NOW the Staff of the Missouri Public Service Commission ("Staff") and for its *Verified Complaint* states as follows:

Introduction:

1. This matter concerns the violation of § 393.130.1 RSMo, by Respondents Ridge Creek Water Company LLC, Ridge Creek Development, L.L.C., and Mr. Michael Stoner, individually, and Ms. Denise Stoner, individually, for the ongoing failure to provide safe and adequate water service. Due to the nature of the violation, which may negatively affect the health and wellbeing of a customer, Staff has concurrently filed a *Motion for Expedited Treatment and Injunction* that incorporates the allegations herein by reference.

Complainant:

2. Complainant is the Staff of the Missouri Public Service Commission, acting through the Chief Staff Counsel as authorized by Commission Rule 4 CSR 240-2.070(1).

Respondents:

3. Ridge Creek Water Company LLC, is a Missouri limited liability company with an active status. Its principle place of business is 18499 Highway 133, P.O. Box KK, Dixon, MO 65459. The Registered Agent is Mr. Mark Comley, whose address is 601 Monroe Street, Suite 301, P.O. Box 537, Jefferson City, MO, 65101. According to the records of the Missouri Secretary of State, Ridge Creek Water Company, LLC was created on January 15, 2015. This *Complaint* shall hereinafter refer to Ridge Creek Water Company LLC as “Ridge Creek Water.”

4. Ridge Creek Development, L.L.C., is a Missouri limited liability company with active status. Its principal place of business is located at 20684 Lynwood Road, Waynesville, MO 65583-4604. Its registered agent is Michael Stoner, whose address is 18499 Highway 133, Dixon, MO 65459. According to the records of the Missouri Secretary of State, Ridge Creek Development, L.L.C., was created on February 22, 2005. This *Complaint* shall hereinafter refer to Ridge Creek Development Company L.L.C. as “Ridge Creek Development.”

5. Mr. Michael “Mike” Stoner and Ms. Denise Stoner are individuals. Mr. Mike Stoner’s last known address is P.O. Box KK, 18499 Highway 133, Dixon, MO 65459. His places of work are: 18499 Highway 133, Dixon, Missouri 65459, 20684 Lynwood Road, Waynesville, MO 65583-4604, and 203 West Hubble Drive, Marshfield, MO 65706. Ms. Denise Stoner’s address is P.O. Box KK, 18499 Highway 133, Dixon, MO 65459.

6. On information and belief, Mr. Mike Stoner and Ms. Denise Stoner are the individual owners and operators of both Respondent Ridge Creek Water and Respondent Ridge Creek Development.

Jurisdiction:

7. Section 386.390.1, RSMo., authorizes the Commission to hear and determine complaints:

Complaint may be made by the commission of its own motion, or by the public counsel or any corporation or person, chamber of commerce, board of trade, or any civic, commercial, mercantile, traffic, agricultural or manufacturing association or organization, or any body politic or municipal corporation, by petition or complaint in writing, setting forth any act or thing done or omitted to be done by any corporation, person or public utility, including any rule, regulation or charge heretofore established or fixed by or for any corporation, person or public utility, in violation, or claimed to be in violation, of any provision of law, or of any rule or order or decision of the commission

8. The Commission has by rule authorized the Staff Counsel's Office to bring complaints on behalf of the Staff: "A complaint may also be filed by . . . the commission staff through the staff counsel" ¹

9. Section 386.570.1, RSMo., provides for a penalty between \$100.00 to \$2,000.00, per offense, for "[a]ny corporation, *person* or public utility which violates or fails to comply with any provision of the constitution of this state or of this or any other law, or which fails, omits or neglects to obey, observe or comply with any order, decision, decree, rule, direction, demand or requirement, or any part or provision thereof, of the commission" Each day that a continuing violation persists is counted as a separate offense.² In the case of a corporate respondent, the acts and

¹ Rule 4 CSR 240-2.070(1).

² Section 386.570.2, RSMo.

omissions of its officers, agents and employees are deemed to be the acts and omissions of the corporation.³ All penalties are cumulative.⁴

Applicable Law

10. Section 386.020(59), RSMo., defines “water corporation” to include “every corporation, company, association, joint stock company or association, partnership and person, their lessees, trustees, or receivers . . . owning, operating, controlling or managing any plant or property, dam or water supply, canal, or power station, distributing or selling for distribution, or selling or supplying for gain any water[.]”

11. Pursuant to § 386.020(43), RSMo., a water corporation is a public utility and is subject to the jurisdiction, control and regulation of this Commission.

12. Ridge Creek Water is a “water corporation” as defined by § 386.020(59); it holds a Certificate of Convenience and Necessity (“CCN”) from the Commission, issued on September 12, 2016 in Case No. WA-2015-0182, and operates and controls plant, property, water supply and distribution of the water for gain.

13. While Ridge Creek Development does not hold a CCN from the Commission, it is a “water corporation” as defined by § 386.020(59) because it continues to own and have control over the wells and pumps (plant and property) connected to the distribution system operated by Ridge Creek Water.

14. On information and belief, Ms. Denise Stoner and Mr. Mike Stoner are responsible for the day-to-day operations of Ridge Creek Water and Ridge Creek Development, respectively. Therefore, pursuant to § 386.020(59) RSMo., they are also each a “water corporation” subject to the Commission’s jurisdiction.

³ Section 386.570.3, RSMo.

⁴ Section 386.590, RSMo.

Count – Failing to Provide Safe and Adequate Service:

15. Ridge Creek Water Tariff P.S.C. MO No. 1 Original Sheet No. 7, Rule 1.H defines "MAIN" as "*a pipeline which is owned and maintained by the Company*, located on public property or private easements, and used to transport water throughout the Company's service area." Emphasis added.

16. Ridge Creek Water Tariff P.S.C. MO No. 1 Original Sheet No. 7, Rule 1.J defines "METER SETTING" as "a place either in the service connection or building plumbing for a water meter to be installed. *An outdoor meter setting* is located at or near the property line, and includes the meter box, meter yoke, lid, and appurtenances, *all of which shall be owned and maintained by the Company. . . .*" Emphasis added.

17. Ridge Creek Water Tariff P.S.C. MO No. 1 Original Sheet No. 7, Rule 1.M defines "SERVICE CONNECTION" as "the pipeline connecting the main to the Customer's water service line or connecting the source of supply to the Customer's water service line, and includes the curb stop, or outdoor meter setting and all necessary appurtenances located at or near the property line, or at the property line if there is no curb stop or outdoor meter setting *The service connection shall be owned and maintained by the Company.*" Emphasis added.

18. Ridge Creek Water Tariff P.S.C. MO No. 1 Original Sheet No. 8, Rule 1.S defines "WATER SERVICE LINE" as "a pipe with appurtenances installed, *owned and maintained by the Customer*, used to conduct water to the Customer's unit from the property line, curb stop or outdoor meter setting, including the connection to the curb stop or meter setting. . . ." Emphasis added.

19. Section 393.130.1, RSMo., requires every water corporation to “furnish and provide such service instrumentalities and facilities as shall be safe and adequate and in all respects just and reasonable.”

20. On January 10, 2017, an Agent of Ms. Denise Stoner and Ridge Creek Water (Agent of Ridge Creek Water) notified Staff of a water outage for ** _____ **, a customer of Ridge Creek Water (“Customer”).⁵

21. On January 11, 2017, Staff contacted the Agent of Ridge Creek Water to seek an update on the outage. The Agent stated that the outage had not been corrected. Staff then contacted Ms. Denise Stoner who directed Staff to contact Mr. Mike Stoner to address the lack of water.

22. On January 11, 2017, Staff called Mr. Mike Stoner and left a message.

23. On January 11, 2017, an Agent of Mr. Mike Stoner (“Agent of Mr. Stoner”) contacted Staff that Mr. Stoner authorized him to hire a plumber to address the water outage.

24. On information and belief, on January 12, 2017 Staff contacted Agent of Mr. Stoner, and that Agent stated a temporary water service had been connected to Customer’s house. Agent identified that the plumber hired would return at 9:00 A.M. to continue work.

25. On January 17, 2017 Staff performed an inspection of Ridge Creek Water’s drinking water system.

⁵ Due to the Highly Confidential nature of Customer’s name and address pursuant to 4 CSR 240-2.135.(1)(B)1, Staff has only provided that information in the HC version of this *Complaint*.

26. During the course of the inspection, Staff that observed the well supplying water to Customer operated within normal parameters.

27. Staff observed an Agent of Ridge Creek Water open the valve in the meter setting to allow water to flow. Water pressure at the meter setting, prior to Customer's Water Service Line, appeared to be below adequate pressure for service.

28. The cause of the water outage is as-of-yet unknown, but based on Staff's observations, the reason for the lack of service is located between the well and the customer's meter, along the Main or Service Connection, under the Respondents' ownership and control.

29. During the course of the inspection on January 17, 2017, Staff observed that Respondents have temporarily connected a household garden hose from the well to the Customer's home to supply Customer with water.

30. The hose used is not acceptable for potable water supply; it poses a risk of bacteriological contamination via contaminants already present in the hose and hose fittings, and risk of contamination via other foreign substances in the hose material. Further, it is susceptible to service interruption due to freezing temperatures and accidental or intentional damage or dislocation.

31. As of the time of this filing, Respondents have not adequately restored Customer's water.

32. Section 393.130.1, RSMo., requires every water corporation to "furnish and provide such service instrumentalities and facilities as shall be safe and adequate and in all respects just and reasonable."

33. By the conduct outlined in paragraphs 21 through 33, Respondents have failed to provide safe and adequate service, in violation of § 393.130.1 RSMo., to Customer.

34. Respondents, in failing to repair the Main or Service Connection, have failed to provide such facilities that shall be safe and adequate for the provision of water to the customer, in violation of § 393.130.1 RSMo.

35. Respondents are a public utility, persons, and corporation in violation of § 393.130.1 RSMo, and accordingly are failing to do a requirement by law. Section 386.360.1 RSMo. See, *Motion for Expedited Treatment and Injunction*.

WHEREFORE, Staff prays that the Commission will, after due notice to the Respondents and a hearing:

A. Determine that Respondents have violated Commission Statute § 393.130.1 RSMo by failing to provide safe and adequate service to Customer from January 10, 2017 and continuing to the present;

B. Issue an Order authorizing its General Counsel to pursue in Circuit Court civil penalties against Respondents Mr. Mike Stoner and Ms. Denise Stoner, of up to \$2,000 per day, per violation, pursuant to § 386.570.1 RSMo, for the above identified violations; and

C. Grant such other and further relief as is just in the circumstances.

Respectfully submitted,

/s/ Jacob Westen

Jacob Westen
Deputy Counsel
Missouri Bar Number 36288
Attorney for the Staff of the
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102
573-751-54772 (Voice)
573-526-6969 (Fax)
Jacob.Westen@psc.mo.gov

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served by electronic mail on each of the parties listed in the Service List for this case maintained by the Commission's Data Center on this 20th day of January, 2017.

/s/ Jacob Westen

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

The Staff of the Missouri Public Service
Commission,

Complainant,

vs.

Case No. WC-2017 - _____

Ridge Creek Water Company, LLC,
Ridge Creek Development, L.L.C., and
Michael Stoner and Denise Stoner, individually.

Respondents.

AFFIDAVIT OF JONATHAN DALLAS

STATE OF MISSOURI

COUNTY OF COLE

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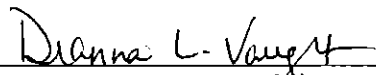
COMES NOW, Jonathan Dallas and on his oath declares that he is of sound mind and lawful age; that the averments and allegations found in Paragraphs 14, and 20 through 31 of Staff's foregoing *Verified Complaint* are true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.


Jonathan Dallas

Subscribed and sworn to be this 20th day of January, 2017.

DIANNA L. VAUGHT
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: June 28, 2019
Commission Number: 15207377


Notary Public

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

The Staff of the Missouri Public Service
Commission,

Complainant,

vs.

Ridge Creek Water Company, LLC,
Ridge Creek Development, L.L.C., and
Michael Stoner and Denise Stoner, individually.

Respondents.

Case No. WC-2017 -

AFFIDAVIT OF CURTIS B. GATELEY

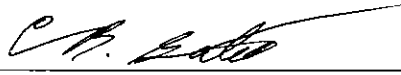
STATE OF MISSOURI

COUNTY OF COLE

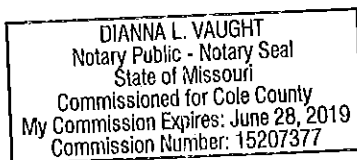
) ss
)

COMES NOW, Curtis B. Gateley and on his oath declares that he is of sound mind and lawful age; that the averments and allegations found in Paragraphs 14, and 20 through 31 of Staff's foregoing *Verified Complaint* are true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.


Curtis B. Gateley

Subscribed and sworn to be this 20th day of January, 2017.




Notary Public

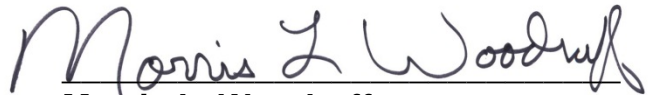
STATE OF MISSOURI

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 23rd day of January 2017.




Morris L. Woodruff
Secretary

MISSOURI PUBLIC SERVICE COMMISSION

January 23, 2017

File/Case No. WC-2017-0200

**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

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200 Madison Street, Suite 650
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Denise Stoner

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Michael Stoner

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**Ridge Creek Development,
L.L.C.**

Legal Department
20684 Lynwood Road
Waynesville, MO 65583-4604

**Ridge Creek Water Company,
LLC**

Legal Department
18499 Highway 133
Dixon, MO 65459

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.