

At a session of the Public Service Commission held at its office in Jefferson City on the 18th day of April, 2018.

File No. WC-2018-0250

Effective Date: April 28, 2018

Staff also filed a *Stipulation and Agreement* and a motion for expedited approval of that agreement. The motion for expedited treatment was denied in order to allow the full 30 days for a response from the Respondents. On April 16, 2018, Respondents filed an answer stating that they had reached an agreement with Staff as a resolution of the complaint.

The *Stipulation and Agreement* purports to be “a complete resolution of the issues . . . [.]”¹ In the *Stipulation and Agreement*, Respondents admit to violations of the portions of the Commission’s order granting BCRU a certificate of convenience and necessity to provide water and sewer service conditioned on BCRU installing water meters for all commercial customers within six months of the September 5, 2015 effective date of the order, filing a rate case within 18 months of the effective date of the order, and installing meters on all new service connections. As a remedy for these violations, BCRU agrees to file its rate case within 15 days of the Commission’s approval of the *Stipulation and Agreement* and to install all required meters within 30 days of the approval. The *Stipulation and Agreement* provides that if Respondents fail to perform under these terms or under the Commission’s order approving the agreement, the Commission’s General Counsel may at its discretion pursue any civil penalties allowed under Section 386.590, RSMo.

After reviewing the *Stipulation and Agreement*, the Commission independently finds and concludes that the *Stipulation and Agreement* is a reasonable resolution of the complaint and that it should be approved.

THE COMMISSION ORDERS THAT:

1. The *Stipulation and Agreement* filed on March 14, 2018, is approved as a resolution of the Staff of the Missouri Public Service Commission’s complaint against Branson Cedars Resort Utility Company LLC and The Tranquility Group, LLC. The signatory parties are ordered to comply with the terms of the *Stipulation and Agreement*. A copy of the *Stipulation and Agreement* is attached to this order.

2. This order shall be effective on April 18, 2018.

¹ *Stipulation and Agreement*, (filed March 14, 2018), p. 1.

3. This file shall be closed on April 28, 2018.



BY THE COMMISSION

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

Morris L. Woodruff
Secretary

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

Dippell, Senior Regulatory Law Judge

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

The Staff of the Missouri Public Service
Commission,

Complainant,

v.

Branson Cedars Resort Utility Company LLC,
and The Tranquility Group, LLC,

Respondents.

Case No. WC-2018 -

STIPULATION AND AGREEMENT

COMES NOW, the Staff of the Missouri Public Service Commission (Staff) and the Branson Cedars Resort Utility Company, LLC. (BRCU), and The Tranquility Group, LLC (Tranquility LLC; hereinafter referenced together as "the Utility"), by and through respective counsel, pursuant to Commission regulation 4 CSR 240-2.115, respectfully request that the Commission approve this *Stipulation and Agreement* (Agreement) as a complete resolution of the issues specifically addressed herein, and issue an order adopting and incorporating the term herein. In support of this Agreement, reached as the result of negotiations between, the Utility and Staff (collectively, the signatories), the signatories state and agree as follows:

SPECIFIC PROVISIONS

1. **Issues Settled:** Upon the completion of all terms of this Stipulation and Agreement, including the completion of all schedules of compliance and payment of any penalties due under the terms of this Agreement, the signatories agree and intend this Agreement to settle all issues and allegations raised within the above captioned case. Staff and the Utility recommend that the Commission accept this Agreement as a just

and fair compromise of their respective positions.

2. **Admission of Violations:** The Utility acknowledges and admits that it violated:

- a. Paragraph 2.c of the Commission's August 25, 2015, *Report and Order*,
- b. Paragraph 3 of the Commission's August 25, 2015, *Report and Order*, and
- c. BRCU Tariff P.S.C. MO No. 1, Sheet No. 27, Rule 11.A.

3. The Utility acknowledges and admits the period of time for these three violations from the dates alleged within Staff's Complaint captioned the same as this matter, until the filing of this Agreement.

4. If the Utility fails to perform under the terms of this Agreement or any subsequent Commission order approving this Agreement, the General Counsel of the Commission may at its discretion pursue any civil penalties allowable under § 386.590 RSMo, for violations admitted herein. Should Utility's fail to perform, the Utility further admits and consents to the finding and entry of civil penalties against BRCU and Tranquility LLC for the violations admitted herein, as found by a circuit court.

5. **Remedial Relief:** The Utility agrees to complete the following remedial actions within the time provided below, beginning from the effective date of any Commission order approving the Agreement:

- a. BRCU must file a rate case with the Commission in 15 days; and
- b. BRCU must install water meters on all commercial customers within 30 days of the approval of this Agreement by the Commission.
- c. Within 30 days of the approval of this Agreement by the Commission, BRCU must install water meters on all customer connections that

occurred after November 1, 2015 to the present.

General Provisions

6. This *Stipulation and Agreement* is being entered into for the purpose of disposing of the issues that are specifically addressed herein. In presenting this *Stipulation and Agreement*, none of the signatories shall be deemed to have approved, accepted, agreed, consented or acquiesced to any procedural principle, and none of the signatories shall be prejudiced or bound in any manner by the terms of this *Stipulation and Agreement*, whether approved or not, in this or any other proceeding, other than a proceeding limited to the enforcement of the terms of this *Stipulation and Agreement*, except as otherwise expressly specified herein. The signatories further understand and agree that the provisions of this *Stipulation and Agreement* relate only to the specific matters referred to in this *Stipulation and Agreement*, and no signatory waives any claim or right which it otherwise may have with respect to any matter not expressly provided for in this *Stipulation and Agreement*.

7. This *Stipulation and Agreement* has resulted from negotiations and the terms hereof are interdependent. If the Commission does not approve this *Stipulation and Agreement* in total, or approves it with modifications or conditions to which a signatory objects, then this *Stipulation and Agreement* shall be void and no signatory shall be bound by any of its provisions. The agreements herein are specific to this proceeding and are made without prejudice to the rights of the signatories to take other positions in other proceedings except as otherwise noted herein.

8. If the Commission does not unconditionally approve this *Stipulation and Agreement* without modification, and notwithstanding its provision that it shall become

void, neither this *Stipulation and Agreement*, nor any matters associated with its consideration by the Commission, shall be considered or argued to be a waiver of the rights that any signatory has for a decision in accordance with Section 536.080, RSMo 2000, or Article V, Section 18, of the Missouri Constitution, and the signatories shall retain all procedural and due process rights as fully as though this *Stipulation and Agreement* had not been presented for approval, and any suggestions or memoranda, testimony or exhibits that have been offered or received in support of this *Stipulation and Agreement* shall become privileged as reflecting the substantive content of settlement discussions and shall be stricken from and not be considered as part of the administrative or evidentiary record before the Commission for any further purpose whatsoever.

9. If the Commission unconditionally accepts the specific terms of this *Stipulation and Agreement* without modification, the signatories waive, with respect to the issues resolved herein: their respective rights (1) to call, examine and cross-examine witnesses pursuant to Section 536.070(2), RSMo 2000; (2) their respective rights to present oral argument and/or written briefs pursuant to Section 536.080.1, RSMo 2000; (3) their respective rights to the reading of the transcript by the Commission pursuant to Section 536.800.2, RSMo 2000; (4) their respective rights to seek rehearing pursuant to Section 386.500, RSMo 2000; and (5) their respective rights to judicial review pursuant to Section 386.510, RSMo Supp. 2011. These waivers apply only to a Commission order respecting this *Stipulation and Agreement* issued in this above-captioned proceeding and do not apply to any matters raised in any prior or subsequent Commission proceeding, or any matters not explicitly addressed by this

Stipulation and Agreement.

10. This *Stipulation and Agreement* contains the entire agreement of the signatories concerning the issues addressed herein.

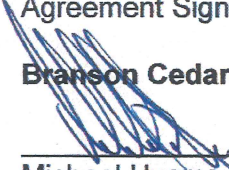
11. The intent of the signatories to this *Stipulation and Agreement* has been fully and exclusively expressed in this document and the attachments appended hereto.

12. Acceptance of this *Stipulation and Agreement* by the Commission shall not be deemed as constituting an agreement on the part of the Commission to forego the use of any discovery, investigative or other power which the Commission presently has. Thus, nothing in this *Stipulation and Agreement* is intended to impinge or restrict in any manner the exercise by the Commission of any statutory right, including the right to access information, or any statutory obligation.

SIGNATURES

Agreement Signed and Dated:

Branson Cedars Resort Utility Company, LLC



Michael Hyams
Managing Member

Feb 25, 2018
Date

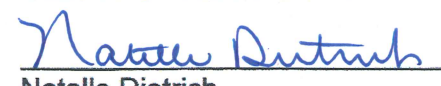
The Franquility Group, LLC



Michael Hyams
Managing Member

Feb 25, 2018
Date

Staff of the Missouri Public Service Commission



Natelle Dietrich
Staff Director, Staff of the Missouri Public Service Commission

3/1/18
Date

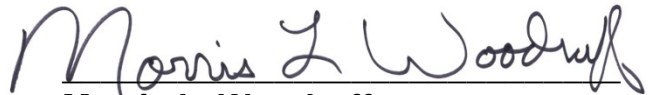
STATE OF MISSOURI

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 18th day of April 2018.




Morris L. Woodruff
Secretary

MISSOURI PUBLIC SERVICE COMMISSION

April 18, 2018

File/Case No. WC-2018-0250

**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

Branson Cedars Resort

Melissa E Bade
1949 East Sunshine, Suite 1-130
PO Box 10327
Springfield, MO 65808
mbade@nnlaw.com

Branson Cedars Resort

Judson Poppen
1949 E. Sunshine, Ste. 1-130
P.O. Box 10327
Springfield, MO 65808-0327
jpoppen@nnlaw.com

**Branson Cedars Resort Utility
Company LLC**

Melissa E Bade
1949 East Sunshine, Suite 1-130
PO Box 10327
Springfield, MO 65808
mbade@nnlaw.com

**Branson Cedars Resort Utility
Company LLC**

Judson Poppen
1949 E. Sunshine, Ste. 1-130
P.O. Box 10327
Springfield, MO 65808-0327
jpoppen@nnlaw.com

**Missouri Public Service
Commission**

Jacob Westen
200 Madison Street, Suite 800
P.O. Box 360
Jefferson City, MO 65102
jacob.westen@psc.mo.gov

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.