BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

Commission,))
Complainant, v.))) <u>File No. SC-2010-0161</u>)
Box Canyon Watershed Association, Inc., Dream Builders, LLC, Horse Trading, LLC, Canyon Treatment Facility, LLC, Super Market Merchandising & Supply, Inc., Kandis Davis, Thomas Davis, David Sanford, Curtis Butrick, and Kevin Knasel,))))
Respondents.))

STAFF'S RESPONSE TO COMMISSION'S ORDER

COMES NOW the Staff of the Missouri Public Service Commission (Staff), by and through the undersigned counsel, and respectfully provides *Staff's Response to Commission's Order* to the Commission stating the following in support thereof:

- 1. On November 24, 2009, the Staff filed a *Complaint* against the Respondents, which asserted the unlawful provision of sewer service to the public for gain in Stone County, Missouri, without certification or other authority from the Commission.
- 2. On January 21, 2010, Canyon Treatment Facility, LLC, (Canyon Treatment) filed an Application for Permission, Approval and a Certificate of Convenience and Necessity (CCN) Authorizing it to Acquire, Construct, Install, Own, Operate, Manage, and/or Maintain a Sewer System for the Public Located in Stone County, Missouri (Application case). This Application case was assigned Commission Case No. SA-2012-0219.

- 3. On March 3, 2010, in this matter, the Commission issued an *Order Granting Motion to Stay Filing of Answers* pending the resolution of Canyon Treatment's Application case.
- 4. On May 1, 2012, the Commission issued an *Order Granting Conditional Certificate of Convenience and Necessity* (Order) in Case No. SA-2010-0219, to become effective on May 31, 2012. The Order granted a CCN to Canyon Treatment. The effectiveness of the certificate, however, was conditioned on either the appointment of a receiver to oversee the daily operations of Canyon Treatment or upon a Commission- approved purchase of Canyon Treatment. The order also set the case to be closed on June 1, 2012.
- 5. On June 4, 2012, after the closing of the other case, the Commission issued an *Order Directing Staff Filing*, requiring Staff to file a pleading informing the Commission of any reason this *Complaint* should stay open. This filing complies with that directive.
- 6. As of June 15, 2012, neither of the conditions outlined in the Commission's May 1 Order have occurred to date. A receiver has not been appointed to oversee the daily operations of Canyon Treatment, nor has Canyon Treatment been purchased in a Commission-approved sale. As such, the matter is not entirely resolved.
- 7. Staff asserts that this *Complaint* should remain open until either a receiver has been appointed to oversee the daily operations of Canyon Treatment or upon the Commission-approved purchase of the company. Closing this complaint case may be part of, and typically is, part of any sale or application filing. Staff would prefer to have

the ability to include dismissal of the Complaint in any future sale proceedings or filings at this time, rather than simply to have it closed.

8. Staff further asserts that a sale is pending, but the parties involved in the Application case are still discussing this matter and hope to file something with the Commission in the near future.

WHEREFORE, Staff respectfully submits this *Response to Commission's Order* and respectfully requests the Commission keep this matter open at this time, at least until there is a receiver appointed or a sale and any other relief as it deems necessary and appropriate.

Respectfully submitted,

/s/ Rachel M. Lewis

Rachel M. Lewis Deputy Counsel Missouri Bar No 56073

Attorney for the Staff of the Missouri Public Service Commission P. O. Box 360
Jefferson City, MO 65102
(573) 526-6715 (Telephone)
(573) 751-9285 (Fax)
rachel.lewis@psc.mo.gov

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 15th day of June, 2012.

/s/ Rachel M. Lewis