

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

The Staff of the Missouri Public Service Commission,)	
)	
Complainant,)	Case No. WC-2008-_____
)	
v.)	
)	
Universal Utilities, Inc., and Nancy Carol Croasdell,)	
)	
Respondents.)	

**COMPLAINT FOR FAILURE TO PRODUCE BOOKS, ACCOUNTS, PAPERS OR
RECORDS FOR EXAMINATION**

COMES NOW the Staff of the Missouri Public Service Commission (Staff) pursuant to Section 386.390, RSMo 2000, and for its Complaint respectfully states as follows:

Complainant

1. Complainant is the Staff of the Missouri Public Service Commission (Staff), acting through the Commission’s General Counsel as authorized by Commission Rule 4 C.S.R. 240-2.070(1). A “complaint may be made. . .in writing, setting forth any act or thing done or omitted to be done by any corporation....in violation, or claimed to be in violation, of any provision of law, or of any rule or order or decision of the Commission. . . .” pursuant to Section 386.390.1 RSMo (2000).

Respondents

2. Respondent Universal Utilities, Inc., (Universal) is a Michigan domestic profit corporation in good standing, incorporated on December 28, 1995.

3. The stated nature of Universal's business on the Missouri Application for Certificate of Authority For a Foreign For-Profit Corporation is "Water sub-metering for mobile home communities and similar facilities."

4. The address of Universal's principal place of business is 5251 Fenton Road, Flint, Michigan 48507.

5. Nancy Carol Croasdell (Respondent Croasdell) is President, Vice-President, Secretary, and Treasurer of Universal. Respondent Croasdell's address is 5251 Fenton Road, Flint, Michigan 48507.

6. The name and physical address of Universal's registered agent and office in the State of Missouri is Registered Agent, Ltd., 2345 Grand Boulevard, Suite 2400, Kansas City, Missouri 64108.

Continuing Violation of the Commission's Order dated January 3, 2008

7. On September 26, 2007, Staff served 28 data requests on Universal and Respondent Croasdell.

8. Counsel for Universal and Respondent Croasdell sent a letter dated October 9, 2007, to Ms. Jennifer Heintz, objecting on eight (8) grounds to the Staff's September 26, 2007 data request.

9. On October 15, 2007, counsel for Universal and Respondent Croasdell filed its Answer in response to Staff's September 13, 2007 Complaint & Motion For Expedited Treatment.

10. On October 19, 2007, Staff filed a Motion to Compel Answers to Data Requests, asking the Commission to compel Universal and Respondent Nancy Croasdell to respond to the September 26, 2007 data requests.

11. On October 23, 2007, the Commission issued its Order Establishing Time to Respond to Motion to Compel, ordering any party wishing to reply to Staff's October 19, 2007 Motion to Compel Answers to Data Requests, to do so no later than 1:00 p.m. on October 26, 2007.

12. Counsel for Universal and Respondent Croasdell did not file a response to Staff's October 19, 2007 Motion to Compel Answers to Data Requests.

13. The Commission issued its Order Granting Staff's Motion to Compel Discovery on November 1, 2007.

14. The November 1, 2007 Order Granting Staff's Motion to Compel Discovery stated Universal and Respondent Croasdell shall answer Staff's First Set of Data Requests no later than November 8, 2007.

15. Counsel for Universal and Respondent Croasdell did not file a response to Staff's First Set of Data Requests.

16. Staff filed a Motion for Default Judgment on November 14, 2007.

17. On December 13, 2007, the Commission issued its Order Striking Answer And Entering Default Judgment As Sanction For Refusal To Comply With Discovery Order.

18. In its December 13, 2007 Order, the Commission issued a finding that Universal and Respondent Croasdell are water corporations, sewer corporations, and public utilities at each and every location they operate in Missouri.

19. Universal and Respondent Croasdell have been operating in violation of Section 393.170 RSMo (2000), by providing water and sewer services without Commission authority since January 31, 2003.

20. On December 28, 2007, Staff filed a motion asking the Commission to order Universal and Respondent Croasdell to produce books, accounts, papers, or records regarding their operations in Missouri.

21. Section 386.450 RSMo (2000) authorizes the Commission to require any public utility to produce records demanded by the Public Counsel or the Commission.

22. In its January 3, 2008 Order Compelling Universal Utilities And Nancy Carol Croasdell to Produce Books, Accounts, Papers or Records, the Commission ordered that “at 10:00 a.m. on January 7, 2008, at Room 810 of the Commission’s Offices, 200 Madison Street, Jefferson City, Missouri 65102, Universal Utilities, Inc. and Nancy Carol Croasdell shall produce any books, accounts, papers or records kept by them in any office or place within or without this state, or at their option, verified copies in lieu thereof, so that examination thereof may be made by the Commission or its Staff.”

23. On January 22, 2008, Universal and Respondent Croasdell filed Respondents’ Motion For Reconsideration of the Commission’s January 3, 2008 Order compelling production of books and papers.

24. On January 29, 2008, General Counsel for the Commission filed a petition in Boone County, Missouri, case number 08BA-CV00490, Missouri Public Service Commission v. Universal Utilities et al., arising out of the Commission’s Order Striking Answer And Entering Default Judgment As Sanction For Refusal To Comply With Discovery Order, dated December 13, 2007.

25. On February 6, 2008, Universal filed a Petition for Writ of Review in the Circuit Court of Cole County, case number 08AC-CC00129, Universal Utilities, Inc. et al v. Missouri Public Service Commission et al.

26. As of the date of this filing, Petitioner Universal has yet to file its brief in support of its Petition for Writ of Review in case number 08AC-CC00129.

27. On February 7, 2008, the Commission issued its Order denying Respondents' Motion For Reconsideration stating "the Commission has already rejected the Respondents' contention that the Commission has no jurisdiction over them....and will not revisit that issue."

28. Counsel for Universal and Respondent Croasdell were made aware of the possibility that they would be required to produce documents when Staff filed its Motion For A Commission Order Compelling Production Of Books, Accounts, Papers Or Records Of Universal Utilities, Inc., And Nancy Carol Croasdell on December 28, 2007, but made no response to Staff's motion until they filed Respondents' Motion For Reconsideration on January 22, 2008.

29. As of the date of this filing, Universal and Respondent Croasdell have yet to comply with the January 3, 2008 Order Compelling Universal Utilities and Nancy Carol Croasdell to Produce Books, Accounts, Papers or Records.

30. Pursuant to Section 386.570.1 RSMo (2000), [a]ny....public utility which violates or fails to....observe or comply with any order....of the commission in a case in which a penalty has not herein been provided for such....public utility, is subject to a penalty of not less than one hundred dollars nor more than two thousand dollars for each offense.

31. Pursuant to Section 386.570.2 RSMo (2000), in [the] case of a continuing violation each day's continuance thereof shall be and be deemed to be a separate and distinct offense.

32. The General Counsel to the Commission is authorized to bring an action to recover a penalty pursuant to Section 386.600 RSMo (2000), "in any circuit court in this state in

the name of the state of Missouri and shall be commenced and prosecuted to final judgment by the general counsel to the commission.”

33. In any action pursuant to Section 386.600 RSMo (2000), all penalties....incurred up to the time of commencing the same may be sued for and recovered therein, and the commencement of an action to recover a penalty....shall not be, or be held to be, a waiver of the right to recover any other penalty or forfeiture.

WHEREFORE, Staff requests that the Commission issue a finding that Universal and Respondent Croasdell have failed and refused to comply with the Commission’s January 3, 2008 Order Compelling Universal Utilities and Nancy Carol Croasdell to Produce Books, Accounts, Papers or Records; and authorize the General Counsel to seek penalties in the Circuit Court for Universal’s and Respondent Croasdell’s continuing violation of the Commission’s lawful order.

Respectfully Submitted,

/s/ Jennifer Hernandez

Jennifer Hernandez

Legal Counsel

Missouri Bar No. 59814

Steven C. Reed

Chief Litigation Counsel

Missouri Bar No. 40616

Attorneys for the Staff of the

Missouri Public Service Commission

P.O. Box 360

Jefferson City, MO 65102

573-751-8706 (telephone)

573-751-9285 (facsimile)

jennifer.hernandez@psc.mo.gov (e-mail)

steve.reed@psc.mo.gov (e-mail)