

TENNESSEE REGULATORY AUTHORITY

502 Deaderick Street, 4th Floor
Nashville, Tennessee 37243

MEMORANDUM

To: Docket No. 15-00118

From: Shiva Bozarth, Chief



Date: December 4, 2015

Re: Request to appoint a Hearing Officer to determine whether to initiate a show cause proceeding against MoyToy, LLC for violations of the statutes and rules regulating water utilities

Background:

Compliance Division staff asserts that MoyToy, LLC ("MoyToy") has violated the laws regulating water utilities and that these violations may require customer refunds as well as the imposition of civil penalties.

On or about May 1, 2011, MoyToy conveyed a water system on Renegade Mountain in Cumberland County, Tennessee to Laurel Hills Condominiums Property Owner's Association.

This water system serviced approximately one hundred and thirty existing residential and commercial customers. MoyToy operated this water system for an as yet undetermined period of time without a certificate of convenience and public necessity issued by the Tennessee Regulatory Authority ("TRA" or the "Authority"). MoyToy's customers were charged a rate for water usage that was not authorized or approved by the TRA. During the period in which it operated the water system MoyToy may not have provided safe, adequate, and reliable service to their customers.

At this time the full extent of MoyToy's violations and what if any refunds will be necessary is unknown. However it appears without the discovery mechanisms of a Show Cause proceeding and the enforcement mechanisms of the Authority the Compliance Division will be unable to identify and prosecute these violations

Recommendation:

The Compliance Division respectfully requests that the Authority appoint a hearing officer to determine whether to initiate a Show Cause proceeding against MoyToy for failure to comply

with various statutory and regulatory requirements of the law outlined above. The Compliance Division further requests that the hearing officer prepare this matter for hearing.