

J. Stephen Gehring, Private Citizen  
Bobby Jones, Private Citizen  
Lois Jones, Private Citizen  
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Payson, Arizona [PZ 85541]  
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In Propria Persona

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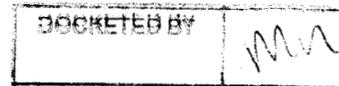
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ARIZONA CORPORATION COMMISSION  
DOCKET CONTROL

Arizona Corporation Commission

DOCKETED

APR 19 2012



**COMMISSIONERS**

Gary Pierce, Chairman  
Paul Newman, Commissioner  
Brenda Burns, Commissioner  
Bob Stump, Commissioner  
Sandra D. Kenndy, Commissioner

**Before the Arizona Corporation Commission**

J. Stephen Gehring, Bobby Jones, Lois  
Jones Private Citizens, Injured Parties,  
Complainants,

vs.

PAYSON WATER CO. INC./BROOKE  
UTILITIES INC.  
Respondents.

**DOCKET NO. W-03514A-12-0008**

**OBJECTION TO RESPONDENTS  
NOTICE OF PWC'S TREATMENT  
OF BROOKE UTILITIES, INC.  
AS A NON-PARTY TO THE  
COMPLAINT**

**NOW COMES**, the Complainants J. Stephen Gehring, Bobby Jones and Lois Jones, to object to Respondent's Notice of Payson Water Co.'s Treatment of Brooke Utilities, Inc. as a Non-Party to the Complaint.

On March 21, 2012 Respondents filed their "Motion to Delete Brooke Utilities Inc. as a Party to the Complaint.

On March 26, 2012 Complainants filed their "Response and Objection to Respondents Motion to Delete BUI as a Party to the Complaint and Motion to Deny the Deletion of BUI from the Complaint."

On March 29, 2012 Respondents filed their "Reply to Complainants Response to PWC's Motion to Delete BUI as a Party to the Complaint.

On April 7, 2012 Complainants filed their Response and Objection to Respondents Reply.

Respondents currently still argue that Brooke Utilities Inc. is not a public service corporation, does not own any Class A water utility companies and is not subject to the jurisdiction of the Commission.

Respondents have also argued that they are merely a "Holding Company", do not file Annual Reports and a host of other ridiculous arguments attempting to persuade the Commission by misrepresentation that it has

no jurisdictional or regulatory authority over BUI when in fact according to the Annual Reports filed by BUI with the Commission for 2011 and previous years they list BUI as a Utility Corporation not a Holding Company and BUI did file its Articles of Incorporation in Arizona and cannot operate water systems as a Foreign Corporation.

Brooke Utilities Inc. is incorporated in the State of Arizona and Arizona has jurisdiction over Brooke Utilities Inc. through the Arizona Corporation Commission. Both BUI and PWC are licensed and registered with the Ariz. Corp. Com. to conduct business in the State of Arizona, as UTILITIES and list their "domestic" address and residences as 1011 So. Stover Rd. in Payson, Arizona, thus subject to regulation within the State of Arizona and the jurisdiction of the Arizona Corporation Commission.

The fact remains that all Customers of the MDC System and other systems operated by BUI/PWC receive their monthly Statements and all notices from BUI not PWC. BUI entered into Water Sharing Agreements with Private Well Owners to obtain water for its Customers in the MDC System. BUI collects all Customer payments, fines and fees. All employees allegedly working for PWC are paid by BUI, wear BUI hats and shirts with the words Brook Utilities Inc. printed on them and all trucks operated by those employees. All Customers are instructed to contact the Brooke Utilities Inc Customer Service Center if they have a problem. BUI has Customers.

Brooke Utilities Inc. has been properly Joined to the action pursuant to Ariz. Rules of Civ. Pro., Rules 17 and 19 (a) for the simple fact a that the State of Arizona and the Commission have jurisdiction over all Corporations filing Articles of Incorporation in the State of Arizona.

"The burden is on the defendant to show the nonexistence of jurisdictional facts." **Russell v. Butler** (Tex Civ app) 47 S.W. 406; **Gilchrist v. Oil Land Co.**, 21 W. Va. 115. The Respondents have failed in their effort to prove that the Arizona Corporation Commission has no jurisdiction over Brooke Utilities Inc.

According to the Procedural Order of March 19, 2012:

**"any motions which are filed in this matter and which are not ruled upon by the Commission within 20 calendar days of the filing date of the motion shall be deemed denied."**

Obviously the Respondent's "Motion to Delete Brooke Utilities Inc. as a Party to the Complaint" has been deemed denied. Respondents claim that no ruling has been issued by the Commission. According to the Procedural Order the Respondents should not be perplexed by the Commission's silence on this issue. The Respondent's Motion has been clearly DENIED!

There has been no showing by the Respondents by any supportive Statute or cited Case Decision or Attorney General Opinion that the Commission does not have jurisdiction over Brooke Utilities Inc. in these proceedings or that BUI was improperly joined.

Respondents arrogantly thumb their noses at the Commission by giving the Commission Notice that:

“It (the Respondents) will proceed with its responses to the Complaint but will treat Brooke as an entity not related to the Complaint in any way; will not respond to discovery requests or questions concerning Brooke; and, will conduct its defense of the Complaint as if Brooke is a non-party to the Complaint.”

Respondent Hardcastle acts like a spoiled child who didn't get his way so he is going to do it any way.

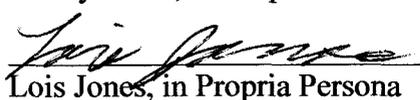
The Complainants strongly object to this arrogant conduct of the Respondents and their obvious contempt of the Commission in these proceedings and request of the Commission to compel the Respondents to proceed with Brooke Utilities Inc. as a properly joined party or suffer sanctions as a consequence pursuant to ARS § 40-424 (A)(B).

**Wherefore**, the Complainants request of the honorable Commission and its Administrative Law Judge to instruct the Respondents to proceed with Brooke Utilities Inc. as a properly joined party to these proceedings and hereafter refrain from any further misconduct and allow the Complainants to proceed further with their Complaint without any revisions whatsoever.

**Respectfully submitted** this 18<sup>th</sup> day of April, 2012

  
\_\_\_\_\_  
J. Stephen Gehring, in Propria Persona

  
\_\_\_\_\_  
Bobby Jones, in Propria Persona

  
\_\_\_\_\_  
Lois Jones, in Propria Persona

### CERTIFICATE OF SERVICE

The Original and 13 copies of the foregoing Motion have been mailed this 18<sup>th</sup> day April, 2012 to the following:

DOCKET CONTROL  
ARIZONA CORPORATION COMMISSION  
1200 West Washington Street  
Phoenix, Arizona 85007

Copies of the foregoing Motion have been mailed this 18<sup>th</sup> day April, 2012 to the following:

Bobby and Lois Jones  
7325 N. Caballero Rd.  
Payson, Az. 85541

Robert T. Hardcastle  
P. O. Box 82218  
Bakersfield, Ca. 93380

By:  \_\_\_\_\_