Decision No. R25-0902

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 25G-0289EC

COLORADO PUBLIC UTILITIES COMMISSION,

COMPLAINANT,

V.

STYLE CAR SERVICE LLC,

RESPONDENT.

RECOMMENDED DECISION ASSESSING CIVIL PENALTY AND ISSUING CEASE AND DESIST ORDER

Issued Date: December 16, 2025

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I. STATEMENT, SUMMARY, AND PROCEDURAL HISTORY[1]

A. Statement and Summary

1. This Decision sustains all counts in Civil Penalty Assessment Notice ("CPAN") No. 140765 ("the CPAN") against Style Car Service LLC ("Style Car" or "Respondent"); assesses a civil penalty; orders Respondent to cease and desist continuing the violations in the CPAN; and closes this Proceeding.[2]

B. Procedural History[3]

2. On June 27, 2025, Public Utilities Commission ("Commission") Trial Staff ("Staff") filed the CPAN against Style Car.[4]

3. On July 23, 2025, the Commission referred this matter by minute entry to an administrative law judge ("ALJ") for disposition.

4. Staff and Respondent are the only parties to this Proceeding.[5]

5. On August 4, 2025, the ALJ ordered Staff to make a filing by August 18, 2025 establishing that it properly served the CPAN on Respondent.[6]

6. On August 18, 2025, Staff filed ". . . Notice of Filing Affidavit of Erin Haislett," and Affidavit of Erin Haislett ("Affidavit") with numerous attachments.

[1] Headers and sub-headers are for ease of reference only.
[2] In reaching this Decision, the ALJ has considered all evidence and arguments presented, even those discussed briefly or not at all.
[3] Only the procedural history necessary to understand this Decision is included.
[4] Staff also intervened in the Proceeding via an intervention filing made July 14, 2025.
[5] Decision No. R25-0566-I (issued August 4, 2025) at 4.
[6] *Id*.

7. On August 21, 2025, based on the Affidavit, attachments thereto, and the prevailing authority, the ALJ found that Staff properly served the CPAN on Respondent by: sending the CPAN by certified mail to Respondent's designated agent at the address on file with the Commission for its designated agent;[7] and sending the CPAN by certified mail to Respondent's registered agent at the address on file with the Secretary of State ("Secretary") for its registered agent and to Respondent's principal business address on file with the Secretary.[8] The ALJ also found that Respondent had actual notice of the CPAN.[9]

8. Also on August 21, 2025, the ALJ scheduled a fully remote evidentiary hearing on the merits of the CPAN for October 16, 2025; established deadlines and procedures to facilitate the hearing; and required Respondent to either have counsel enter an appearance on its behalf or make a filing establishing that it may be represented by a non-attorney on or by October 1, 2025.[10]

9. On October 16, 2025, the ALJ held the evidentiary hearing as noticed. Staff appeared but Respondent did not.[11] Before starting the evidentiary portion of the hearing, Staff moved for default judgment ("verbal Motion for Default Judgment" or "verbal Motion")

[7] Decision No. R25-0609-I at 4, (issued August 21, 2025) citing Rule 6005(b) of the Commission's Rules Regulating Transportation by Motor Vehicle, 4 *Code of Colorado Regulations* ("CCR") 723-6; Affidavit at 1-2; Attachment A to Affidavit at 1; Attachment D to Affidavit at 4. *See* § 40-7-116(1)(b), C.R.S. (CPANs may be served by certified mail).

[8] Decision No. R25-0609-I at 5, citing §§ 7-90-704(1) and (2); 7-80-301; 40-7-116(1)(b), C.R.S.; Affidavit at 2-3; Attachment A to Affidavit at 4-5; Attachment B to Affidavit at 7-10; Attachment C to Affidavit at 1-2; Attachment E to Affidavit at 1.

[9] *Id*., citing Affidavit at 3; Attachment A to Affidavit at 4-5; Attachment B to Affidavit at 7-10; Attachment C to Affidavit at 1-2.

[10] *Id*. at 10-12. The referenced Decision (No. R25-0609-I) was served on Respondent through the Commission's E-Filing System ("E-Filings"), and via email at info@stylecarservices.com and gary@stylecarservices.com. *See* E-Filings' Certificate of Service for Decision No. R25-0609-I and Supplemental Certificate of Service for the same.

[11] At the start of the hearing, the ALJ took a 15-minute recess to allow Respondent additional time to appear. Respondent still did not appear, so the hearing proceeded without Respondent.

based on Respondent's failure to appear and otherwise defend against the CPAN. The ALJ denied Staff's verbal Motion from the bench. This Decision memorializes and explains that ruling.

10. During the hearing, Commission Investigators Erin Haislett ("Investigator Haislett or Ms. Haislett") and Amie Roth ("Investigator Roth" or "Ms. Roth") testified on behalf of Staff and Hearing Exhibits 100, 100C, and 101 to 105, 111, and 113 were admitted into evidence.[12]

11. To date, Respondent has made no filings in this Proceeding, including the filings required by Decision No. R25-0609-I relating to its legal representation, and has not otherwise participated in this Proceeding.

II. FACTUAL FINDINGS

12. Mr. Gary VanDriel is Style Car's Chief Executive Officer ("CEO") and a member and partner in Style Car.[13]

13. The CPAN in this case arose out of enforcement operations that Investigator Haislett directed at Denver International Airport (the "airport") on June 6, 2024. Those operations involved Commission Investigators contacting commercial motor carriers subject to the Commission's jurisdiction who are present at the airport to confirm that they have proper identification and meet other Commission requirements. Based on a prior investigation and CPAN against Respondent, Investigator Haislett suspected that Respondent may appear at the airport to pick up or drop off passengers, despite no longer having an active Commission permit or current proof of insurance on file with the Commission.[14] As a result, when she briefed Commission Investigators about the enforcement operation at the airport, she directed them to watch for Style

[12] Administrative support staff added these exhibits to the record, reflecting their admission date, October 16, 2025.
[13] Hearing Exhibit 100 at 3.
[14] *See* Hearing Exhibit 111.

Car. The airport's commercial transportation supervisor, Mr. Walker Sears, overheard this briefing, and told Investigator Haislett that he was very familiar with Style Car, and that he did not believe that Style Car would be there that day, but that Style Car is still operating out of the airport.[15]

14. Mr. Sears is familiar with Style Car based on his role managing commercial motor carriers' registrations to operate at the airport. He told Investigator Haislett that he had several exchanges with Respondent over the last few weeks or months about requirements that Style Car failed to meet. On June 6, 2024 (the same day as the enforcement operation at the airport), Mr. Sears forwarded his emails with Style Car's CEO, Mr. VanDriel, to Investigator Haislett's supervisor (Investigator Lloyd Swint), who forwarded the emails to Investigator Haislett.[16] Those emails are outlined below.

15. On April 1, 2024, Mr. Sears told Mr. VanDriel (via email) that one of Respondent's drivers (using Respondent's vehicle) just stopped at the airport to pick up a passenger; that the vehicle is not registered and or listed in Respondent's most recent Certificate of Insurance; and that none of Respondent's five registered vehicles were scanned (or read) at the airport during the 2024 calendar year.[17] Mr. Sears told Respondent to bring the vehicles to the airport to have their E-470 tags rescanned if Respondent is still using the vehicles.[18] Mr. Sears provided the details on the referenced five registered vehicles, and contact information for the person Respondent should reach out to "so that we can get your account audited for accuracy."[19] Mr. VanDriel responded five

[15] No Commission Investigator saw Style Car operating out of the airport during the enforcement operation on June 6, 2024.
[16] Hearing Exhibit 113 at 1-6.
[17] *Id.* at 5.
[18] *Id.*
[19] *Id.* at 6.

minutes later, agreeing to have the vehicles brought to the airport, noting that Respondent loses windshields every winter, requiring tags to get changed.[20]

16. On April 9, 2024, Mr. Sears spoke with Mr. VanDriel, then followed up with an email thanking Respondent for agreeing to handle the issues relating to the vehicles' tags and the "FMCSA issue" that week.[21]

17. On May 1, 2024, Mr. Sears again emailed Mr. VanDriel.[22] He noted that because "we haven't heard from you in almost a month, and due to both the lack of FMCSA or PUC authority as well as the deficiency with not having your vehicles tagged with AVI read capability . . . we will close your account at the end of May."[23] He informed Mr. VanDriel that if Respondent wishes to keep its account open, to contact Mr. Sears immediately to resolve these issues.[24]

18. On May 17, 2024, Mr. VanDriel responded to the above email, stating that he was attaching the current insurance for Respondent's vehicles, and that he would have drivers bring the vehicles that Respondent uses "by the AVI office" at the airport in the next two weeks.[25] He did not respond to Mr. Sears' statement that Respondent's account would be closed because (among other reasons), Respondent's Commission permit was expired.[26]

19. Mr. Sears responded to the above email on May 19, 2024, stating that Respondent's FMCSA authority is still inactive and that Respondent did not have a PUC permit.[27] He explained that without either of those authorities, Respondent's account would still need to be closed.[28] Mr.

[20] *Id.* at 5.
[21] *Id.* at 4. FMSCA stands for the Federal Motor Carrier Safety Administration, which is within the federal Department of Transportation.
[22] *Id.* at 3.
[23] *Id.*
[24] *Id.*
[25] *Id.*
[26] *Id.*
[27] *Id.* at 2-3.
[28] *Id.*

Sears asked Respondent to advise him of the status of these permits that same week.[29] Mr. VanDriel responded to this email five minutes later, explaining (in reference to its FMSCA permit) that Respondent is having difficulty getting its insurance company to send proof of insurance to the Department of Transportation ("DOT"), "resulting in it being inactive" and that he was working on that.[30] He did not specifically respond to Mr. Sears' statement that Respondent's account would be closed because (among other reasons), Respondent's Commission permit was expired.[31]

20. On May 21, 2024, Mr. Sears met in person with Mr. VanDriel and followed up with an email memorializing their discussion and next steps.[32] Mr. Sears explained that within the next ten days, Respondent must: (a) provide a verified and effective insurance policy covering Respondent's vehicles; (b) provide a valid DOT permit number (*i.e.,* FMSCA permit number) with active carrier authority for Respondent, or an active Commission luxury limousine permit; and (c) a schedule of when the identified five vehicles will be brought in for new stickers to be purchased and installed or for Respondent's own E470 transponders installed on the vehicles to be scanned into the airport's system.[33] Mr. Sears warned that if these items are not completed by June 1, 2024, Respondent's account would be closed and all applicable bonds will be refunded and mailed to Respondent's address at 6501 Lynn Drive, Fort Collins, Colorado 80525. Mr. Sears noted that per their discussion, Respondent "**shall not conduct any pickups at DEN, whether on Level 5 or elsewhere, until all matters are resolved. If vehicles are contacted conducting business on**

[29] *Id.*
[30] *Id.* at 2.
[31] *Id.*
[32] *See id.*
[33] *Id.*

Level 5, they are subject to being ticketed/cited as not following the Rules and Regulations for DEN Commercial Operators."[34]

21. On June 13, 2024, based on the above emails, Investigator Haislett searched Commission records to determine Respondent's current permit status. Commission records indicate that Respondent's most recent luxury limousine permit was issued on April 19, 2022, and was not renewed. [35] As a result, Respondent's Commission-issued luxury limousine permit became inactive or expired approximately one year after it was issued, on or about May 24, 2023.[36] Respondent applied to renew its permit on May 13, 2023, but that Application was rejected and dismissed.[37] Investigator Haislett explained that this happened because Style Car had not paid outstanding civil penalties assessed against it in another CPAN case, Proceeding No. 22G-0257EC ("First CPAN") (among other reasons).[38]

22. Commission records establish that Style Car's most recent evidence of financial responsibility (*i.e.*, insurance) on file with the Commission was cancelled on June 30, 2023.[39]

23. On June 12, 2024, Investigator Haislett searched DOT permit records to determine if Style Car has an active DOT permit (*i.e.*, a FMSCA permit). She explained that if Style Car had an active DOT permit and was solely transporting passengers to and from the airport, Style Car would not need a Commission permit for such operations. DOT records as of June 12, 2024

[34] *Id.* (emphasis in original).
[35] Hearing Exhibit 100 at 5.
[36] Commission records in evidence do not identify the date on which Respondent's permit went inactive. *See id.* at 2. However, Investigator Haislett testified that Style Car's last permit became inactive on May 24, 2023. This is consistent with Rule 6302(g), 4 CCR 723-6, which provides that limited regulation carrier permits are valid for one year from the permit's effective date. *See id.* at 5 (indicating that Respondent's Application was submitted on April 19, 2022); Rule 6302(g), 4 CCR 723-6.
[37] Hearing Exhibit 100 at 5.
[38] *See generally*, Hearing Exhibit 111.
[39] *Id.* at 6.

indicate that Style Car's DOT permit was placed in an "out-of-service" status on April 27, 2024.[40] Out-of-service status means that the carrier is under an out-of-service order and is not authorized to operate under the DOT authority.[41]

24. Based on all of this, Investigator Haislett determined that an undercover operation would be necessary to determine whether Style Car was operating or offering to operate in intrastate commerce without a Commission permit or active insurance on file. She asked Investigator Roth to contact Respondent to request transportation using an alias.[42]

25. On June 18, 2024, Investigator Roth contacted Respondent through its website at https://www.stylecarservices.com/#ContactUs using her alias, Jamie Smith (and her alias's email address).[43] She requested a quote for transportation with pick up in Loveland, Colorado to several other locations within the state, including Red Rocks Amphitheater ("Red Rocks"), and drop off at the starting point for a group celebration on July 19, 2024.[44] That same day, shortly after she submitted this request, Investigator Roth received a response at her alias email address from Respondent, and specifically from Mr. VanDriel.[45] The email states, "[w]e have a Lincoln limo, I am assuming that will run about 8 hours in total (4-midnight). 8 hours is $995 all inclusive. Feel free to reach out with any further questions or to make a reservation."[46]

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[40] Hearing Exhibit 102 at 1.

[41] *Id.*

[42] Investigator Haislett did not do this herself because she had already used her alias during a prior Style Car investigation.

[43] *See* Hearing Exhibits 103-104.

[44] *See* Hearing Exhibit 103. Hearing Exhibit 103 is Investigator Roth's report explaining her role in this Proceeding, including the exact message she sent to Respondent via its website and its response. She explained that she was not able to take a screenshot of the message submitted through the portal as it disappeared and no copy was provided to her once it was sent.

[45] Hearing Exhibit 104. The email is signed by "Gary" with "Style Car Service" and is from gary@stylecarservices.com. This email is identified in Commission records as an email address at which Respondent may be contacted and is the same email address that Mr. VanDriel used to communicate on Respondent's behalf with Mr. Sears. *See* Hearing Exhibit 100 at 2; Hearing Exhibit 113 at 2-5.

[46] Hearing Exhibit 104.

26. Investigator Haislett confirmed that Respondent had not obtained a Commission permit or caused proof of financial responsibility to be filed with the Commission as of June 18, 2024. Based on the foregoing, Investigator Haislett issued the CPAN. The CPAN alleges that Respondent violated §§ 40-10.1-107(1) and 40-10.1-302(1)(a), C.R.S., on June 18, 2024.[47] The CPAN asserts that based on these violations, Respondent should be assessed a civil penalty and surcharge of up to $13,915.[48]

27. As noted, Investigator Haislett became familiar with Respondent through the First CPAN. That Proceeding went to an evidentiary hearing at which Respondent appeared and participated and resulted in findings that Style Car committed 25 statutory or Rule violations.[49] Specifically, Style Car was found to have committed:

- six counts of violating Rule 6102(b)(1), 4 CCR 723-6 (failure to obtain and display annual motor vehicle identification stamps);
- one count of violating Rule 6109(a), 4 CCR 723-6 (requiring or permitting a driver to drive without having been medically examined and certified);
- one count of violating Rule 6114(i)(I), 4 CCR 723-6 (permitting a driver to drive without having first obtained a fingerprint criminal background check);
- 14 counts of violating Rule 6114(i)(II), 4 CCR 723-6 (permitting a driver who has been disqualified and prohibited from driving to drive);
- one count of violating § 40-10.1-107(1), C.R.S., (failing to maintain and file with the Commission evidence of financial responsibility); and
- two counts of violating § 40-10.1-302(1)(a), C.R.S., (operating or offering to operate as a luxury limousine carrier in intrastate commerce without a Commission permit).[50]

[47] Hearing Exhibit 105 at 1.

[48] *Id*. On the dates of the violations alleged in the CPAN, (June 18, 2024), Investigator Haislett reviewed DOT's records again to determine whether Respondent still did not have an active DOT permit. She confirmed that Respondent's DOT permit was still not active. See id. at 1.

[49] Hearing Exhibit 111 at 42, 45, 47, 50, 52, 53, 55 to 57, and 65. Hearing Exhibit 111 is Decision No. R23-0430 (issued June 29, 2023) in Proceeding No. 22G-0257EC (the First CPAN).

[50] Hearing Exhibit 111 at 42, 45, 47, 50, 52, 53, 55 to 57, and 65.

28. Based on these sustained violations, Respondent was assessed a total civil penalty and surcharge of $20,000.[51] Investigator Haislett explained that as of the hearing date (November 6, 2025), Respondent still had not paid this civil penalty.

III. FINDINGS AND CONCLUSIONS

A. Commission Authority and Burden of Proof

29. Under § 40-7-101, C.R.S., the Commission has both the authority and responsibility to enforce the provisions of article 10.1 of title 40, Colorado Revised Statutes. Commission enforcement personnel have authority to issue CPANs per § 40-7-116, C.R.S., for violations enumerated in article 10.1 of title 40, §§ 40-7-112 and -113, C.R.S., and the Commission's Rules Regulating Transportation by Motor Vehicle, 4 CCR 723-6.[52]

30. Staff bears the burden to prove by a preponderance of the evidence that Respondent committed the violations in the CPAN.[53] This standard requires the fact finder to determine whether the existence of a contested fact is more probable than its non-existence.[54] The preponderance of the evidence standard requires "substantial evidence," which is defined as such relevant evidence as a reasonable person's mind might accept as adequate to support a conclusion, and enough to justify, if the trial were to a jury, a refusal to direct a verdict when the conclusion sought to be drawn from it is one of fact for the jury.[55]

31. Based on the foregoing authority, and because the CPAN alleges violations of §§ 40-10.1-107(1) and 40-10.1-302(1)(a), C.R.S., the ALJ concludes that the Commission has

[51] *Id.* at 65.
[52] *See* §§ 40-7-113(1) and 116, C.R.S.
[53] §§ 40-7-116(1)(d)(II); § 24-4-105(7), C.R.S.; Rule 6018(c), 4 CCR 723-6; Rule 1500 of the Commission's Rules of Practice and Procedure, 4 CCR 723-1.
[54] *Swain v. Colorado Dept. of Revenue*, 717 P.2d 507 (Colo. App. 1985).
[55] *See*, *e.g.*, *City of Boulder v. Pub. Utilis. Comm'n.*, 996 P.2d 1270, 1278 (Colo. 2000) quoting *CF&I Steel, L.P. v. Pub. Utilis. Comm'n.*, 949 P.2d 577, 585 (Colo. 1997).

authority and jurisdiction over this Proceeding and the CPAN, which was lawfully issued by Commission enforcement personnel.[56]

B. Notice Requirements

32. CPANs must provide adequate notice of the alleged violations.[57] To this end, CPANs must include: the name and address of the person cited; a citation to the specific statute or rule alleged to have been violated; a brief description of the alleged violation, including the date and approximate location of the alleged violation; the maximum penalty amounts for the violation, including any surcharge imposed per § 24-34-108(2), C.R.S.; the date of the notice; a place for the respondent to sign to acknowledge receipt and liability for the CPAN and violations alleged therein; and other information as may be required by law to constitute notice of a complaint to appear for hearing if the penalty is not paid within ten days.[58]

33. The ALJ finds that the CPAN meets the above notice requirements.[59]

C. Service Requirements

34. Decision No. R25-0609-I finds that the CPAN was properly served on Respondent and that Respondent had actual notice of the CPAN.[60] That finding stands undisturbed.[61] As a result, this Decision does not discuss or evaluate service and instead relies on Decision No. R25-0609-I's ruling that the CPAN was properly served on Respondent and that Respondent had actual knowledge of it.

[56] *See* Hearing Exhibit 105; *supra*, ¶¶ 25, 26, and 29.
[57] § 40-7-116(1), C.R.S. *See* § 24-4-105(2)(a), C.R.S.
[58] § 40-7-116(1)(b), C.R.S.; Rule 6018(b), 4 CCR 723-6.
[59] *See* Hearing Exhibit 105.
[60] Decision No. R25-0609-I at 4-5.
[61] The rulings in Decision No. R-0609-I referenced above are the law of the case. *See People v. Dunlap,* 975 P.2d 723, 758 (Colo. 1999) (under the law of the case doctrine, prior relevant rulings made in the same case are to be followed unless doing so would result in error or is no longer sound due changed conditions); *Jones v. Samora*, 395 P.3d 1165, 1174 (Colo. App. 2016).

35. In addition to addressing service, Decision No. R25-0609-I provides notice of the October 16, 2025 evidentiary hearing, establishes deadlines relating to the hearing, and requires Respondent to make a filing addressing its legal representation.[62] The ALJ finds that the Commission properly served Decision No. R25-0609-I on Respondent by serving Respondent with the Decision via E-Filings, and emailing it to Respondent at info@stylecarservices.com (an email address on file with the Commission for Respondent) and gary@stylecarservices.com (the email address on file with the Commission records for Respondent's registered agent).[63] As such, Respondent had actual notice of the October 16, 2025 hearing and all obligations that Decision No. R25-0609-I placed on Respondent.

D. CPAN Counts

36. The CPAN's Count Two ("Count 2") charges Respondent with violating § 40-10.1-302(1)(a), C.R.S., on June 18, 2024 for operating or offering to operate as a limited regulation carrier in intrastate commerce without a valid Commission permit by offering limousine service to take place on July 19, 2024 to Red Rocks, with a quoted cost of $995.[64]

37. As relevant here, § 40-10.1-302(1)(a), C.R.S., provides that no one may operate or offer to operate a luxury limousine in intrastate commerce without first having obtained a permit therefor from the Commission. Intrastate commerce means transportation, other than interstate commerce (*i.e.*, commerce between states), for compensation by a motor vehicle over public highways between points in Colorado.[65] Luxury limousine service is a specialized, luxurious transportation service provided by a luxury limousine carrier with great comfort, quality, and ease

[62] Decision No. R25-0609-I at 10-12.
[63] *See* Rule 1205(a) and (b), 4 CCR 723-1; Hearing Exhibit 100 at 3-4; E-Filings' Certificate of Service and Supplemental Certificate of Service for Decision No. R25-0609-I.
[64] Hearing Exhibit 105 at 1.
[65] Rule 6001(mm), 4 CCR 723-6.

of use not ordinarily available from common carriers, on a prearranged, charter and contract basis before service is provided.[66] Under § 40-10.1-301(7), C.R.S., a luxury limousine is a chauffeur-driven, luxury motor vehicle as defined by Commission Rule. As relevant here, Rule 6305 defines a luxury limousine as a stretched limousine or executive car with four doors that is a sedan, crossover, or sport utility vehicle manufactured by Lincoln and others.[67] Those providing luxury limousine service are limited regulation carriers under Commission rules and relevant statutes.[68]

38. The preponderance of the evidence establishes that on June 18, 2024, Respondent, through its CEO, member, and partner, Mr. VanDriel, offered to provide intrastate transportation for compensation over public highways solely within Colorado using a Lincoln limousine.[69] The evidence also establishes that the service offered is luxury limousine service as contemplated by the above authorities. In addition, the preponderance of the evidence establishes that Respondent did not have an active Commission luxury limousine permit to provide luxury limousine service when it offered to do so on June 18, 2024.[70] For the reasons and authorities discussed, the ALJ finds that the preponderance of the evidence establishes that on June 18, 2024, Respondent offered to operate as a limited regulation carrier, (*i.e.*, a luxury limousine carrier), in intrastate commerce without a valid Commission permit. As such, the ALJ finds that Staff met its burden to prove by a preponderance of the evidence that Respondent committed the violation alleged in CPAN Count 2. CPAN Count 2 is sustained.

[66] § 40-10.1-301(8), C.R.S.; Rule 6301(e), 4 CCR 723-6.
[67] Rule 6305(a)(I), and (II)(A), 4 CCR. 723-6.
[68] Rule 6001(pp), 4 CCR 723-6.
[69] Hearing Exhibits 103-104; *supra*, ¶ 25.
[70] Hearing Exhibits 100 and 103-104. *See supra*, ¶ 21, 23, 26. The evidence also establishes that Respondent did not have active Commission permit on or by the date the offered limousine service was to occur, July 19, 2024.

39. CPAN Count One ("Count 1") charges Respondent with violating § 40-10.1-107(1), C.R.S., on June 18, 2024 for failing to maintain and file evidence of financial responsibility because Respondent's last proof of insurance was canceled on June 30, 2023.[71]

40. Section 40-10.1-107(1), C.R.S., requires motor carriers to "maintain and file" with the Commission evidence of financial responsibility in such sum and for such protection as the Commission may require. Since the evidence establishes that Respondent offered to operate as a limited regulation carrier on June 18, 2024, Respondent was bound by the financial responsibility requirements in § 40-10.1-107(1), C.R.S., on June 18, 2024.

41. The preponderance of the evidence establishes that Style Car's most recent evidence of financial responsibility (*i.e.*, insurance) on file with the Commission was cancelled on June 30, 2023.[72] For the reasons and authorities discussed, the ALJ finds that the preponderance of the evidence establishes that as of June 18, 2024, Style Car did not have active proof of financial responsibility on file with the Commission. As such, the ALJ finds that Staff met its burden to prove by a preponderance of the evidence that Respondent committed the violation alleged in CPAN Count 1. CPAN Count 1 is sustained.

E. Civil Penalty Assessment and Cease and Desist

42. Having adjudicated Respondent liable for the violations alleged in the CPAN, the ALJ considers the appropriate civil penalty to assess. As to Count 1, the Commission may assess a civil penalty up to $11,000, with a maximum statutory 15 percent surcharge of $1,650 for failing to maintain the required proof of financial responsibility.[73] As to Count 2, the Commission may assess a civil penalty up to $1,100, with a maximum statutory 15 percent surcharge of $165 for

[71] Hearing Exhibit 105 at 1.
[72] Hearing Exhibit 100 at 6. *See supra*, ¶ 22.
[73] §§ 40-7-113(1)(a); 24-34-108(2), C.R.S. *See* Hearing Exhibit 105.

operating as a limited regulation carrier without a permit, in violation of § 40-10.1-302(1)(a), C.R.S.[74] Thus, the Commission may assess a maximum civil penalty of $12,100 for the CPAN's violations, and Respondent may be required to pay up to $1,815 in estimated applicable statutory surcharges on the assessed penalty amount, for a total of $13,915 (inclusive of the maximum possible statutory surcharges).[75]

43. In determining the appropriate civil penalty, the Commission considers evidence relating to the nature, circumstances, and gravity of the violation; the degree of respondent's culpability; respondent's history of prior offenses; respondent's ability to pay; respondent's good faith efforts to achieve compliance and to prevent future similar violations; the effect of a penalty on respondent's ability to continue in business; the size of respondent's business; and such other factors as equity and fairness may require.[76]

44. This case presents numerous aggravating factors, and there is no evidence of mitigating factors, such as good-faith compliance efforts, inability to pay, or voluntary cessation of operations prior or after the CPAN was issued. As to aggravating factors, Respondent's history of committing the same statutory violations at issue here, and violating other Commission Rules raise serious concerns.[77] Indeed, approximately one year before the CPAN's violations, Respondent was adjudicated liable for two counts of violating § 40-10.1-302(1)(a), C.R.S., one count of violating § 40-10.1-107(1), C.R.S., and 22 counts of violating Commission Rules.[78] The Commission assessed a civil penalty and surcharge of $20,000 for those violations on June 29,

[74] §§ 40-7-113(1)(a) and (b); 24-34-108(2), C.R.S. *See* Hearing Exhibit 105.
[75] *See* §§ 40-7-113(1)(b); 24-34-108(2), C.R.S.
[76] Rule 1302(b), 4 CCR 723-1.
[77] Hearing Exhibit 111 at 42, 45, 47, 50, 52, 53, 55 to 57, and 65. *See supra*, ¶ 27.
[78] Hearing Exhibit 111 at 42, 45, 47, 50, 52, 53, 55 to 57, and 65. *See supra*, ¶ 27.

2023.[79] Even though Respondent was assessed a hefty penalty for its past violations, the evidence established that Respondent did not cease violating the two statutes at issue here. As of the time of the hearing, Respondent still had not paid the assessed penalty and surcharge from the First CPAN. Commission records do not indicate that Respondent made additional attempts to renew its permit (or obtain a new permit) after Respondent's renewal Application was dismissed.[80] Mr. VanDriel's emails with Mr. Sears remove any doubt that Respondent had actual knowledge that its Commission permit was expired and inactive shortly before Respondent committed the violations at issue here.[81] Respondent's knowing and continuing statutory violations warrant a significant penalty. For the same reasons, the ALJ finds that the evidence supports issuing a cease-and-desist order to prevent continued or future violations, as permitted by § 40-10.1-112(1), C.R.S.[82]

45. Having considered evidence on the factors in Rule 1302(b), 4 CCR 723-1, the evidence as a whole, and the relevant law, the ALJ assesses Respondent the maximum civil penalty and maximum applicable statutory surcharge for the violations in the CPAN and orders Respondent to immediately cease and desist violating §§ 40-10.1-107(1) and 40-10.1-302(1)(a), C.R.S. The ALJ finds that the assessed penalty and surcharge and this Decision's cease and desist order are necessary to encourage Style Car's future compliance with statutes and Commission rules and are appropriate in light of the circumstances, particularly the aggravating factors discussed above.

[79] Hearing Exhibit 111 at 1 and 65.
[80] *See* Hearing Exhibit 100 at 5-6.
[81] Hearing Exhibit 113 at 2-3. Mr. Sears twice points out to Mr. VanDriel that Respondent does not have an active Commission permit in their email exchanges. *Id.*
[82] *See* § 40-10.1-112(1), C.R.S.; Hearing Exhibit 105 at 1 (warning that the Commission may issue a cease-and-desist order upon proof of any violation alleged in the CPAN).

F. Staff's Verbal Motion for Default Judgment

46. As noted, before starting the evidentiary portion of the hearing, Staff verbally moved for default judgment against Respondent and asked that the hearing be vacated. Staff stated that if its verbal Motion is granted, it would promptly file a written motion for default judgment, supporting affidavits that comply with Rule 55(b) of the Colorado Rules of Civil Procedure ("C.R.C.P." or the "Rules of Civil Procedure"),[83] and C.R.C.P. 121, §§ 1-14, and a proposed order and judgment.

47. In support, Staff argued that Commission Rule 1001, 4 CCR 723-1 allows the ALJ to rely on C.R.C.P. 55 to grant default judgment.[84] Staff argued that under Rule 1001, an ALJ may seek guidance from or employ the Rules of Civil Procedure when not inconsistent with Title 40 of the Colorado Revised Statutes ("Title 40") or the Commission's Rules of Practice and Procedure ("Rules of Practice and Procedure"). Staff asserted that under C.R.C.P. 55(a), default judgment may be entered when a party against whom a judgment for affirmative relief is sought fails to plead or otherwise defend as provided by the Rules of Civil Procedure, and that fact is made to appear by affidavit or otherwise. Staff argued that default is appropriate here because Respondent failed to appear at the hearing, failed to make a filing addressing its legal representation by the ordered deadline, and failed to appear at any point in the Proceeding. Staff argued that if its verbal Motion is granted, it would file affidavits establishing that venue is proper; that Respondent is a business; and that Respondent is not a minor, incapacitated, officer or agency of the state, or active in

[83] Rule 1004(h), 4 CCR 723-1, defines references to the Colorado Rules of Civil Procedure within the Commission's Rules of Practice and Procedure to mean the 2012 edition of the Colorado Revised Statutes. As such, the ALJ construes Staff's references to the Rules of Civil Procedure as citing the 2012 version of those Rules. For the same reasons, all references, citations, and discussion of the Rules of Civil Procedure in this Decision are to the 2012 version of those Rules.

[84] Rule 1001, 4 CCR 723-1.

military service. Staff also relied on Decision No. R25-0609-I, which finds that Staff properly served the CPAN on Respondent. Staff argued that entering default judgment and vacating the hearing would serve judicial economy and conserve resources.

48. For the reasons discussed below and during the hearing, the ALJ denies Staff's verbal Motion.

49. To give effect to the legislature's intent, words and phrases should be given effect according to their plain and ordinary meaning.[85] A statute must be construed as a whole, and given consistent, harmonious, and sensible effect to all its parts.[86] Along these same lines, the several parts of a statute reflect light upon each other.[87] The ALJ applies these principals in interpreting § 40-7-116, C.R.S., below.

50. Under Rule 1001's plain language, the Commission may seek guidance from or employ the Rules of Civil Procedure only where "not otherwise inconsistent with" Title 40 and the Rules of Practice and Procedure.[88] The primary basis for default judgment under C.R.C.P. 55(a) is that the party against whom judgment is sought "has failed to plead or otherwise defend as provided by these rules."[89] C.R.C.P. 4(c), in turn, obligates a defendant to plead or otherwise defend against a complaint and warns that failure to do so may result in default judgment against the defendant. Indeed, C.R.C.P. 4(c) generally requires complaints to be served with a summons that must ". . . be directed to the defendant . . . state the time within which the defendant is required to appear and defend" against the complaint and must, "notify the defendant that in case of the

[85] *In re Marriage of Davisson,* 797 P.2d 809, 810 (Colo. App. 1990).
[86] *People v. Bowman,* 812 P.2d 725, 728 (Colo. App. 1991); *see* § 2-4-201(1)(b), C.R.S.
[87] *People ex rel. v. Dunbar,* 493 P.2d 660, 665 (Colo. 1972).
[88] Rule 1001, 4 CCR 723-1.
[89] C.R.C.P. 55(a).

defendant's failure to do so, judgment by default may be rendered against the defendant."[90] As a result, C.R.C.P. 55 allows for default judgment against a party who has an affirmative obligation imposed by C.R.C.P. 4(c) to plead or otherwise defend against a complaint and who has been warned that failing to do so may result in default judgment.

51. Nothing in the Commission's Rules of Practice and Procedure, the relevant provisions of Title 40, or in Staff's application of those provisions[91] establish or even imply a similar affirmative obligation on a respondent to plead or defend against a CPAN filed per § 40-7-116, C.R.S., or risk default judgment. Rather, § 40-7-116, C.R.S., contemplates a different approach. Section 40-7-116(1)(c) and (d)(I), C.R.S., allow a respondent to pay the CPAN's prescribed penalty within 10 days after its issuance, and failing that, converts the CPAN into a complaint to appear before the Commission. Thus, unlike the summons and complaint process contemplated by the Rules of Civil Procedure, under Title 40, under the plain statutory language in § 40-7-116, C.R.S., when a respondent is served with a CPAN, it is not a complaint and may never become one.

52. A CPAN only becomes a complaint when a respondent does not pay the CPAN's prescribed penalty within 10 days.[92] In that circumstance, § 40-7-116(1)(d)(I), C.R.S., requires a respondent to contact the Commission by the time and date in the CPAN to schedule a hearing "on the merits" per § 40-6-109, C.R.S.,[93] and provides that if the respondent fails to do so, the

[90] C.R.C.P. 4(c).

[91] The CPAN itself does not address the differences between the statutory scheme under § 40-7-116, C.R.S., and the obligations imposed on defendants through C.R.C.P. 4. For example, the CPAN includes no language indicating or even implying that the Respondent has an affirmative obligation to plead or defend against the CPAN or risk default judgment. *See* Hearing Exhibit 105 at 1-3.

[92] § 40-7-116(1)(d)(I), C.R.S.

[93] Section 40-6-109, C.R.S., outlines processes for hearings before the Commission, and does not speak to default judgment.

Commission will schedule a hearing on the CPAN. Thus, even when a respondent does nothing § 40-7-116(1)(d)(I), C.R.S., contemplates the matter being scheduled for a hearing. Section 40-7-116(1)(d)(II), C.R.S. reflects further light on this provision,[94] stating "[a]t the hearing, the commission has the burden of demonstrating a violation by a preponderance of the evidence." This statute places no prerequisites on Staff's burden to demonstrate a violation at hearing; nor does it state or imply that Staff is free from the burden to demonstrate a violation through evidence presented "[a]t the hearing" if a respondent fails to plead, defend against the CPAN, or fails to appear at the hearing.[95] Reading these provisions together, in harmony, consistent with their plain statutory language and the light they reflect on each other, the ALJ concludes that § 40-7-116(1)(d)(II), C.R.S., requires Staff to prove a violation by a preponderance of the evidence "[a]t the hearing" even when a respondent does nothing in the proceeding, including failing to appear.[96]

53. In contrast to § 40-7-116(1)(d)(II), C.R.S., a party seeking default judgment under C.R.C.P. 55, is not required to prove a claim by the preponderance of the evidence.[97] C.R.C.P. 55(b)'s requirements to submit information and affidavits under C.R.C.P. 121, 1-14 do not bridge this significant deviation between to § 40-7-116(1)(d)(II), C.R.S., and default judgment under the Rules of Civil Procedure. To start, nothing in § 40-7-116, C.R.S., contemplates Staff meeting its burden to prove a violation through affidavits. Rather, the plain statutory language requires that Staff demonstrate a violation at the hearing on the CPAN.[98] Assuming *arguendo* that Staff may

[94] *People ex rel. v. Dunbar,* 493 P.2d at 665 (parts of a statute reflect light on each other).
[95] § 40-7-116(1)(d)(II), C.R.S.
[96] § 40-7-116(1)(d)(II), C.R.S. *See supra*, ¶ 49.
[97] § 40-7-116(1)(d)(II), C.R.S. *See generally*, C.R.C.P. 55 and 121, 1-14. However, C.R.C.P. 121(2), gives the court discretion to schedule a hearing or require further documentation or proof, but does not state whether this relates to proof that default judgment is proper under the Rules or proof as to the merits of the claims alleged in the complaint. In contrast, as noted above, under the plain language of § 40-7-116(1)(d)(II), C.R.S., proof of a *violation* is presented at the hearing.
[98] § 40-7-116(1)(d)(II), C.R.S. *See In re Marriage of Davisson,* 797 P.2d at 810.

meet its burden through affidavits, the only affidavit touching on the merits of a complaint's claims that C.R.C.P. 121, 1-14 requires is an affidavit establishing the amount of damages and interest sought.[99] In the CPAN context, this would be an affidavit speaking to the dollar amount of the penalty and surcharge sought. An affidavit establishing the CPAN's penalty and surcharge amounts does not meet Staff's burden to "prove a violation by a preponderance of the evidence," as required by § 40-7-116(1)(d)(II), C.R.S.

54. For the reasons and authorities discussed, the ALJ concludes that applying C.R.C.P. 55 to grant default judgment against a CPAN respondent is inconsistent with the requirement in § 40-7-116(1)(d), C.R.S., that Staff must prove a violation by a preponderance of the evidence at the hearing on the CPAN; and with § 40-7-116, C.R.S.'s statutory scheme, which does not contemplate or impose an obligation on a CPAN respondent to plead or defend against a CPAN or risk default judgment.[100] As such, the ALJ concludes Rule 1001 does not authorize the Commission to employ C.R.C.P. 55 to grant default judgment in this Proceeding.[101] For the above reasons and those discussed during the hearing, Staff's verbal Motion for Default Judgment is denied.

[99] C.R.C.P. 121, 1-14(1)(d). *See generally*, C.R.C.P. 121 1-14(1)(a) to (d).

[100] There may be other aspects of the Rules of Civil Procedure relevant to default judgment that could be incompatible with Title 40 or the Rules of Practice and Procedure (*e.g.,* whether service of process under C.R.C.P. 4 is consistent with service required by § 40-7-116, C.R.S., and whether C.R.C.P. 8's pleading requirements are consistent with CPAN's pleading requirements under § 40-7-116, C.R.S. and the CPAN itself). During the hearing, the ALJ made a comment implying that it may be possible for Staff to amend its processes to more closely align with those contemplated by the Rules of Civil Procedure to obtain default judgment. This initial assessment is incorrect. Process changes cannot negate or override the plain statutory language in § 40-7-116(1)(d)(II), C.R.S., that "at hearing," Staff has the burden to demonstrate a violation by the preponderance of the evidence. *See In re Marriage of Davisson,* 797 P.2d at 810.

[101] Rule 1001, 4 CCR 723-1.

55. In accordance with § 40-6-109, C.R.S., the ALJ transmits to the Commission the record in this proceeding along with this written recommended decision and recommends that the Commission enter the following order.

IV. ORDER

A. The Commission Orders That:

1. Consistent with the above discussion, Style Car Service LLC ("Style Car") is adjudicated as having committed the violations in Civil Penalty Assessment Notice No. 140765 ("the CPAN") in this Proceeding.

2. Style Car is assessed a civil penalty of $11,000, plus the applicable statutory surcharge for CPAN Count One, and a civil penalty of $1,100, plus the applicable statutory surcharge for CPAN Count Two, totaling $13,915.[102]

3. Style Car must pay to the Commission the assessed civil penalty and applicable surcharges within 30 days of the date that this Recommended Decision becomes the decision of the Commission, if that is the case.

4. Style Car is hereby ordered to immediately cease and desist violating §§ 40-10.1-107(1) and 40-10.1-302(1)(a), C.R.S., (2025).

5. Style Car is required to work with Public Utilities Commission Staff ("Staff") to pay the assessed amounts.

6. This Proceeding is closed.

[102] The Executive Director of the Department of Regulatory Agencies imposes the applicable statutory surcharge when Respondent pays the assessed penalty, consistent with § 24-34-108(2), C.R.S. As of this Decision's issuance, the total amount due is estimated to be $13,915, comprised of $12,100 for the total assessed civil penalty, and an estimated $1,815 for the total applicable surcharge (15 percent of the assessed penalty amount). *See* §§ 40-7-113(1)(a) and (b); 24-34-108(2), C.R.S.; Hearing Exhibit 105.

7. The Recommended Decision shall be effective on the day it becomes the Decision of the Commission, if that is the case, and is entered as of the date above.

8. As provided by § 40-6-106, C.R.S., copies of this Recommended Decision shall be served upon the parties, who may file exceptions to it.

a. If no exceptions are filed within 20 days after service or within any extended period of time authorized, or unless the recommended decision is stayed by the Commission upon its own motion, the recommended decision shall become the decision of the Commission and subject to the provisions of § 40-6-114, C.R.S.

b. If a party seeks to amend, modify, annul, or reverse a basic finding of fact in its exceptions, that party must request and pay for a transcript to be filed, or the parties may stipulate to portions of the transcript according to the procedure stated in § 40-6-113, C.R.S. If no transcript or stipulation is filed, the Commission is bound by the facts set out by the administrative law judge; and the parties cannot challenge these facts. This will limit what the Commission can review if exceptions are filed.

9. If exceptions to this Decision are filed, they shall not exceed 30 pages in length, unless the Commission for good cause shown permits this limit to be exceeded. Responses to exceptions are due within seven days of the date exceptions are served.

(S E A L)

ATTEST: A TRUE COPY

Rebecca E. White,
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

MELODY MIRBABA

Administrative Law Judge