

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

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IN THE MATTER OF THE)
APPLICATION OF CANAAN)
SPRINGS WATER COMPANY) DOCKET NO. 08-2498-01
FOR A CERTIFICATE OF)
PUBLIC CONVENIENCE AND)
NECESSITY.)
)
)

TRANSCRIPT OF HEARING PROCEEDINGS

HELD AT: Public Service Commission
160 East 300 South, Room 451
Salt Lake City, Utah

DATE: November 12, 2008

TIME: 9:27 a.m.

REPORTED BY: RENEE L. STACY, CSR, RPR

A P P E A R A N C E S

ADMINISTRATIVE LAW JUDGE:

RUBEN ARREDONDO

FOR CANAAN SPRINGS WATER COMPANY:
(By phone)

KENDRICK J. HAFEN
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FOR THE DIVISION OF PUBLIC UTILITIES:

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I N D E X

WITNESS: RONALD SLUSHER

Direct Examination by Ms. Schmid 5

E X H I B I T S

Exhibit No.	Received
DPU Exhibit 1	6

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November 12, 2008
9:27 a.m.

P R O C E E D I N G S

JUDGE ARREDONDO: This is a Public Service Commission hearing regarding the application of Canaan Springs Water Company for a certificate of convenience and necessity to operate as a public utility rendering culinary water service, Docket No. 08-2498-01. And I'm Ruben Arredondo, the ALJ assigned by the Commission to hear this matter.

Notice of this hearing was issued by the Commission October 29th, 2008.

So let's go ahead and take appearances.
Mr. Hafen, why don't we have you go ahead.

MR. HAFEN: Kendrick Hafen, appearing for Canaan Springs Water Company.

JUDGE ARREDONDO: All right. Thank you.
Ms. Schmid?

MS. SCHMID: Patricia E. Schmid with the Attorney General's Office, representing the Division of Public Utilities.

JUDGE ARREDONDO: Thank you. And then do you have your witness with you as well?

MS. SCHMID: Yes. Ron Slusher from the

1 Division of Public Utilities.

2 JUDGE ARREDONDO: All right. Thank you.

3 So the purpose of this hearing is basically to hold
4 the hearing in the application for Canaan Springs,
5 application for their certificate.

6 The Commission will take administrative
7 notice of the application and all supporting
8 documents filed together with the application.

9 And, Ms. Schmid, would you like to have
10 your witness sworn in?

11 MS. SCHMID: Yes, I would, please. The
12 Division would like to call as a witness Mr. Ron
13 Slusher. Could he please be sworn?

14 JUDGE ARREDONDO: He can.

15 RONALD SLUSHER
16 called as a witness and sworn, was examined and
17 testified follows:

18 JUDGE ARREDONDO: Okay. Mrs. Schmid, I'll
19 turn the time over to you.

20 MS. SCHMID: Thank you.

21 DIRECT EXAMINATION

22 BY MS. SCHMID:

23 Q Mr. Slusher, by whom are you employed?

24 A The Division of Public Utilities, State of
25 Utah.

1 Q In what capacity?

2 A I am a data -- or a technical consultant.

3 Q And your business address?

4 A Is 160 East 300 South, Heber Wells
5 Building, Fourth Floor, Salt Lake City, Utah 84114.

6 Q Have you been involved on behalf of the
7 Division in this matter?

8 A Yes, I have.

9 Q Do you have -- did you cause -- did you
10 prepare or cause to be prepared a memorandum dated
11 September 9th, 2008, entitled "Issuance of a
12 Certificate of Public Convenience and Necessity
13 (CPCN) to Canaan Springs Water Company, Case Number
14 08-2498-01"?

15 A I did.

16 MS. SCHMID: The Division would request
17 that this memorandum be marked as DPU Exhibit 1, and
18 we would request that it be accepted into evidence.

19 JUDGE ARREDONDO: Okay. We'll go ahead and
20 accept that DPU Exhibit 1 into evidence.

21 (Whereupon DPU Exhibit 1 was received into
22 evidence.)

23 MS. SCHMID: Thank you.

24 Q Mr. Slusher, do you have a brief statement
25 that you would like to give this morning?

1 A Sure. I reviewed the information that
2 Canaan Springs sent in through Mr. Hafen for their
3 application on CPCN, and after reviewing the
4 information they sent in with their proposed tariff,
5 I submitted a memorandum to the Commission that they
6 accept their application for CPCN.

7 Q You noted that the rates established are
8 not sufficient to cover all the expenses. Is it your
9 belief that the developer is going to subsidize the
10 proposed rates until the company is a stand-alone
11 company?

12 A Based on the application information, that
13 is correct.

14 Q Do you have -- is there a question about
15 the billing cycle that was left open?

16 A Yes. Reviewing this this morning, I could
17 not find a billing cycle as to if they were going to
18 bill quarterly or monthly, so we need to clarify
19 that.

20 JUDGE ARREDONDO: Do you know anything
21 about that, Mr. Hafen? Did you hear his --

22 MR. HAFEN: Yes. I believe -- I'm not
23 positive, but I believe the billing cycle is
24 quarterly.

25 JUDGE ARREDONDO: Okay.

1 MS. SCHMID: With that, the Division has no
2 more questions for Mr. Slusher and he's available for
3 cross examination.

4 JUDGE ARREDONDO: Okay. Mr. Hafen, would
5 you like to cross examine Mr. Slusher?

6 MR. HAFEN: I have no questions, your
7 Honor.

8 JUDGE ARREDONDO: All right. Thank you.
9 Then we'll go ahead and receive Mr. Slusher's
10 testimony into evidence, along with DPU Exhibit 1.
11 Would you like to add anything, Mr. Hafen?

12 MR. HAFEN: No, your Honor. I believe that
13 is -- everything has been said that needs to be said.

14 JUDGE ARREDONDO: Okay. Thank you. Then
15 the Commission will take this matter under advisement
16 and issue an order shortly on that CPCN. Thank you.

17 MR. HAFEN: Thank you, your Honor.

18 MS. SCHMID: Thank you.

19 (Whereupon the taking of the hearing was
20 concluded at 9:32 a.m.)

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STATE OF UTAH)
) ss.
COUNTY OF SALT LAKE)

I, RENEE L. STACY, Certified Shorthand Reporter, Registered Professional Reporter and Notary Public for the State of Utah, certify:

That the foregoing transcript, consisting of Pages 1 to 8, was stenographically reported by me at the time and place hereinbefore set forth; that the same was thereafter reduced to typewritten form, and that the foregoing is a true and correct transcript of those proceedings.

I further certify that I am neither counsel for nor related to any party to said action nor in anywise interested in the outcome thereof.

IN WITNESS WHEREOF, I have subscribed my name and affixed my seal this 18th day of November, 2008.

RENEE L. STACY, CSR, RPR
Notary Public in and for the
County of Salt Lake, State of Utah

My Commission Expires:

November 9, 2011

