

March 8, 2010

Brett Scharffs

DELIVERED BY HAND TO TRACY TANNER'S HOUSE and via e-mail,

Tracy Tanner

Re: In the Matter of the Request for a Rate Increase of Hidden Creek Water Company
Docket No. 09-2440-01, Report and Order

Dear Tracy:

On March 5, 2010 we received an invoice from the Hidden Creek Water Company, dated 3/1/2010, and postmarked March 3, 2010, which included a Report and Order of the Public Service Commission of Utah, dated February 9, 2010, in the above-captioned matter.

We are shocked and distressed with the proposed rate increase, and intend to file a request for agency review or rehearing by the deadline stipulated in the Report and Order.

I am writing to request that you provide the following information at your earliest convenience, but in no event later than 5:00 p.m. tomorrow, Tuesday, March 9, 2010. Please deliver it directly to our home, which as you know is located at 944 Hobble Creek Canyon Road.

I apologize that this request for information has such a quick turn-around time, but it appears that our request to the Public Service Commission of Utah must be submitted within a few days and, as you know, we just received a copy of the Report and Order from you a few days ago.

Please note that most of the requested information is not included on the Commission's web site that you referenced in your "Dear Customer" letter, dated March 1, 2010. We believe we have a legal right to review all of these materials, and believe it is essential that we receive all of this information before we can respond in a complete way to the Report and Order.

Please provide the following information:

1. A list of the names, addresses, phone numbers and e-mail addresses of all customers of Hidden Creek Water Company, including lot holders who have not yet built. We will only use this information in

connection with correspondence and communications arising in relation to the Report and Order and our effort to pursue a request for agency review or rehearing.

2. A copy of the Hidden Creek Water Company request to the Public Service Commission for a rate increase made in connection with this Report and Order, as well as any other similar rate increase requests made with any government agency over the past ten years, together with all supporting documentation prepared or submitted by you or the Water Company, or on you or its behalf, in connection with this request or these requests.
3. A copy of the Division's recommendation, dated December 31, 2009, relating to the Report and Order, as well as any preliminary versions of that recommendation, together with all supporting documentation relating to the Division's recommendation, in your possession. Included in this request is any correspondence or information you provided the Division on preliminary or draft versions of the Division's recommendation.
4. A copy of all correspondence between the Hidden Creek Water Company, or its representatives, or you, or your representatives, with the Public Service Commission of Utah, or any other governmental agency, with respect to this or related matters, since the date we purchased our lot from you in October 1997.
5. A copy of all invoices from Hidden Creek Water Company to us over the past ten years (beginning January 1, 2000).
6. An analysis of what our system fees and water usage fees would have been for each month of the past three years (2007, 2008, 2009) if the proposed rate structure had been in effect at those times.
7. A copy of any and all analyses that Hidden Creek Water Company has made since January 1, 2000 comparing water rates of the Water Company with other water systems.
8. A copy of the CCRs of Mountain Air Estates, as in effect at the time we purchased our lot, and at all times since then, including those currently in effect.
9. A copy of the purchase agreement for our lot.
10. A copy of the title to our property.
11. A copy of all documentation relating to the conversion in 2000 of the Water Creek from a non-profit to a for-profit corporation.
12. A copy of all correspondence between the Water Company and any customers of the Water Company relating to customer complaints about rate or service problems, since we purchased our lot in October 1997.
13. A copy of documents relating to the testing of water quality of our home, together with the dates of such water tests, and any reports submitted to any governmental agency in relation to that testing, since we purchased our lot in October 1997.

14. A copy of the annual profit and loss statements, balance sheets, and other accounting records and reports for the Water Company for the years since 2000.

15. A copy of state and federal tax returns for the Water Company for the past five years.

16. A report of all profits and distributions made by the Water Company since January 1, 2000, including payments to Tracy Tanner as operator of the Water Company, and Jason Tanner, as treasurer, and to any other Tanner family members or related parties in interest. In particular we request full and complete disclosure about any financial interest either Tracy Tanner or Jason Tanner has in the Water Company, as well as compensation, or other payments, either of them has received from the Water Company since January 1, 2000.

17. Any other documentation, or information, that a reasonable person would deem material or important relating to the proposed rate increase.

As you no doubt realize, because you have not provided information about this proposed rate increase until March 5, 2010, it will be very difficult for us, or any of the Water Company's other customers, to submit a complete request for agency review or rehearing in a timely manner. Thus, I am also writing to request that you write to the Commission and request an extension for us, and any other Water Company customer who wishes to submit a request, to complete our request within 15 days of your providing all of this information to us.

I would appreciate your response in writing only.

Sincerely,



Brett G. Scharffs