

KANE COUNTY WATER CONSERVANCY DISTRICT

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April 8, 2010

Utah Public Service Commission Attn: Shauna Benvegnu-Springer 160 East 300 South Salt Lake City, UT 84114

Re: Long Valley Estates Water Company

Dear Public Service Commission:

This will confirm that the Kane County Water Conservancy District ("KCWCD") is now providing water service to Long Valley Estates, the area formerly served by Long Valley Estates Water Company. The new Long Valley Estates area water system is in operation and customers are being billed monthly for water service and for any impact/connection fees they have elected to finance through us.

Due to the press of other matters, documentation between Long Valley Estates Water Company and KCWCD is still being finalized. Our standard procedure is to include in the documentation an Assignment and Bill of Sale of all water system assets. Even though in the case of Long Valley Estates Water Company there was essentially nothing which we could incorporate into our new system, we expect the final documentation to include such an assignment. There is some interest in retaining the old well as a potential backup source.

Documentation should be finalized within the next thirty (30) days. A copy will be forwarded to you.

Yours truly,

Kandy Brown
Office Manager