

J. Craig Smith (4143)  
 jcsmith@smithlawonline.com  
 Bryan C. Bryner (10276)  
 bbryner@smithlawonline.com  
 SMITH HARTVIGSEN, PLLC  
 Walker Center  
 175 South Main St., Suite 300  
 Salt Lake City, Utah 84111  
 Telephone: (801) 413-1600  
 Facsimile: (801) 413-1620  
*Attorneys for Applicant*

<b>BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH</b>	
<p><b>IN THE MATTER OF THE APPLICATION OF            GRAND STAIRCASE WATER COMPANY,            L.L.C., FOR A CERTIFICATE OF            CONVENIENCE AND NECESSITY TO            OPERATE AS A PUBLIC UTILITY            RENDERING CULINARY WATER SERVICE</b></p>	<p>Docket No. _____</p>

APPLICATION

To the Public Service Commission of Utah Salt Lake City, Utah.

1. Exact name of applicant (company name):  
Grand Staircase Water Company, L.L.C.
  
2. Principal office address, phone number, and email address:  
Grand Staircase Water Company, L.L.C.  
c/o Canyon Equity, LLC  
101 Larkspur Landing Circle, Suite 310  
Larkspur, CA 94939  
(415) 925-8000
  
3. Name of state in which applicant is incorporated and date of incorporation are Utah,  
January 28, 2005. A certified copy of the Articles of Incorporation and By-laws should

accompany this application unless a copy is on file with the Commission. If not incorporated, describe the type of organization and state in which it is organized.

A Certificate of Good Standing, certified copy of the Articles of Organization and Articles of Amendment to Articles of Organization, and Amended and Restated Operating Agreement are attached hereto as Exhibit A.

4. The officers and directors (or partners) of applicant are as follows:

Name and Principal Office Held:

Business Address:

Canyon Equity LLC

Manager

101 Larkspur Landing Circle,

Suite 310

Larkspur, CA 94939

5. The type of service (water, sewer or both) which applicant proposes to render is:

Applicant will provide culinary water service within Applicant's service area.

6. Applicant is in compliance with and agrees to comply with all regulations and requirements of all state and local government agencies. Copies of all required permits and approvals are made a part of this application. Applicant will be receiving through its water distribution system water from a Commission approved supplier or has attached to this application proof of ownership of sufficient water rights, of sufficient storage, of an approved source with sufficient water flow and of an approved point of diversion.

Copies of operating permits from the Drinking Water Board, Division of Drinking Water, are attached hereto as Exhibit B.

Proofs of ownership of sufficient water rights, sufficient water storage, approved water source with sufficient water flow, and approved point of diversion are attached hereto as Exhibits B and C (C1-C4).

7. If the applicant is conducting operations at the present time, furnish the following information:

- (a). A description of the nature and extent of the service rendered.

Culinary water service to the hotel, entry building, and service building.

- (b). The date applicant commenced rendering such service.

July 2009.

8. The areas which the applicant proposes to serve, and those presently served, if any, are as described below (legal description) and as shown on a map attached hereto (for public utilities a map should also be part of the tariff).

The areas Applicant proposes to serve are:

All of the Amangiri Resort Amended subdivision, including: Lots 1–31, the Service Area, and the Hotel Site (including the hotel and entry building), as shown on the plat recorded and on file with the Kane County Recorder’s Office, Book 0350, Pages 247-250, Entry No. 139643, attached hereto as Exhibit D.

Maps showing Applicant’s service area and the areas proposed to be served, and the location of Applicant’s water system relative to nearby towns and highways and the proposed subdivision, are attached hereto as Exhibit D.

Applicant presently serves the hotel, entry building, and service building.

9. How Many Connections will the company serve and type (residential / commercial)?

31 residential connections, and 4 commercial/service connections for the hotel, entry building, service building, and seasonal connections.

10. The names of any water companies that are providing (or proposing to provide) similar service near or in any part of the area covered by this applicant are as follows:

None.

11. The applicant is financially responsible as shown by a true and correct financial statement attached hereto and made a part of this application.

See Exhibit E attached hereto.

12. Applicant’s proposed tariff, including a map and rate schedules, is attached as a part of this application.

The proposed tariff, including a map and rate schedules, is attached hereto as Exhibit F.

WHEREFORE, Applicant prays that the Commission grant a Certificate of Convenience and Necessity to the applicant to operate as a public utility as described above.

[SIGNATURES ON FOLLOWING PAGE]

**Manager of Grand Staircase Water Company, LLC:  
Canyon Equity, LLC, a Delaware limited liability company**

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

Name: Homi Vazifdar, Chief Executive Officer and Member

Dated this \_\_\_\_ day of \_\_\_\_\_, 2010.

[California All-Purpose Certificate of Acknowledgment on Following Page]

Name, address, phone number, and signature of attorney representing Applicant:

\_\_\_\_\_  
J. Craig Smith  
Smith Hartvigsen, PLLC  
215 South State St., Suite 600  
Salt Lake City, UT 84111  
Phone: (801) 413-1600  
Fax: (801) 413-1620  
*Attorney for Applicant Grand Staircase Water Company, LLC*