



State of Utah  
Department of Commerce  
Division of Public Utilities

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**MEMORANDUM**

**To:** Public Service Commission

**From:** Division of Public Utilities

Chris Parker, Director

Bill Duncan, Telecommunications / Water Manager *BD*

Mark Long, Utility Analyst *ML*

**Date:** June 27, 2011

**Re:** In the Matter of Ronald J. Catanzaro Intent to Sell Mountain Sewer Corporation and Lakeview Water Corporation. Docket nos. 11-097-02 and 11-540-01

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**RECOMMENDATION (Continue Until Further Notice):**

Based on the information available, the Utah Division of Public Utilities (Division) recommends that this matter be put on hold until further notice is received by the seller or potential buyer indicating a sale is imminent.

**EXPLANATION:**

Mr. Ronald J. Catanzaro, president and 100% owner of Mountain Sewer Corporation (Mountain Sewer) and Lakeview Water Corporation (Lakeview Water), submitted to the Utah Public Service Commission (Commission) a "Notice of Intent to Sell" Mountain Sewer and Lakeview Water Corporation to Brett LaSorrella. On June 30, 2011 the Division received an Action Request from the Commission requesting an investigation regarding the sale of Mountain Sewer and Lakeview Water to Brett LaSorrella.

**BACKGROUND:**

Mountain Sewer was organized April 27, 1984 and is an active company in good standing with the Division of Corporations. On June 11, 1984 the Commission issued Mountain Sewer a CPCN, number 2163, through docket no. 84-097-01. There is presently a formal complaint, docket no. 11-097-01, filed with the Commission by several Mountain Sewer customers against Mountain Sewer. The Commission has scheduled a hearing for July 19, 2011. This formal complaint is being handled by the Division's Customer Service section.

Lakeview Water was organized May 01, 1981 and is an active company in good standing with the Division of Corporations. On April 28, 1982 the Commission issued Lakeview Water a CPCN, number 2080, through docket no. 81-540-01.

**INVESTIGATION:**

The Division met several times with Mr. Catanzaro regarding rates, financial issues and the potential sale of the utility companies in question. The Division also recently met with and discussed the potential purchase of Mountain Sewer and Lakeview Water with the potential buyer, Brett LaSorrella.

**STATUS:**

On June 23, 2011 the Division spoke with Mr. LaSorrella's attorney, Steven J. Vuyovich, an Associate at Holland & Hart LLP who indicated that Mr. LaSorrella is still conducting due diligence on the potential purchase of the utility companies, and he has not made a decision regarding that purchase. The outcome of the Formal Complaint will have an impact on the terms of the sale and a decision will likely not be made until after its resolution.