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Division of Public Utilities

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## MEMORANDUM

**TO:** Public Service Commission

**FROM:** Division of Public Utilities  
Chris Parker, Division Director  
William Duncan, Manager, Telecommunication & Water Section  
Shauna Benvegnu-Springer, Utility Analyst  
Marialie Martinez, Manager, Customer Service

**DATE:** July 11, 2013

**RE:** 13-2195-01 – In the matter of Formal Complaint of Rodney Dansie against Hi-Country Estates Homeowners Association

**Recommendation: Dismiss Complaint**

**Complaint Analysis:**

On January 4, 2013, the Division of Public Utilities (Division) received copies of Mr. Dansie's water bill statements with notes stating that he is disputing the amounts. For clarification of his intention due to the difficulty in ciphering the hand written notes, Mr. Dansie was contacted via telephone. Mr. Dansie explained that he should not have to pay standby fees on his two lots, Lots 43 and 51. He is disputing the amounts of \$2623.21 on Lot 43 (7750 Shaggy Mountain Road) and \$2614.21 on Lot 51 (13688 S. Shaggy Mountain Road).

**Company Response:**

Hi-Country requests that Mr. Dansie's Informal Complaint be dismissed without merit. It states that the plain language of the 1986 Well Lease and Water Line Extension Agreement ordered by the UT Public Service Commission (Commission) does not support Mr. Dansie's claimed immunity from standby fees.

**Background:**

This complaint arises in connection with a long-running dispute between Hi-Country and Mr. Dansie concerning water service and a Well Lease Agreement. Mr. Dansie alleges he is immune from paying standby fees on certain vacant lots. Through various court and Commission proceedings, the Commission determined that Hi-Country's Well Lease Agreement-related

expenses may not be borne by ratepayers. Further, the vacant lots in question are not part of the Well Lease Agreement.

**Division Review and Recommendation:**

The Division reviewed the current tariff on file for Hi-Country and verified that the rates being charged to Mr. Dansie during the time period he is disputing were in effect while the Company was under the Letter of Exemption. The Company filed Tariff No. 1 on November 15, 2012 that was approved by its Board of Directors while the Company was exempt from the Commission's jurisdiction. Tariff No. 1 represented the Company's current rate structure and rules prior to July 12, 2012. Tariff No. 1 became effective on December 15, 2012, 30 days after it was filed with the Commission.

The monthly standby fee in Tariff No. 1 is \$12.47 per residential connection. The monthly standby fee applies to property owners within Hi-Country Estates Phase I, Beagley Acres, and South Oquirrh subdivision who are not receiving water from the Company's water system.

The customer late fee in Tariff No. 1 is \$10.00 per month. The language of the tariff reads "the customer late fee shall be charged when any portion of a customer's account balance is thirty days or more delinquent. It is the customer's responsibility to ensure that payment for amounts due are received by the Company before the account becomes thirty days delinquent.

The Company is charging rates as outlined and authorized by the Commission. The company is pursuing collection of the fees as authorized by their tariff.

Mr. Dansie has not shown that Hi-Country is in violation of any Administrative Rule, Utah Law, court ruling, or Commission ruling. The Division therefore recommends that the formal complaint against Hi-Country be dismissed.

cc: Service Lists