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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Application of Bumblebee Water System, Inc. for a Certificate of Convenience and Necessity to Operate as a Public Utility Rendering Culinary Water Service, or for an Exemption from Public Service Commission Regulation

In the Matter of Proposed Tariff No. 2 for Water Service

Docket No. 13-2567-01

Docket No. 13-2567-T01

Status Report from the Utah Division of Public Utilities

Pursuant to direction received at the January 28, 2014 scheduling conference, the Division of Public Utilities (Division) files its Status Report concerning the two above referenced dockets.

Background

To put the issues in context, the Division provides limited background information, focusing upon events relevant to this Status Report. On September 9, 2013, Bumblebee Water System, Inc. (the Company) filed its application for a certificate of public convenience and necessity (CPCN) to provide culinary water service. The

Division sent its First Data Request to the Company on September 13, 2013. On October 7, 2013, the Division requested an extension of its Action Request Response because it had not received data responses from the Company. On October 22, 2013, the Division again requested answers to its First Data Requests from the Company.

On November 7, 2013, the Division recommended that the application be denied because it was incomplete. Soon thereafter, the Division again sought an extension in hopes of receiving information from the Company. On November 11, 2013, approximately 59 days after it was sent, the Division received the Company's responses to the First Data Request.

The Company supplemented its application on November 13, 2013. On November 15, 2013, the Division filed its recommendation recommending approval of the CPCN subject to certain changes to the Company's bylaws.

On November 20, 2013 and November 22, 2013, the Division issued its Second and Third Data Requests, respectively, to the Company. These requests are attached as Exhibit 1 and Exhibit 2.

On December 3, 2013, a hearing was held concerning the application. At the hearing, Mr. Brent A. Blanchard, representing the Company both as its attorney and its Secretary, agreed to delete [Article] Section 7 of the bylaws. On December 9, 2013, the Division requested a 60-day extension of time to respond to the Action Request.

On January 2, 2014, the Commission issued an order (Order), attached as Exhibit 3, approving the application and, among other things, instructing the Company "to amend its Bylaws removing Article VII, Section 7, and to provide the Division with a

copy of the amendment."¹ The Order also suspended the tariff until a final order is issued after hearing. Also on January 2, 2014, the Commission granted an extension until February 7, 2014, for the Division's Action Request Response.

On January 16, 2014, the Division's attorney informed Mr. Blanchard, by phone message and email, that the Division had not received a copy of the amended bylaws, as ordered, or responses to the Second and Third Data Requests, and requested their delivery prior to the January 28, 2014 Scheduling Conference. No response was received.

On January 28, 2014, a Scheduling Conference, previously noticed on January 2, 2014, was held. At that time, the Division started it had neither received a copy of the amended by laws nor responses to its Second and Third Data requests. Mr. Blanchard, again representing the Company as both its attorney and Secretary, represented that he had requested responses and the amendment from the Company, and would seek to provide the required responses and bylaws soon. No schedule for further proceedings was set, and a subsequent Scheduling Conference will be necessary for the docket to proceed.

As of January 29, 2014, the Division has not received the amended bylaws, as ordered on January 2, 2014, or the Second and Third Data Request responses. The Second and Third Data Responses have been outstanding approximately 71 and 69 days, respectively.

<u>Status</u>

Due to the outstanding data request responses and the lack of amended bylaws, the Division is unable to meet the February 7, 2014 due date for its response to the

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¹ Order at p. 4.

Commission's Action Request. Indeed, without responses to the Second and Third Data Requests, the Division is unable to analyze the Company's proposed tariff.

Accordingly, unless the Company takes action and provides the Division with responses to the Second and Third Data Requests, and provides the Division with an amended copy of the bylaws, the Division is unable to proceed in this docket.

Submitted this 29th day of January, 2014.

/s/ Patricia E. Schmid
Patricia E. Schmid
Assistant Attorney General
Utah Division of Public Utilities

CERTIFICATE OF SERVICE

I hereby certify that on this 29TH day of January, 2014, I caused to be distributed via e-mail, a true and correct copy of the foregoing Status Report from the Utah Division of Public Utilities to the following in Dockets Nos. 13-2567-01 and 13-2567-T01:

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/s/ Patricia E. Schmid