

GARY HERBERT Governor SPENCER J. COX Lieutenant Governor

State of Utah Department of Commerce Division of Public Utilities

FRANCINE GIANI Executive Director THOMAS BRADY Deputy Director CHRIS PARKER Director, Division of Public Utilities

MEMORANDUM

To: Public Service Commission

From: Division of Public Utilities Chris Parker, Director Bill Duncan, Telecommunications / Water Manager

Date: March 05, 2014

Re: 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, Docket No. 13-2567-01.

Recommendation:

The Division of Public Utilities (Division) recommends the approval of Bumblebee Water System, Inc.'s (Bumblebee or Company), Docket No. 13-2567-01, certificate of public convenience and necessity, (CPCN).

The Division apologizes to the Public Service Commission (Commission) for the timing of its recommendation regarding Bumblebee's, Docket No. 13-2567-01. The Division was waiting on data requests submitted to the Company regarding Docket No. 13-2567-T01 before making its recommendation for Docket No. 13-2567-01. After bring this to the Division's attention, the Division is prepared to make its recommendation regarding Docket No. 13-2567-01.

Background:

The Commission's Order of January 2, 2014 approved the Company's certificate of public convenience and necessity, (CPCN) to operate as a public utility rendering culinary water service and granted it Certificate No. 2567. The granting of the CPCN was contingent based on the Company providing the Division a copy of the amended by-laws with the removal of Article VII, Section 7. On or about January 30, 2014 the Company complied with the Order by providing a copy of its amended by-laws with the removal of Article VII, Section 7 with Patricia Schmid of the Attorney General's Office. A copy of the Company's amended by-laws, Exhibit 1, is attached to this recommendation.



Update on Docket No. 13-2567-T01:

The Division issued data requests to the Company on November 20 and 22, 2013. This information is needed for the Division to make its recommendation regarding the Company's tariff and its rates and fees. The Company has acknowledged the outstanding data requests in Commission proceedings and as of today's date the data requests have been pending for over 100 days and the Company has been unresponsive.

cc: Brent A. Blanchard, Esq. Legal Counsel for Bumblebee Water System, Inc. Justin Jetter, Assistant Attorney General, State of Utah Patricia Schmid, Assistant Attorney General, State of Utah Cheryl Murray, Utility Analyst, Office of Consumer Services, State of Utah