

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

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In the Matter of WaterPro Inc.'s Application  
for Culinary Water Rate Case

DOCKET NO. 16-2443-01  
ORDER APPROVING STIPULATION  
AND ASSOCIATED TARIFF  
CHANGES

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ISSUED: August 8, 2017

BACKGROUND

1. On January 18, 2017, WaterPro Inc. (WaterPro) filed with the Public Service Commission of Utah (PSC) a petition to increase its rates for culinary water in order to fund a number of proposed system improvement projects.
2. On June 23, 2017, WaterPro and the Division of Public Utilities (Division) filed a settlement stipulation in this docket.
3. In relevant part, the stipulation sets forth the following terms and conditions:
  - a. Effective October 1, 2017, WaterPro's annual revenue requirement will be increased by \$288,717.
  - b. Effective October 1, 2017, the base fee residential rate will increase by approximately 5% for all five zones within WaterPro's service area.
  - c. Effective October 1, 2017, the tiered rates for usage in one of WaterPro's zones will increase as follows:
    - i. Tier 1 — 21.5% increase, bringing the rate to \$1.68 per Kgal<sup>1</sup> for monthly usage between zero and 18 Kgals;
    - ii. Tier 2 — 12% increase, bringing the a rate to \$2.32 per Kgal for monthly usage between 18.001 and 57 Kgals;
    - iii. Tier 3 — 7% increase for a rate of \$3.00 per Kgal for monthly usage between 57.001 and 150 Kgals; and
    - iv. Tier 4 — 9% increase for a rate of \$4.24 per Kgal for monthly usage over 150 Kgals.

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<sup>1</sup> One Kgal equals 1,000 gallons of water.

4. On August 7, 2017, the PSC held a hearing at which WaterPro and the Division testified that the parties' agreement is just, reasonable, and in the public interest. WaterPro was represented by Darrin L. Jensen-Peterson, accompanied by Trevor Andra and David Gardner. Patricia E. Schmid represented the Division, accompanied by Division analyst Paul Hicken.
5. At hearing, Mr. Jensen-Peterson also proffered that, in both July and August of 2017, WaterPro notified its customers of the proposed rate increases, but that no affected customer has contacted WaterPro with questions or objections.
6. Also on August 7, 2017, the PSC held a public witness hearing in this docket. No public witnesses appeared to comment or offer testimony.

DISCUSSION, FINDINGS AND CONCLUSIONS

7. As set forth by statute and as previously noted by the PSC in other orders, settlements of matters before the PSC are encouraged at any stage of the proceedings. Utah Code Ann. § 54-7-1. The PSC may approve a settlement proposal if it finds the settlement proposal to be in the public interest. Utah Code Ann. § 54-7-1(2)(a). In addition, the PSC may adopt a settlement stipulation if the PSC finds, based on the evidence of record, that the proposal is just and reasonable in result. Utah Code Ann. § 54-7-1(3)(d)(i)(A)-(B).
8. Given that the stipulation of the parties is uncontested, and that the parties to the agreement testified that the proposed settlement is just, reasonable, and in the public interest, the PSC finds substantial evidence of record to approve the stipulation, including the rates stated therein.

DOCKET NO. 16-2443-01

- 3 -

ORDER

The June 23, 2017 stipulation between WaterPro Inc. and the Division of Public Utilities is approved as filed. By August 21, 2017, WaterPro Inc. shall file updated tariff sheets to reflect the rates set forth in the stipulation.

DATED at Salt Lake City, Utah, August 8, 2017.

/s/ Jennie T. Jonsson  
Administrative Law Judge

Approved and confirmed August 8, 2017 as the Order of the Public Service Commission of Utah.

/s/ Thad LeVar, Chair

/s/ David R. Clark, Commissioner

/s/ Jordan A. White, Commissioner

Attest:

/s/ Gary L. Widerburg  
Commission Secretary  
DW#295804

Notice of Opportunity for Agency Review or Rehearing

Pursuant to Utah Code Ann. §§ 63G-4-301 and 54-7-15, a party may seek agency review or rehearing of this order by filing a request for review or rehearing with the PSC within 30 days after the issuance of the order. Responses to a request for agency review or rehearing must be filed within 15 days of the filing of the request for review or rehearing. If the PSC fails to grant a request for review or rehearing within 20 days after the filing of a request for review or rehearing, it is deemed denied. Judicial review of the PSC's final agency action may be obtained by filing a Petition for Review with the Utah Supreme Court within 30 days after final agency action. Any Petition for Review must comply with the requirements of Utah Code Ann. §§ 63G-4-401, 63G-4-403, and the Utah Rules of Appellate Procedure.

CERTIFICATE OF SERVICE

I CERTIFY that on August 8, 2017, a true and correct copy of the foregoing was delivered upon the following as indicated below:

By Electronic-Mail:

Darrin L. Jensen-Peterson ([jensen@waterpro.net](mailto:jensen@waterpro.net))  
WaterPro Inc.

Patricia Schmid ([pschmid@agutah.gov](mailto:pschmid@agutah.gov))  
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Erika Tedder ([etedder@utah.gov](mailto:etedder@utah.gov))  
Division of Public Utilities

By Hand-Delivery:

Office of Consumer Services  
160 East 300 South, 2nd Floor  
Salt Lake City, UT 84111

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Administrative Assistant