



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  
Mark Long, Utility Analyst

**Date:** February 8, 2018

**Re:** White Hills Water Company Request to Transfer Its Customers and Cancel Its CPCN per Docket No. 18-2199-01.

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**RECOMMENDATION:**

The Utah Division of Public Utilities (Division) recommends that the Public Service Commission of Utah (Commission) cancel the Certificate of Public Convenience and Necessity (CPCN) held by White Hills Water Company (White Hills).

**BACKGROUND:**

White Hills was issued CPCN No. 2766 by the Commission in Docket No. 94-2199-01 on August 12, 1994, which authorized White Hills to operate as a public utility rendering culinary water service. White Hills was created to serve a new subdivision known as White Hills Country Estates.

As of this filing, White Hills has 131 total water connections, which include 121 existing connections, two prepaid connections and eight committed connections for eight vacant lots in the White Hills subdivision.

**EXPLANATION:**

On or about January 11, 2018, the Commission received a request from White Hills to cancel its CPCN. On March 18, 2018, White Hills infrastructure and water rights will be conveyed to Eagle Mountain City.

At such time, former customers of White Hills will join the much larger customer base of Eagle Mountain City.

The Division believes that this transfer to Eagle Mountain City is in the public interest. The transfer allows former White Hill's customers to be included in a larger customer base with full-time water management. Eagle Mountain City confirms that the rates would remain the same, although it is anticipated that an upcoming rate-study by Eagle Mountain City may reduce the rates for the former customers of White Hills. Regardless, a larger customer base should help in stabilizing the rates in the long run.

The Division also notes that after the transfer, Eagle Mountain City is not within the Commission's jurisdiction per Utah Code Ann. § 54-2-1(35).