

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

In the Matter of the Application of)	
Coyotes 'N Cowboys Line Camp)	<u>DOCKET NO. 07-2483-01</u>
Subdivision for a Certificate of)	
Convenience and Necessity to Operate as a)	
Public Utility Rendering Culinary Water)	<u>REPORT AND ORDER</u>
Service, or for an Exemption from Public)	<u>CERTIFICATE NO. 2483</u>
Service Commission Regulation)	
)	

ISSUED: November 1, 2007

SYNOPSIS

Applicant, having demonstrated its fitness to serve, and no opposition to the application appearing, the Commission grants the certificate and approves rates as indicated.

By the Commission:

PROCEDURAL HISTORY

On July 26, 2007, Marcia Tobiasson, owner of Coyotes 'N Cowboys Line Camp Subdivision ("Applicant"), filed an Application on behalf of Applicant for a Certificate of Public Convenience and Necessity ("Certificate") to operate as a public utility providing culinary water service within the Applicant subdivision located adjacent to Otter Creek Reservoir and Otter Creek State Park, approximately two miles northwest of Antimony, Utah.

On September 28, 2007, the Division of Public Utilities ("Division") filed a memorandum detailing its investigation of the Application and recommending issuance of the requested Certificate and approval of the water service rates proposed by Applicant.

Hearing on the Application was held before the Administrative Law Judge on November 1, 2007, pursuant to Notice issued on October 3, 2007. Ms. Tobiasson appeared by telephone and represented Applicant. Patricia Schmid, Assistant Attorney General, State of Utah, appeared on behalf of the Division with William Dunkin testifying for the Division. Those appearing presented evidence that establishes there is a need for water service to the area to be served by Applicant, that the Applicant is qualified to provide such service, and that granting the requested Certificate is in the public interest and appropriate under Utah law. No one appeared in opposition to Commission regulation.

BACKGROUND, DISCUSSION, FINDINGS AND CONCLUSIONS

Applicant currently serves one home in the subject subdivision and has constructed a system comprising thirty-six water connections to serve the thirty-six lots in the subdivision, primarily on a seasonal basis. Applicant was organized in 2006 and has an “Active” status in “Good Standing” with the Division of Corporations. As evidenced by determinations of the Division of Water Rights and the Division of Drinking Water, respectively, Applicant maintains sufficient water rights to supply its customers and its system meets the requirements for a New Community and New Non-transient Non-community Water System. Therefore, the Division concludes granting a Certificate would be in the public interest and recommends issuance of said Certificate.

Having determined that Applicant has received all required consent and permits, and that provision of service within its proposed service territory will not adversely affect the operations of any existing certificated public utility, we concur with the Division’s

recommendations and conclude, as a matter of law, that the Application should be granted and Certificate issued accordingly.

Applicant requests approval of the following rates:

Water Rates

<u>Usage</u>	<u>Charges (per month)</u>
First 10,000 gallons	\$25.00 minimum charge for each service connection
Usage per 1,000 gallons	\$2.00 per each 1,000 gallons over 10,000
Standby fee	\$25.00

Premises temporarily without meters will not be charged.

Service Connection Charges

¾-Inch Service to Property Line*	\$1500.00
Turn-On service where meter is already in place	\$100.00

*One-time charge for each service requiring new meter installation

Having reviewed Applicant's financial data, the Division notes the proposed rates will not recover the capital cost of the water system, but that said costs will instead be recovered through the sale of lots in the subdivision. Total system cost was \$159,500 and has been completely paid such that there is no debt associated with construction of the water system. The Division believes the proposed rates are just and reasonable and recommends Commission approval of the same.

We concur with the Division's recommendation and find the proposed rates to be just and reasonable.

Wherefore, based upon the foregoing information, and for good cause appearing, the Administrative Law Judge enters the following proposed

ORDER

NOW, THEREFORE, IT IS HEREBY ORDERED, that:

- COYOTES 'N COWBOYS LINE CAMP SUBDIVISION, is hereby granted Certificate of Public Convenience and Necessity No. 2483 to operate as a water corporation providing culinary water within the Coyotes 'N Cowboys Line Camp Subdivision, as more particularly described in its Application.

- Applicant shall comply with all requirements of the Utah Division of Drinking Water.

- Applicant's rates are approved as set forth *supra*. Applicant shall file a tariff consistent with this Report and Order within 30 days of the date of this Order. The Division of Public Utilities shall review the revised tariff sheets for compliance with this Report and Order.

Pursuant to *Utah Code Annotated* §§ 63-46b-12 and 54-7-15, agency review or rehearing of this order may be obtained by filing a request for review or rehearing with the Commission 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 Commission 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 Commission's final agency action may be obtained by filing a Petition for Review with the Utah

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Supreme Court within 30 days after final agency action. Any Petition for Review must comply with the requirements of *Utah Code Annotated* §§ 63-46b-14, 63-46b-16 and the Utah Rules of Appellate Procedure.

DATED at Salt Lake City, Utah, this 1st day of November, 2007.

/s/ Steven F. Goodwill
Administrative Law Judge

Approved and Confirmed this 1st day of November, 2007, as the Report and Order of the Public Service Commission of Utah.

/s/ Ted Boyer, Chairman

/s/ Ric Campbell, Commissioner

/s/ Ron Allen, Commissioner

Attest:

/s/ Julie Orchard
Commission Secretary
G#55213