

**NORTH FORK WATER COMPANY**  
(Statement of Subsidization)

To: Utah Public Service Commission:

The water rates provided for in the Tariff for the North Fork Water Company are less than the full cost of water service as a result of the developer, Zion Mountain Resort, Inc., subsidizing water rates and conveying to the North Fork Water Company, free of charge, all rights sufficient to water service for seasonal domestic use of 20 dwellings valued at approximately \$200,000. Further, until there are enough customers on line to operate and cover the cost of the proposed monthly water rates, Zion Mountain Resort, Inc. will subsidize any shortfall.

On this \_\_\_ day of \_\_\_\_\_, 20\_\_.

ZION MOUNTAIN RESORT, INC.

By: \_\_\_\_\_

Name: Weldon G. Larsen

Title: President