

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

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In the Matter of the Application of Willow )  
Creek Water Company, Inc., for a Certificate ) DOCKET NO. 09-2506-01  
of Public Convenience and Necessity to )  
Operate as a Public Utility Rendering ) REPORT AND ORDER  
Culinary Water Service or Expansion of ) CERTIFICATE NO. 2506  
Service Area )  
)

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ISSUED: July 2, 2009

SYNOPSIS

Willow Creek Water Company, Inc. (Company) having demonstrated its fitness to serve and no opposition to the application appearing, the Commission grants the certificate and approves the rates as indicated.

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By The Commission:

The Company submitted its Application for a Certificate of Public Convenience and Necessity (Certificate or CPCN) on March 16, 2009. It seeks to operate as a public utility supplying culinary water service solely within the High Country Estates and Spring Ridge Subdivisions, Box Elder County, Utah (Subdivisions)

After investigation, the Division of Public Utilities (Division) submitted their recommendation moving for approval of the Application. The Division, in support of their recommendation, gave the following facts:

The Company was incorporated March 2, 1998 and has an "Active" status, and is in "Good Standing" with the Division of Corporations. The Company is also "Approved" with the Division of Drinking Water as for the Subdivisions.

The Company also appears to have sufficient water rights for the needs of the Subdivision, i.e. 83 residential connections, and has built a 250,000-gallon tank that complies with rules set forth by the Division of Drinking Water.

The Company submitted a *pro forma* budget detailing why the Company needed a \$38 monthly rate to continue to supply water to their customers, and also maintain a small cash reserve for any future repairs. The Company also attached a proposed tariff with rates that are just and reasonable, and comparable to other small water companies across the state. It later amended that tariff.

The Company stated that its rates will not recoup capital costs of the water system, but were only meant to recoup operational expenses. The Company stated that the capital costs will be recovered through the sale of lots in the Subdivisions. The Company also stated that the costs have been completely paid for and there is no debt associated with the construction of the water system.

Hearing on the Application was held before the Administrative Law Judge of the Commission on Monday, April 13, 2009. At the hearing, the Division presented evidence supporting its recommendation for approval of the application. Mr. J. Alton Veibell appeared for the Company. There was one public witness that pointed out concerns with the tariff and discrepancies between the tariff and the Company's incorporating documents, and with other agreements between the Company and current landowners. The Company and the Division represented that those changes would be made and later represented that they had been made. An amended tariff was submitted in Docket No. 09-2506-T02. The Division also recommended

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approval of that tariff in Docket No. 09-2506-T02. Based on the representations made in the hearing, the original and amended filings of the Company, and recommendations of the Division, the Commission finds that the Company's application should be granted and the CPCN issued.

ORDER

1. Willow Creek Water Company, Inc. is granted a certificate of public convenience and necessity, Certificate Number 2506, to operate as a water corporation providing culinary water solely within the High Country Estates and Spring Ridge Subdivisions, Box Elder County, Utah;
2. the Company shall comply with all requirements of the Utah Division of Drinking Water;
3. the Company's rates are approved as set forth in the amended tariff filed in Docket No. 09-2506-T02;
4. Pursuant to Utah Code § 63G-4-301 and 54-7-15, an aggrieved party may request agency review or rehearing of this Order by filing a written 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 does not 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 Supreme Court within 30 days after final agency action. Any

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petition for review must comply with the requirements of Utah Code §§ 63G-4-401, 63G-4-403, and the Utah Rules of Appellate Procedure.

DATED at Salt Lake City, Utah, this 2<sup>nd</sup> day of July, 2009.

/s/ Ruben H. Arredondo  
Administrative Law Judge

Approved and confirmed this 2<sup>nd</sup> day of July, 2009, 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#62693