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Division of Public Utilities

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Director, Division of Public Utilities

----- MEMORANDUM -----

**TO:** PUBLIC SERVICE COMMISSION OF UTAH

**FROM:** DIVISION OF PUBLIC UTILITIES  
Philip J. Powlick, Division Director  
Bill Duncan, Manager, Telecom & Water Section *BD*  
Mark Long, Utility Analyst *ML*

**DATE:** July 20, 2010

**RE:** **Docket No. 10-071-01:** Action Request dated July 14, 2010 with the response due by ASAP concerning notice received that “entities related to Wolf Creek Water Company have recently declared bankruptcy” and may have failed to pay the annual assessment due to Weber Basin Water Conservancy District.

**Status:** **The Division Recommends Additional Investigation**

On July 14, 2010 the Utah Public Service Commission received information that “entities related to Wolf Creek Water Company have recently declared bankruptcy” and Wolf Creek has “failed to pay the annual assessment due on the water contract it holds with Weber Basin Conservancy District.”

The Division contacted Wolf Creek Water Company, Inc. and Wolf Creek Water Conservancy, Inc. as well as Weber Basin Water Conservancy District regarding the annual water contracts and has received conflicting information that requires further inquiry to ensure that Wolf Creek Water Company, Inc. and Wolf Creek Water Conservancy, Inc. have purchased adequate water to serve its customers .

Additionally, a review of the Annual Reports of Wolf Creek Water Company, Inc. and Wolf Creek Water Conservancy, Inc. showed several significant account balance changes from the 2008 Annual Reports to the 2009 Annual Reports that requires additional information to ascertain its propriety.