

STATE OF UTAH  
OFFICE OF THE ATTORNEY GENERALMARK L. SHURTLEFF  
ATTORNEY GENERALRAYMOND HINTZE  
CHIEF DEPUTY*Protecting Utah • Protecting You*KIRK TORGENSEN  
CHIEF DEPUTY**CERTIFIED MAIL – RETURN RECEIPT REQUESTED**  
December 8, 2003DAVID THOMPSON  
CEDAR RIDGE SUBDIVISION  
12435 NO HILLCREST  
DEWEYVILLE UT 84309**RE: Notice – Intention to file Petition for an Order to Show Cause for failure to respond to requests for information and for operation of a public utility without a certificate of convenience and necessity.**

Dear Sir,

Pursuant to Utah Code Title 54-2-1, water systems that are owned and operated by governmental units such as municipal, service districts, or special improvement districts are exempt from Public Service Commission regulation by Statute. In addition, non-profit irrigation water corporations that are owned by and serve only their stockholders are generally exempt from Commission regulation by Statute. Non-profit and private for-profit culinary water corporations are subject to the Commission's jurisdiction, but may be granted Letters of Exemption under Administrative Rules adopted by the Commission when it can be shown that specific qualifying criteria are met.

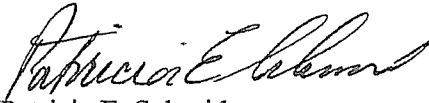
The Division has made three attempts to determine whether or not your water system is subject to Commission jurisdiction under the statutes and to obtain information necessary to help the Division determine whether or not an application for an exemption from Commission regulation would be appropriate. To date the Division has received no response to questionnaires sent to you in August, October and November, 2003. None of the correspondence was returned by the US Postal Service so the Division presumes that it was properly delivered.

I have again enclosed a copy of the survey form for you to complete and return. Please be advised that Utah Code Title 54 empowers the Division of Public Utilities to investigate any matter within the jurisdiction of the Commission, and requires utilities to comply with requests for information by the Commission and the Division. Therefore, if a response containing the requested information is not filed with the Division on or before January 16, 2004, the Division will, without further notice, petition the Commission for an Order to Show Cause why the Water Company and

you as an officer of the Company should not be fined for violations of specific Utah Statute. Title 54 allows the Commission to impose sanctions up to \$2,000 per day for continued violation of the Statute. In addition, the Commission can file misdemeanor charges against officers found in violation of the Statute.

Inquiries concerning this Notice should be addressed to Wesley Huntsman, telephone (801)-530-6679 or Dan Bagnes, telephone (801) 530-6680, Division of Public Utilities, SM Box 146751, Salt Lake City, UT 84114-6751, or to Patricia E. Schmid, Assistant Attorney General, (801)-366-0380.

Sincerely,

A handwritten signature in cursive script, appearing to read "Patricia E. Schmid".

Patricia E. Schmid  
Assistant Attorney General

Enclosure - 1

cc: Wesley Huntsman