



State of Utah
Department of Commerce
Division of Public Utilities

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-== MEMORANDUM ==-

TO: Utah Public Service Commission

FROM: Division of Public Utilities
Philip Powlick, Director
William Duncan, Manager, Telecommunication & Water Section
Shauna Benvegnu-Springer, Utility Analyst

SUBJECT: In the Matter of the Application of Ainsley Acres Water Company
for an Exemption from Public Service Commission Regulation

RE: Docket No 10-2522-01 Cross Reference 86-999-08

DATE: August 16, 2010

RECOMMENDATION: **APPROVE**

The Utah Public Service Commission should issue a Letter of Exemption to Ainsley Acres Water Company.

EXPLANATION:

The Division of Public Utilities received an application from Kaitlin Eskelson, Partner of Ainsley Acres Water Company that indicates the Company qualifies for a Letter of Exemption. The Company is a partnership. It was registered as Ainsley Acres Water Company DBA on June 14, 2010 and has an "Active" status, which means it is in "Good Standing" with the Division of Corporations.

The plans and specifications for this subdivision were submitted for approval for the two residential connections. Because the system will be connected to only two households, the Company is not required to meet the Division of Drinking Water's guidelines. The Division did request the Division of Drinking of Water to provide a courtesy review of the water system to insure a safe and reliable system.

The water system is operated by the partners that own and supply water only to its members who are partners, which must reside or own property in Ainsley Acres Lot#1 or Lot#2 in Morgan

County, Utah. Ownership in one of the two lots in Ainsley Acres is required to obtain membership in the partnership according to the partnership agreement.

The applicant appears to have sufficient water rights for the needs of the two domestic family connections.

Ainsley Acres Water Company appears to have the basis for exemption from the Public Service Commission regulation. The Division therefore recommends that Ainsley Acres Water Company be issued a Letter of Exemption.

cc: Kaitlin Eskelson, Ainsley Acres Water Company
Michael Grange, Division of Drinking Water