

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

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In the Matter of Proposed Changes to North
Creek Ranch Home Owner's Association's
Water Service Rate Schedule
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DOCKET NO. 13-2454-T01

ORDER SUSPENDING PROPOSED
CHANGES TO CONNECTION AND TURN-
ON FEES, NOTICE OF HEARING, AND
ORDER

ISSUED: December 26, 2013

By The Commission:

On November 25, 2013, North Creek Ranch Home Owner's Association ("North Creek") filed a request to amend its water service rate schedule to, in part, increase its connection fee for a 1" meter connection charge from \$1,000 to \$2,000, and to increase the service connection fee for turn-on service where a meter is already in place from \$100 to \$200.

On December 20, 2013, the Division of Public Utilities ("Division") recommended the Commission deny the proposed changes. See Division Memo, filed December 20, 2013. The Division explains its rationale as follows:

Background:

On November 26, 2013[,] the Division . . . received an Action Request from the . . . Commission . . . requesting that the Division provide analysis, evaluation results, and the basis for conclusions and recommendations regarding North Creek's request to increase its connection fee from \$1,000 to \$2,000 and to increase its turn-on fee from \$100 to \$200.

Analysis:

The Division contacted Mr. Chad Limb, the individual contracted to perform the connection process for new lots in North Creek's water service area, to verify that the connection costs are \$2,000. Mr. Limb verified that he is charging North Creek \$2,000 for each connection. This includes all labor, equipment, and the meter. Mr. Limb stated that at \$2,000 he makes no profit. Mr. Limb is the

Water Manager for the City of Beaver[,] Utah[,] and the Division believes his information is credible and notes that \$2,000 is on the low end compared to other regulated water companies.

Additionally, North Creek . . . states that the paperwork and field labor is costing them \$200. The Division does not dispute this amount.

Conclusion:

Although the Division agrees with the amounts as requested by North Creek, the Division is unable to recommend that the Commission grant these changes. Upon consultation with the Division's legal representative . . . the Division can find nothing in Utah laws or rules governing regulated Utah utilities allowing for fees or charges to be changed without a full rate case being requested by North Creek and a complete and comprehensive audit performed by the Division. The Division encourages North Creek to file a rate case if they feel it is appropriate.

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Id. at 1-2.

We have reviewed the North Creek's proposed changes, the Division's recommendation, and we agree that a complete rate case filing and complete and comprehensive audit performed by the Division are prerequisites to further evaluating the proposed changes. We, therefore, determine it would be in the public interest to further examine this docket by noticing this matter for hearing. Accordingly, consistent with Utah Code Ann. § 54-7-12(5)(b), we suspend the proposed modifications to North Creek's water service rate schedule pending further proceedings noticed below.

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NOTICE OF HEARING

Notice is given that a hearing in the above-entitled matter will be conducted by the Administrative Law Judge for the Utah Public Service Commission on **Friday, January 24, 2014, beginning at 8:30 a.m.** The hearing will be held in the **Fourth Floor Hearing Room 451, Heber M. Wells Bldg., 160 East 300 South, Salt Lake City, Utah.** All parties must have their witnesses in attendance and prepared to testify.

Individuals wishing to participate in the hearing by telephone should contact the Public Service Commission two days in advance by calling (801) 530-6716 or (toll-free) 1-866-PSC-UTAH (1-866-772-8824). Participants attending by telephone should then call the Public Service Commission at the same number listed above five minutes prior to the hearing to ensure participation.

In accordance with the Americans with Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during this hearing should notify the Commission at 160 East 300 South, Salt Lake City, Utah 84111, (801) 530-6713, at least three working days prior to the hearing.

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ORDER

North Creek's proposed changes to its water service rate schedule are suspended pending further proceedings and a final order of the Commission.

DATED at Salt Lake City, Utah, this 26th day of December, 2013.

/s/ Ron Allen, Chairman

/s/ David R. Clark, Commissioner

/s/ Thad LeVar, Commissioner

Attest:

/s/ Gary L. Widerburg
Commission Secretary

dw#249589

CERTIFICATE OF SERVICE

I CERTIFY that on the 26th day of December, 2013, a true and correct copy of the foregoing was served upon the following as indicated below:

By U.S. Mail:

Phillip Jolley, Secretary
North Creek Ranch Home Owner's Association
PO Box 2030
Beaver, UT 84713

By E-Mail:

Patricia Schmid (pschmid@utah.gov)
Justin Jetter (jjetter@utah.gov)
Assistant Utah Attorneys General

By Hand-Delivery:

Division of Public Utilities
160 East 300 South, 4th Flr.
Salt Lake City, UT 84111

Office of Consumer Services
160 East 300 South, 2nd Flr.
Salt Lake City, UT 84111

Administrative Assistant