

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

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In the Matter of Bridge Hollow Water Association's Application for Exemption from Utah Public Service Commission Regulation

DOCKET NO. 17-2437-01

ORDER GRANTING EXEMPTION  
FROM REGULATION AND  
CANCELLING CERTIFICATE OF  
PUBLIC CONVENIENCE AND  
NECESSITY

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ISSUED: June 28, 2017

BACKGROUND

On January 29, 2007, the Public Service Commission of Utah (PSC) granted Bridge Hollow Water Association (Bridge Hollow) Certificate of Public Convenience and Necessity (CPCN) No. 2437.

On April 11, 2017, Bridge Hollow customers representing 23 connections attended a special company meeting and voted to raise their own rates in order to fund certain capital improvements. Therefore, on June 7, 2017, Bridge Hollow filed with the PSC a request for exemption from regulation, representing that the company provides service exclusively to properties that are located within its defined service area and that are owned by persons who are owner-members of the water company.

On June 28, 2017, the Division of Public Utilities (Division), having reviewed the request for exemption, filed a memorandum in this docket. In the memorandum, the Division noted that a water system providing service exclusively to members of the water company does not meet the definition of a public utility. Utah Code § 54-2-1(35). Therefore, the Division recommended that the PSC grant Bridge Hollow's request for exemption from regulation.

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ORDER

Based on the foregoing, CPCN No. 2437 is canceled, and Bridge Hollow Water Association is exempted from PSC regulation. The letter of exemption is attached to this Order as Exhibit A.

DATED at Salt Lake City, Utah, June 28, 2017.

/s/ Jennie T. Jonsson  
Administrative Law Judge

Approved and confirmed June 28, 2017 as the Order of the Public Service Commission of Utah.

/s/ Thad LeVar, Chair

/s/ David R. Clark, Commissioner

/s/ Jordan A. White, Commissioner

Attest:

/s/ Gary L. Widerburg  
Commission Secretary  
DW#294960

Notice of Opportunity for Agency Review or Rehearing

Pursuant to Utah Code Ann. §§ 63G-4-301 and 54-7-15, a party may seek agency review or rehearing of this order by filing a request for review or rehearing with the PSC 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 PSC fails to 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 PSC'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 Petition for Review must comply with the requirements of Utah Code Ann. §§ 63G-4-401, 63G-4-403, and the Utah Rules of Appellate Procedure.

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## Exhibit A



## State of Utah

GARY R. HERBERT  
*Governor*

SPENCER J. COX  
*Lieutenant Governor*

## Public Service Commission

THAD LeVAR  
*Chair*

DAVID R. CLARK  
*Commissioner*

JORDAN A. WHITE  
*Commissioner*

### LETTER OF EXEMPTION NO. 234

June 28, 2017

Bridge Hollow Water Association  
c/o Kathryn A. Tipple, Esq.  
201 S. Main St., Ste 1800  
Salt Lake City, UT 84111

Dear Ms. Tipple,

The PSC has reviewed the proposed application for exemption, filed on behalf of Bridge Hollow Water Association (Bridge Hollow) on June 7, 2017.

On June 28, 2017, the Division of Public Utilities (Division) recommended that the PSC grant the request for exemption because Bridge Hollow serves "only customers located within its service area boundaries that are members of the water company[.]" Utah Code Ann. § 54-2-1(35) excludes water corporations from PSC jurisdiction that distribute water only to their stockholders or members. Thus, it appears an exemption for Bridge Hollow is appropriate.

Please be advised that this Letter of Exemption No. 234 is granted pursuant to the representations contained in Bridge Hollow's application and on the basis of the Division's conclusion that Bridge Hollow serves only its members and not the public generally. Bridge Hollow has a continuing obligation to update the PSC within 30 days of any change.

This Letter of Exemption No. 234 is revocable for cause at any time. Please refer to this letter number in any future correspondence with either the PSC or the Division.

Sincerely,

/s/ Gary L. Widerburg  
Commission Secretary  
DW#294960

cc: Bill Duncan, Telecommunications/Water Manager, Division of Public Utilities  
Mark Long, Utility Analyst, Division of Public Utilities

CERTIFICATE OF SERVICE

I CERTIFY that on June 28, 2017, a true and correct copy of the foregoing was served upon the following as indicated below:

By Electronic-Mail:

Kathryn A. Tipple ([ktipple@parsonsbehle.com](mailto:ktipple@parsonsbehle.com))  
Parsons Behle & Latimer

Patricia Schmid ([pschmid@agutah.gov](mailto:pschmid@agutah.gov))  
Justin Jetter ([jjetter@agutah.gov](mailto:jjetter@agutah.gov))  
Assistant Utah Attorneys General

Erika Tedder ([etedder@utah.gov](mailto:etedder@utah.gov))  
Division of Public Utilities

By Hand-Delivery:

Office of Consumer Services  
160 East 300 South, 2<sup>nd</sup> Floor  
Salt Lake City, Utah 84111

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Administrative Assistant