

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

Request of Pineview West Water Company for a Rate Review for Approval of a Conservation Rate Increase	<p style="text-align: center;"><u>DOCKET NO. 19-2438-01</u></p> <p style="text-align: center;"><u>ORDER DETERMINING APPLICATION FOR RATE CASE IS INCOMPLETE</u></p>
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ISSUED: May 19, 2020

BACKGROUND

On April 24, 2020, Pineview West Water Company (“Company”) filed a request for approval of a conservation rate increase (“Application”). On the same day, the Public Service Commission (PSC) issued an Action Request for the Division of Public Utilities (DPU) to review and make recommendations concerning the Application.

On April 29, 2020, the DPU filed a memo recommending the PSC not accept the Company’s filing as complete until the Company files the required documentation set forth in the spreadsheet referenced in and attached to the DPU’s memo. The DPU also provided the spreadsheet to the Company to assist it in compiling the missing information for submission. Further, the DPU recommended the PSC cancel the May 5, 2020 scheduling conference. On May 1, 2020, the Company filed additional financial information with the PSC. On May 5, 2020, the parties met for a status conference during which the Company acknowledged that not all of the required information had been filed, and agreed to work with the DPU for assistance in completing its Application. The parties agreed that the DPU would subsequently inform the PSC when the Application is complete in order to proceed with a scheduling conference.

DISCUSSION

Utah Admin. Code R746-700-50 sets forth the information a water corporation must file in a general rate case application. According to the DPU, it found twenty-six deficiencies in the Company's filing under Utah Admin. Code R746-700-50 including:

- 2019 Annual Report. Before a utility files a request for a rate increase or review, it must be compliant with all reporting requirements. The Company did not file its 2019 annual report (R746-700-50 and R746-400).
- General Information. The Company did not file its most recent Division of Drinking Water Certification/report (R746-700-50.A.1), the date it started operations (R746-700-50.A.3), the number of approved connections and area (R746-700-50.A.4), ownership and officer data (R746-700-50.A.5), and associated companies (R746-700-50.A.6).
- Engineering information. The Company did not file information related to mains and meters (R746-700-50.B.3), service quality (R746-700-50.B.7), and additions or improvements made in the past five years (R746-700-50.B.8).
- Customer Connection Information. The Company did not file information on any secondary/irrigation water system (R746-700-50.C.9) nor indicated whether secondary water is distributed through the culinary system (R746-700-50.C.10).
- Accounting and Financial Information. The Company did not file the identification of any accountant used by it (R746-700-50.D.1); copies of the General Ledger (R746-700-50.D.2) a copy of the utility's check ledger (R746-700-50.D.6); billing documentation/reports that tied back to the tariff rates (R746-700-50.D.7); information on the utility plant including the acquisition date, the acquisition price or cost, salvage value, expected useful life, annual depreciation amount per asset; accumulated depreciation per asset and reconciled to the total accumulated depreciation amount to the most recent annual report, if an asset was donated, the amount applied to Contribution in Aid of Construction per asset; if donated, the accumulated amortization of the Contribution in Aid of Construction per asset and reconciled to the total accumulated amortization amount to the most recent Annual Report (R746-700-50.D.8); information on all Notes Payable, Loans and other Obligations – this will include all outstanding and those retired within the past two years including: Interest rate, Beginning date, Date of last scheduled payment, and Amount of payment (R746-700-50.D.10).

STANDARD

Utah Code Ann. § 54-7-12(2)(a) addresses whether the Application should be deemed incomplete, as recommended by the DPU, as follows: “[a] public utility that files for a general rate increase . . . shall file a complete filing with the commission setting forth the proposed rate increase. . . .” Utah Code Ann. § 54-7-12(2)(a) (2010). “For purposes of . . . Subsection (2), a public utility’s application for a general rate increase . . . shall be considered a complete filing unless within 30 days after the day on which the commission receives the public utility’s application, the commission issues an order describing information that the public utility must provide for the application to be considered a complete filing.” *Id.* at § 54-7-12(2)(b)(i) (emphasis added). “If, in accordance with Subsection (2)(b)(i), the commission issues an order that an application is not a complete filing, the commission shall: (i) determine the materiality of an application deficiency; and . . . (B) if the deficiencies are material, issue an order that the 240-day period described in Subsection (3)(a) shall start over when the public utility files the required information.” *Id.* at §§ 54-7-12(2)(c)(i), -12(2)(c)(ii)(B).

FINDINGS AND ORDER

The DPU has not contacted the PSC regarding the status of the Application, and the Company has not filed any information supplementing its Application since May 1, 2020. Based on 1) the approaching statutory deadline of May 25, 2020 for the issuance of an order finding that the Application is incomplete, 2) the allegations and statements contained in the DPU’s memo recommending the PSC not accept the Application as complete; and 3) the discussions by

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the parties during the status conference held May 5, 2020, and for other good cause appearing, the PSC orders the following:

1. The Company's Application is incomplete;
2. The PSC finds the deficiencies in the Company's current filing are material;
3. The 240-day period described in Utah Code Ann. § 54-7-12(3)(a) will start over

when the Company files a completed application that complies with all applicable PSC rules including those referenced in this Order.

4. The DPU will provide an update to the PSC as to the completeness of the Company's Application by no later than **Monday, June 1, 2020**.

DATED at Salt Lake City, Utah, May 19, 2020.

/s/ Yvonne R. Hogle
Administrative Law Judge

Approved and confirmed May 19, 2020, as the Report and Order issued by the Public Service Commission of Utah.

/s/ Thad LeVar, Chair

/s/ David R. Clark, Commissioner

Attest:

/s/ Gary L. Widerburg
PSC Secretary
DW#313883

CERTIFICATE OF SERVICE

I CERTIFY that on May 19, 2020, a true and correct copy of the foregoing was served upon the following as indicated below:

By Email:

Peter Turner (pwwceden@gmail.com)
Pineview West Water Company

Patricia Schmid (pschmid@agutah.gov)
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