



Utah Public Service Commission
160 East 300 South
Salt Lake City, UT 84111

Via email to psc@utah.gov

May 29, 2020

Dear Mr. Widerburg:

This firm has been retained by Utah Mini Ranches Homeowners Association and Duchesne Mini Ranches Homeowners Association (together, the “HOAs”). Properties within the HOA have been receiving and continue to receive culinary water service from South Duchesne Culinary Water Company (“SDCW”). SDCW was previously owned by the developers of the HOAs—Joan Steed and family—and therefore subject to Commission regulation. SDCW was granted its initial CPCN on December 18, 2001 in Docket # 01-2372-01. The HOAs now own SDCW in its entirety, meaning SDCW no longer provides service to the public generally and is therefore exempt from Commission regulation as per Utah Code § 54-2-1(35).

The HOAs hereby jointly request that the Commission cancel SDCW’s Certificate of Public Convenience and Necessity.

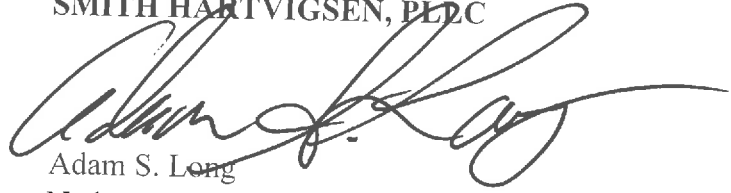
On March 14, 2020, the two HOAs acquired all outstanding shares of SDCW; of the 1,000 SDCW shares outstanding, each HOA now owns 500 shares. SDCW provides culinary water service only to properties within the HOAs. Every lot within the HOAs has a membership interest in the respective HOA and thus the proportionate ability to control the operations of SDCW. This mutual ownership between vendor and vendee eliminates any monopolistic incentives and thus removes the need for Commission regulation. As SDCW is not serving the “public generally,” SDCW is no longer subject to Commission regulation.

We are aware that SDCW may yet have unresolved issues with the Commission and the Division of Public Utilities. I have already spoken with Tricia Schmid and we anticipate working with the Commission and the DPU to resolve any outstanding issues that arose prior to the HOAs acquiring SDCW. Joan Steed owns eleven vacant lots and one developed lot within the HOAs; all of these lots are being charged standby fees and are current on payment of the applicable standby fees.

A new governing board has been appointed for SDCW and the developer is no longer involved in any aspect of SDCW (other than as a lot owner as noted above). Although the online entity information may not yet reflect the changes, the updated information for SDCW has been submitted to the Utah Division of Corporations and Commercial Code.

Please contact either of us with any questions you may have.

Sincerely,
SMITH HARTVIGSEN, PLLC

A handwritten signature in black ink, appearing to read 'Adam S. Long', written over the printed name.

Adam S. Long

Nathan S. Bracken

*Attorneys for Utah Mini Ranches HOA and
Duchesne Mini Ranches HOA*

cc: Patricia Schmid, DPU legal counsel
Kriss Kofford, DMR HOA president
Tyler Haveard, UMR HOA president