



State of Utah
Department of Commerce
Division of Public Utilities

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Action Request Response

To: Public Service Commission of Utah

From: Utah Division of Public Utilities

Chris Parker, Director

Artie Powell, Manager

Brenda Salter, Utility Technical Consultant Supervisor

Mark Long, Utility Technical Consultant

Date: January 26, 2022

Re: **Docket No. 21-097-01**, Mountain Sewer Corporation's Application For Approval To Expand Service Area.

Recommendation (Approve)

The Utah Division of Public Utilities (Division or DPU) recommends that Mountain Sewer Corporation's (Mountain Sewer or Company) request for an expansion of its service area be approved by the Public Service Commission (Commission or PSC).

Issue

Mountain Sewer system is located just south of Pineview Reservoir along State Road 39 and Snow Basin Road in the Huntsville, Utah area. The Mountain Sewer system was constructed in 1983, and since that time, it has been upgraded several times. On June 11, 1985, it was issued CPCN No. 2163. Mountain Sewer currently serves 193 active connections, with another 112 approved, unconnected lots on standby within its Current Service Area.

Legacy Mountain Estates, LLC (LME), a proposed subdivision located adjacent to Mountain Sewer's service area, is requesting sixty (60) sewer connections from Mountain Sewer to serve

fifty-two (52) Single-Family Residential Dwellings and up to eight (8) Accessory Dwelling Units within the LME Subdivision. LME will construct all necessary infrastructure at LME's expense. In short, current customers of Mountain Sewer will not bear any of the expansion costs.

Since Mountain Sewer is not incurring any additional expenses from the inclusion of the LME subdivision, the rates set by the Commission on October 30, 2017, will remain the same.

Background

On November 23, 2021, the Commission issued an Action Request due on December 23, 2021, to the Division to review and make a recommendation on Mountain Sewer's application to expand its service area.

The Division issued a Data Request to Mountain Sewer on November 29, 2021, seeking additional information regarding its application as required by Utah Code 54-4-25. Specifically, the Division asked the Company to provide the following three items as required by Utah code.

1. Documentation that it has received or is in the process of obtaining the required consent, franchise, or permit of the proper county, city, municipal, or other public authority, in order to expand its service area.
2. To provide a current map showing the service area of all sewerage utilities surrounding the applicant.
3. Provide a statement that any proposed line, plant, or system will not conflict with or adversely affect the operations of any existing certified fixed public utility which supplies the same product or service to the public and that it will not constitute an extension into the territory certified to the existing fixed public utility.

The Division spoke to the Company's representatives on December 14, 2021, to discuss the status of the Data Request and was informed that due to the holidays, Mountain Sewer required additional time to coordinate with its engineering firm to respond to the Data Request adequately. On December 17, 2021, the Division requested a time extension for its recommendation to be filed with the Commission no later than January 28, 2022. The

Commission granted the extension on December 22, 2021, setting a new due date of January 28, 2022.

On January 25, 2022, the Division received Mountain Sewer's data request response demonstrating its compliance with Utah Code 54-4-25.

1. The Company provided documentation that it has obtained the required consents from local and county jurisdictions.
2. The Company also provided a service area map showing the sewage service area of sewer utilities surrounding the applicant. See Exhibit 1.
3. The Company also provided this statement,

Mountain Sewer's Expansion Proposal will not adversely affect the operation of any existing certified public utility that supplies the same service to the public and will not constitute an extension into the territory certified to the existing fixed public utility.

Conclusion

Mountain Sewer meets the requirements per Utah Code 54-4-25, and the current customers of Mountain Sewer will not bear any of the expansion costs; the Division recommends that the Commission approve the Company's request to expand its service area.

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