



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

Joanna Matyjasik, Utility Analyst

Mark Long, Utility Analyst

Date: April 26, 2021

Re: **Docket No. 21-2627-01**, Application of Blackhawk Utilities LLC for exemption from regulation.

Recommendation (Approve)

The Utah Division of Public Utilities (Division) recommends that Blackhawk Utilities LLC's (Blackhawk or Applicant) request for exemption from regulation by the Public Service Commission (Commission) be approved. The Division recommends that the Commission issue Blackhawk a Letter of Exemption (LOE).

Issue

On March 26, 2021, the Applicant filed a request with the Commission requesting an exemption from Commission regulation. On March 26, 2021, the Commission issued an Action Request for the Division to review the application and make recommendations with a due date of April 26, 2021.

Background

The Applicant is a new water company proposed to serve 148 residential lots in phase one of a development project located in Sanpete County near Indianola, Utah.

According to the Utah Division of Corporations' records, Blackhawk is listed as a domestic LLC. The records also show Blackhawk as "Active" and "Current," representing that a renewal has been filed, within the most recent renewal period, with the Division of Corporations and Commercial Code.

In its application, Blackhawk provided documentation from the Utah Department of Environmental Quality (DEQ), Utah Division of Drinking Water, that its plans have been reviewed. Blackhawk appears to be in compliance with the Utah Division of Drinking Water requirements.

Discussion

Blackhawk's Application indicates it is serving members only. Division staff spoke with representatives from Blackhawk regarding this issue and other water-related topics and have verified that the Applicant will be serving members only.

Since Blackhawk is serving only member customers located within its service area boundaries, it no longer meets the definition of a water corporation under Utah Code Ann. § 54-2-1(38) and is therefore not subject to Commission jurisdiction.

Conclusion

The Division recommends the Commission exempt Blackhawk from regulation and issue an LOE to the Applicant.

CC:

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Managing Partner, Blackhawk Utilities LLC