



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:** June 10, 2021

**Re:** **Docket No. 21-2629-01**, Application of Kolob Heights Water Users Association for exemption from regulation.

### Recommendation (Approve)

The Utah Division of Public Utilities (Division) recommends that Kolob Heights Water Users Association (Kolob Heights or Applicant) request for exemption from regulation by the Public Service Commission (Commission) be approved. The Division recommends that the Commission issue Kolob Heights a Letter of Exemption (LOE).

### Issue

On May 11, 2021, the Applicant filed a request with the Commission requesting an exemption from Commission regulation. On May 11, 2021, the Commission issued an Action Request for the Division to review the application and make recommendations by June 10, 2021.

### Background

The Applicant is a new water company planning to serve 45 residential lots in a proposed subdivision located in Washington County near New Harmony, Utah.

According to the Utah Division of Corporations' records, Kolob Heights is listed as a domestic, non-profit corporation. Division of Corporations and Commercial Code records also show Kolob Heights as "Active" and "Current," representing that a renewal has been filed, within the most recent renewal period.

In its application, Kolob Heights indicated that it is working with and formally submitted its Application for New Public Water Systems with the Utah Department of Environmental Quality (DEQ), Utah Division of Drinking Water, on May 10, 2021.

### **Discussion**

Kolob Heights Application indicates it is serving members only. Prior to filing its request for exemption from regulation, Division staff spoke with representatives from Kolob Heights regarding this issue and other water-related topics and have verified that the Applicant will be serving members only.

Since Kolob Heights 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 Kolob Heights from regulation and issue an LOE to the Applicant.

Cc:

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Kolob Heights Water Users Association