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## 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. 21-540-01**, Lakeview Water Corporation's Application For Approval To Expand Service Area.

### Recommendation (Approve)

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

### Issue

Lakeview Water system is located just south of Pineview Reservoir along State Road 39 and Snow Basin Road in the Huntsville, Utah area. Lakeview Water system was constructed in the 1960s, and since that time, it has been upgraded several times. On April 28, 1982, it was issued CPCN No. 2080 in Docket No. 82-0540-01. Lakeview currently serves 347.25 equivalent residential connections (includes individual family homes and town houses) and provides irrigation water for 26.214 acres of landscaping.

Legacy Mountain Estates, LLC (LME), a proposed subdivision located adjacent to Lakeview Water's service area, is requesting sixty (60) water connections from Lakeview Water 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, including a new water tank, at LME's expense, for storing the required water for potable, irrigation, and fire protection. LME will also dedicate sufficient water rights to Lakeview Water to fully cover the new subdivision's culinary and irrigation water needs. In short, current customers of Lakeview Water will not bear any of the expansion costs.

Since Lakeview Water is not incurring any additional expenses from the inclusion of the LME subdivision, the rates set by the Commission in 2008 will remain the same.

## **Background**

On November 24, 2021, the Commission issued an Action Request due on December 23, 2021, to the Division to review and make a recommendation on Lakeview Water's application to expand its service area.

The Division issued a Data Request to Lakeview Water 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 water service area of all water 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, Lakeview Water required additional time to coordinate with its engineering firm to adequately respond to the Data Request. 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 Lakeview Water's data request response demonstrating its compliance with Utah Code 54-4-25.

1. The Company provided documentation that it has obtained the required consent from The Department of Environmental Quality, Division of Drinking Water to expand its service area.
2. The Company also provided a service area map showing the water service area of water utilities surrounding the applicant. See Exhibit 1.
3. The Company also provided this statement,  
*Lakeview'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**

Lakeview Water meets the requirements of Utah Code 54-4-25, and the current customers of Lakeview Water 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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