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August 16, 2022

VIA EMAIL

Public Service Commission
Heber M. Wells Building
160 East 300 South, 4th Floor
P.O. Box 4558
Salt Lake City, Utah 84111
psc@utah.gov

RE: Notice of Sale - Wanship Cottages Water Company - Tariff Order No. 88-067-01

Dear Utah Public Service Commission (“PSC”),

Pursuant to Utah Admin Code R756-401-3, we wish provide the PSC 30-notice of the pending sale of all utility assets and non-utility assets associated with and owned by the Wanship Cottages Water Company, Inc. (“Company”) - Tarriff Order No. 88-067-01 (“Tarriff”). The address listed on the Tarriff is noted as P.O. Box 176 Coalville, Utah, 84017,¹ care of Dean [sic] Geary, President.²

The Company’s Tarriff was issued on June 1, 1988, and has not been updated or amended since. Excepting the Tarriff, there are no publicly available records regarding the Company housed with Utah Division of Public Utilities (“DPU”). The Tariff authorizes the Company to provide culinary and domestic water to single family dwellings within its service area. No official service area is provided in the Tarriff, but the Company generally serves part-time and full-time homes within the Wanship Cottages Subdivision located directly below Echo Reservoir Dam near Wanship, Utah, Sec. 29, T1N, R5E, SLBM. The Utah Division of Drinking Water (“DDW”) recognizes the Company as “Wanship Cottages Sites Public Drinking Water System #22019” and, as of 2013, lists the Company as serving 30 connections.³

¹ The Utah Division of Public Utilities notes the address for the Company as being 320 Old Farm Road, Coalville, Utah 84107. Communications in the Division of Drinking Water file indicate PO Box 176 is the current and correct address for the Company.

² The Company President is De Ann Geary.

³ Utah Division of Drinking Water, Water Capacity Calculations

http://eqedocs.utah.gov/TempEDocsFiles/411843740_411843740_WaterSystems_22%20-%20Summit_22019%20-%20WANSHIP%20COTTAGE%20SITES_Site%20Visits_DDW-2011-003386.pdf

Company infrastructure is generally located within the Wanship Cottages subdivision and immediate surrounding area.

The acquisition of the Company and its assets are the result of several years of negotiations between the Company and Mr. Grady Kohler of Park City, Utah. During this time Mr. Kohler has provided both financial and professional assistance to the Company. Ms. Geary has served as the Company President for over 30 years and desires to leave the water business. Mr. Kohler intends incorporate and operate a new entity, tentatively named "Wanship Water Company, LLC," to continue water service to the Company's customers and generally assume the obligations and responsibilities of the Company. All of the Company's assets, utility and non-utility alike, will be sold to Wanship Water Company, LLC. The estimated total value of the Company's assets, as determined by an agreed to purchase price, is \$50,000. Mr. Kohler attests to having adequate funds to purchase the Company's assets and can provide additional financing information to the PSC if requested. The Parties anticipate closing on the sale shortly after this 30-day notice expires, or sometime in mid-September 2022. After the acquisition of its assets, the Company will be dissolved with the Utah Division of Corporations. Ms. Geary supports this course of action has agreed to assist in whatever capacity needed to finalize the sale of the Company's assets and ensure a smooth transition to the new company.

Its is the intent for the new Wanship Water Company, LLC, to remain under PSC jurisdiction and oversight. The service area will remain generally the same as it is today and the sale will not conflict with or adversely affect the operations of any existing certificated public utility supplying culinary water. Similarly, the sale will not result in the extension or expansion into the territory of a certificate public utility providing culinary water.

Presently, Company infrastructure is deteriorating and continued deferred maintenance will jeopardize the ability of the new Wanship Water Company, LLC, to supply safe and sustained water service to its customers. The 1988 Tarriff establishes a minimum monthly payment of \$19.00 and various service fees. A new rate case is needed to assess current infrastructure needs and determine a just and reasonable rate for the Wanship Water Company, LLC, customers. Mr. Kohler has initiated discussions with Mark Long of DPU to begin preparing an Application for a Culinary Water Rate Increase to be brought before the PSC in the near future. It is anticipated customer rates will increase to raise the revenue needed for infrastructure repairs and operational upgrades. This increase is long overdue. Informal discussions with Company customers have indicated support for a rate case. These customers understand the need to address critical issues like securing proper fire flows, consistent compliance with DDW requirements (the Company recently completed a Corrective Action Plan to come into compliance), and other contemporary conditions.

We thank you for your time and anticipate coming before the PSC in the coming months. In the interim, please contact our Office regarding any questions about the pending sale of the Company's assets or to request additional information.

Very truly yours,
CLYDE SNOW & SESSIONS, PC



Emily E. Lewis