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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: September 22, 2022

Re: **Docket No. 22-2428-01**, Application of Harmony Mountain Ranch Water Company Association for Exemption from Regulation.

Recommendation (Approve)

The Utah Division of Public Utilities (Division) recommends that the Public Service Commission (Commission or PSC) grant Harmony Mountain Ranch Water Company Association's (Harmony Mountain Ranch Water or Company) request for exemption. The Division further recommends that a Letter of Exemption (LOE) from Commission regulation be issued, and its Certificate of Public Convenience and Necessity (CPCN) be canceled.

Issue

On August 29, 2022, the Company filed an application with the Commission requesting that it be exempted from regulation. The Commission issued an Action Request to the Division on August 29, 2022, with a due date of September 28, 2022.

Background

The Commission approved Harmony Mountain Ranch Water's Application for a CPCN, and issued CPCN No. 2428 on May 13, 2004. The Company has not raised rates since the PSC

Division of Public Utilities

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approved the original rates on May 13, 2004.

The Company currently has 51 customers and is composed of 25 standby and 26 connected customers. Its service area is located at Harmony Mountain Ranches near the town of Kanarraville, UT, in Iron County.

Harmony Mountain Ranch Water remains an “Active” corporation and is in “Good Standing,” according to the Utah Division of Corporations’ records.

Additionally, Harmony Mountain Ranch Water appears to be in compliance with the Utah Department of Environmental Quality, Division of Drinking Water.

Discussion

Mr. Bill Tillett, Company president, and the Division have had several discussions regarding the Company preparing to turn over the operation of the Company to its member customers. Mr. Tillett indicated he has been working with Harmony Mountain Ranch Water members who wish to be exempt from PSC regulation.

Since Harmony Mountain Ranch Water is serving only member customers within its service area boundaries, it no longer meets the definition of a water corporation requiring Commission regulation under Utah Code Ann. § 54-2-1(39) and is therefore not subject to Commission jurisdiction.

Conclusion

The Division recommends that the PSC grant Harmony Mountain Ranch Water’s request for exemption from PSC regulation. It also recommends issuing an LOE from Commission regulation and canceling its CPCN.

Cc: Mr. Bill Tillett, president, btillett68@gmail.com