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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: March 9, 2022

Re: **Docket No. 22-2633-01**, Application of Grandview Mountain Estates LLC for exemption from regulation.

Recommendation (Approve)

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

Issue

On February 16, 2022, the Applicant filed a request with the Commission requesting an exemption from Commission regulation. On February 16, 2022, the Commission issued an Action Request for the Division to review the application and make recommendations by March 18, 2022.

Background

The Applicant is a new water company planning to serve 26 residential lots in a proposed subdivision located in Sanpete County near Fountain Green, Utah.

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

In its application, Grandview indicated that it is currently working with an engineer at the Utah Department of Environmental Equality (DEQ), Utah Division of Drinking Water, Central Utah District.

Discussion

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

Since Grandview is serving only member customers located 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(38) and is therefore not subject to Commission jurisdiction.

Conclusion

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

Cc:

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Grandview Mountain Estates, LLC