

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

Application of Zion Peak Water Company, LLC for Exemption	<u>DOCKET NO. 22-2637-01</u> <u>ORDER GRANTING EXEMPTION FROM REGULATION</u>
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ISSUED: September 19, 2022

BACKGROUND

On August 1, 2022, Zion Peak Water Company, LLC (“Zion Peak”) filed an Application and Exhibits for Exemption (“Application”) with the Public Service Commission (PSC). On August 26, 2022, the Division of Public Utilities (DPU) filed a memorandum (“Memorandum”) recommending the PSC grant Zion Peak’s Application.

The Application and Memorandum represent that Zion Peak will serve 340 part-time residential customers in the Little Ponderosa Subdivision located in Kane County, Utah adjacent to the east boundary of Zion National Park. Additionally, the Memorandum and Application state the residential customers will be members of an owner’s association as a requirement for receiving water from Zion Peak.

The Memorandum states that according to records of the Utah Division of Corporations, Zion Peak is listed as an “Active” and “Current” domestic LLC, will purchase water from the East Zion Special Service District, and that Zion Peak is working with an engineer at the Utah Department of Environmental Quality, Utah Division of Drinking Water.

ORDER

Because Zion Peak will serve only its members and will not serve the general public, the PSC concludes Zion Peak is exempt from the PSC’s regulation and therefore grants the

DOCKET NO. 22-2637-01

- 2 -

Application consistent with Utah Code Ann. § 54-2-1(38). The letter of exemption is attached to this Order as Exhibit A.

DATED at Salt Lake City, Utah, September 19, 2022.

/s/ Yvonne R. Hogle
Presiding Officer

Approved and confirmed September 19, 2022, as the Order of the Public Service Commission of Utah.

/s/ Thad LeVar, Chair

/s/ David R. Clark, Commissioner

/s/ Ron Allen, Commissioner

Attest:

/s/ Gary L. Widerburg
PSC Secretary
DW#325522

Notice of Opportunity for Agency Review or Rehearing

Pursuant to Utah Code Ann. §§ 63G-4-301 and 54-7-15, a party may seek agency review or rehearing of this order by filing a request for review or rehearing with the PSC within 30 days after the issuance of the order. Responses to a request for agency review or rehearing must be filed within 15 days of the filing of the request for review or rehearing. If the PSC fails to grant a request for review or rehearing within 30 days after the filing of a request for review or rehearing, it is deemed denied. Judicial review of the PSC's final agency action may be obtained by filing a Petition for Review with the Utah Supreme Court within 30 days after final agency action. Any Petition for Review must comply with the requirements of Utah Code Ann. §§ 63G-4-401, 63G-4-403, and the Utah Rules of Appellate Procedure.

DOCKET NO. 22-2637-01

- 3 -

Exhibit A



State of Utah

SPENCER J. COX
Governor

DEIDRE M. HENDERSON
Lieutenant Governor

Public Service Commission

THAD LeVAR
Chair

DAVID R. CLARK
Commissioner

RON ALLEN
Commissioner

LETTER OF EXEMPTION NO. 245

September 19, 2022

Stephen Neeleman
Zion Peak Water Company, LLC
12903 S. 300 E.
Draper, Utah 84020

Dear Mr. Neeleman,

The Public Service Commission (PSC) has reviewed the proposed application for exemption filed on behalf of Zion Peak Water Company, LLC (“Zion Peak”) on August 1, 2022.

On August 26, 2022, the Division of Public Utilities (DPU) recommended the PSC grant the request for exemption because Zion Peak is a water company planning to serve 340 residential lots in the Little Ponderosa Subdivision located in Kane County, Utah and will be “serving members only.” Utah Code Ann. § 54-2-1(38) excludes water corporations from PSC regulation that distribute water only to their stockholders or members. Thus, it appears an exemption for Zion Peak is appropriate.

Please be advised that this Letter of Exemption No. 245 is granted pursuant to the representations contained in the Application and on the basis of DPU’s confirmation that Zion Peak will serve only its members and not the public generally. Zion Peak has a continuing obligation to update the PSC within 30 days of any change.

This Letter of Exemption No. 245 is revocable for cause at any time. Please refer to this letter number in any future correspondence with either the PSC or DPU.

Sincerely,

/s/ Gary L. Widerburg
PSC Secretary
DW#325522

CERTIFICATE OF SERVICE

I CERTIFY that on September 19, 2022, a true and correct copy of the foregoing was served upon the following as indicated below:

By Email:

Stephen Neeleman (sdneeleman@gmail.com)
Kevin McLaws (kevin@mclaws.org)
Zion Peak Water Company, LLC

Patricia Schmid (pschmid@agutah.gov)
Assistant Utah Attorneys General

Madison Galt (mgalt@utah.gov)
Division of Public Utilities

Administrative Assistant