



PublicService Commission <psc@utah.gov>

Docket No 23-001-04

1 message

jo heninger <joheninger@gmail.com>

Mon, Feb 5, 2024 at 8:16 PM

To: psc@utah.gov, Martell Menlove <martellmenlove@gmail.com>

RE: Docket Number 23-001-04 - Formal Complaint from Ronda and Martell Menlove

Response from Bridgerland Water Company:

In February 2021, we formally communicated to the Department of Public Utilities (DPU) about our imperative need for a rate increase. Over the subsequent year, we engaged in collaborative efforts with the DPU to formulate a sound budget that aligns with the genuine requirements of our company in the foreseeable future. While some projected line items have not materialized, yet, we have diligently managed our finances by reallocating resources to address other essential areas*. Anticipating specific impending expenses, we have proactively set aside funds to meet these future needs. Our overarching goal is to defer the next rate increase for as long as feasibly possible.

*The rate increase took effect on April 1, 2022, with full fund collection by July of that year. Despite these efforts, our financial report for 2022 reflected a deficit exceeding \$40,000. Thanks to a benevolent loan extended by Ted and Dixie Wilson, we were able to meet our operating needs for that year. In 2023, we successfully implemented the complete rate increase, marking the first time in several years that we achieved financial solvency. During the initial year of the rate increase, we were exempt from a loan payment, as agreed upon. However, state regulations necessitated the establishment of a Capital account of no less than \$55,000, to be deposited annually or to be used for water company expenses. Due to the absence of connection expenses and heightened utility costs, we were able to install bleeders in two strategic locations. We were able to repay the loan from Ted and Dixie, and the remaining budgeted funds were allocated to the Capital account for future contingencies. This financial stability represents a significant milestone in our organization's recent history.

Annually, we diligently submit our financial records to the State for examination, consistently upholding a track record devoid of any allegations of fund misuse or the necessity for procedural adjustments.

In conclusion, we allocate collected funds to operational or maintenance requirements as we deem necessary for our company to continue to provide safe and dependable water for our customers.

Tana Heninger – Bridgerland Water