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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  
Brenda Salter, Assistant Director  
Shauna Benvegna-Springer, Utility Technical Consultant  
Tamra Dayley, Utility Analyst

**Date:** October 17, 2023

**Re:** **Docket No. 23-010-01**, Highlands Water Company Inc., Request to Update Service Area.

## Recommendation (Approval)

The Division of Public Utilities (Division or DPU) recommends Highlands Water Company Inc.'s (Highlands) request to update the service area map to include the existing infrastructure and near future projected service area be approved by the Public Service Commission (Commission or PSC).

## Issue

The Highlands Water Company Inc. filed September 20, 2023, to have its Certificate of Convenience and Necessity No. 1520 (CC&N) service area maps updated to show its current infrastructure. Also, included was a request to grant service area designation to immediate planned extensions and the near future projected service area. The service area was last updated during Highlands' general rate case in Case No. 5572-Sub 2 and 4, issued February 25, 1976.

Division of Public Utilities

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## **Background**

Highlands has participated in multiple proceedings before the Commission since its CC&N inception May 6, 1965. The Company is anticipating filing a general rate case in the near future and noted that the service map on file with the Commission does not accurately represent Highlands current service territory. The last service area map changes were made in 1976. Highlands currently services 530 customers providing its customers with 82 million gallons of water annually in the greater Mountain Green, Utah area north of I-84.

On September 20, 2023, the Commission issued an Action Request due on October 20, 2023, to the Division to review and make a recommendation on Highlands' request to update its service area mapping.

## **Discussion**

The Division, working with Highlands, sought additional information regarding its application on October 3, 2023. The Division has received evidence of the following items (see UCA 54-4-25(4)(a)(i) and (a)(ii) and (b)):

1. Assurance that it has received or is in the process of obtaining the required consent, franchise, or permit of the proper county, city, municipal, or other public authority, in order to extend service into the previously granted service area.

Per requests for water connection service Highlands provides each developer with a "Letter of Intent to Serve" and "Will Serve Letters" as required by Morgan County's Planning Commission. These letters provide the developer, Morgan County and Highlands, with the documentation of the water use requested.

2. Highlands has provided a current map showing the water service infrastructure of all water utilities surrounding the applicant and a map of the future expansion areas. These maps were provided to the PSC with Highlands Request to Update Service Area dated September 20, 2023, Attachments 2 – Existing Service Area Boundary, 2A – Service Area Map, 3 – Future Service Area Boundary and 3A – Future Service Area Map.

3. Highlands concurs with the statement that any proposed line, plant, or system will not conflict with or adversely affect the operations of any existing certified fixed public utility that supplies the same product or service to the public and that it will not constitute an extension into the territory certified to the existing fixed public utility.

## **Conclusion**

Based on the Division's review, Highlands Water Company Inc. meets the service area expansion requirements. The Division recommends that the Commission accept the current service area maps and approve the Company's request to expand its service area.

cc: Marjalee Smith, President, Highlands Water Company Inc.