

# Complaint Report

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**Complaint Number:** C24-0064

## Customer Information

**Customer Name:** Craigle, Joshua

**Account Number:** Paige Guion/Joshua Craigle

**Other Contact Info:** Paige Guion

**Phone Number:** 801-499-6056

**Email Address:** Craiglejosh@gmail.com

**Cell Number:** 801-671-6591

**Service:** 2923 Cottonwood Drive

**Address:** Wanship, UT 84017

## Complaint Information

**Company Name:** Wanship Cottage Water Company

**Date Received:** 3/11/2024

**Date Resolved:** 3/11/2024

**Type of Call:** Complaint

**Complaint Type:** Rate Increase

**Complaint Received By:** Gwen Flores

**Utility Company Analyst:** Grady Kohler

**Gone Formal:** NO

## Complaint Description:

### UTILITY CUSTOMER

Customer Name: Joshua Craigle/Paige Guion

Primary Phone: 801-499-6056

Other Phone: 801-671-6591

E-mail Address: Craiglejosh@gmail.com

### Service Address:

2923 Cottonwood Drive

Wanship, UT 84017

### Mailing Address:

2923 Cottonwood Drive

Wanship, UT 84017

### INCIDENT DETAILS

Utility: Wanship Water Company

Account Number: Paige Guion and Joshua Craigle

Complaint Type: Rate Increases

### Complaint:

Grady Kholer misled the attendees at the Oct 12th pump house meeting by stating that the State sets the rates. He also wrote - "Public Service Commission is the one who will set the rates" (May 26th email) The state approved the water rates that Grady recommended (Docket No. 23-067-01 May 25th 2023)

During the Oct 12th meeting he discouraged attendees from attending the Public Witness Hearing on the rate increase.

On March 4th Mark Long, of the Division of Public Utilities, stated that he had the impression our community agreed with this exorbitant increase.

When asked what gave him this impression he said "Well, no one intervened and no one came to the hearing." Again, we were told there was nothing we could do, the state set the rates and Grady's "hands were tied".

This increase does not meet The Divisions policy objectives as defined in Utah Code Section 54-4a-6.

Inconsistent and mis-leading communication-Hearing date was changed, email communication was variable and no written notifications were received.

The 742% increase is far from the fair market water value.

Seasonal residences use very little water. There was no discussion of variable rates and no provisions for our economically diverse community. Mr. Kholer stated to one community member that if they couldn't pay the water bill he would put a lien on their property.

This rate increase is not just, reasonable or in the best interest of the community.

Suggested Resolution:

Suspend the 742% rate increase until a new hearing can be scheduled where our community members can voice our concerns.

Request reasonable rate to match market rate of surrounding communities.

Suggest using closest comparable market rates as base rate for acceptable rate increase- Bridge Hollow, Wanship Mutual Water Company. These comps are \$700-740/year, or roughly \$60/mo. This would represent a 300% increase.

## Complaint Response:

Grady Kohler

Attachments

Mon, Mar 11, 7:43 PM

to Craiglejosh, me

Hi Josh and Paige,

I am responding to your complaint filed with the Division of Public Utilities. First off, I am sorry to hear you are upset. I think it's warranted to be upset about a 700%+ rate increase, so I don't blame you. You and others in the community had similar complaints so I attached an outline to answer your questions. If, for some reason, I missed something, please let me know. I am happy to communicate via email, text, or a call and also happy to be an open book and share any expenses and revenue. And lastly I'm open to ideas on how we can save money. The more time we have with billing, repairs, and the like, the more it costs us to run this system.

At the pump house meeting, I explained that we had agreed with the stipulation, meaning the water company was going to agree with what they proposed. People did ask how they could support the company via volunteering and such. But I never told anyone not to go, I may have explained that I had agreed with the stipulation. We did provide lots of documents to the state already and I am happy to be an open book. Perhaps at the end of this quarter you and I could collaborate and look at the expenses and revenue and brainstorm ideas. The state has requirements for annual reports and such. Also, I never told anyone I would lien their property if they didn't pay.

Separately, if you or anyone is willing to start the conversation to turn this into a community water system I would really appreciate that. With such a small community system I think we could really benefit from community help. Anything that lowers the costs, keeps repairs down, save time, all come back to benefit the system users. If we can keep costs down, I hope it's quite some time before we have to go back to increase rates.

Lastly, please understand that at some point, if this system is taking this much time to respond to complaints (for example), I have to hire professionals to handle these things. So far, it's been my time on all this, including moving the well up the hill and working with the state to do that. The more the system costs to run the more it will cost the users; I would much rather be able to lower rates or at min maintain for years to come.

I know you are doing this to help those who are on fixed income and to keep things honest and open. I appreciate that and again I apologize if anything was not clear or felt misleading. I hope to be able to work with you to solve some of these challenges in this small community. Thank you and have a great evening.

-Grady



## **Response to Complaint**

For Wanship Water Co. LLC  
Wanship, Utah

Wanship Water Co worked with the Public Service Commission on a rate increase in 2023. We were assigned Docket No: 23-067-01. By no means does this letter intend to cover every detail of that year-long process. I hope that it can clarify the questions you have regarding your complaint with the Public Service Commission.

In January 2023, we filed a notice to apply for a rate increase. At this point, we let the community know about such notice with our billing that went out in January.

In May 2023, we were assigned a docket number with the Public Service Commission. An email was sent out sharing this docket number and some background information, such as the last rate increase was in 1988. At this point, we provided full, transparent information to the Public Service Commission; we didn't withhold any information proving full bank statements, pro formas, and much more. All this information was shared with the community we purposely chose not to redact or back out any information, we were a totally open book.

Over the subsequent months the Public Service Commission worked on this rate increase and provided more information and documentation on the docket. I spoke with many people in the community and answered emails and questions they had.

On September 27th, 2023, we sent an email letting people know about a public open house we held at the pump house on October 12th. This meeting was well attended for our little water system. At this point we communicated that the Public Service Commission had completed its analysis, and we planned to or have agreed to go along with its findings. More formally, I believe we agreed to the 'Stipulation Settlement.' Or in other words we agreed with the rates that the Public Service Commission and Wanship Water worked on all summer. Also, at this meeting, we passed out the proposed rates and printouts of the hearing to take place on November 1st.

After the community meeting on October 13th, 2023, another email was sent thanking those who were in attendance. We shared a link to the docket and let everyone know the hearing was

scheduled for November 1st, 2023. Then, toward the end of November, the order was granted, and we sent out further communications in the invoicing for December.

If anything was not as clear or transparent as you would have liked, I sincerely apologize for that. It was never my intention to do anything that would not be completely above board. I want you to know I am happy to have total transparency and open communication with all our customers.

Our intent with this rate increase was to get the water company to a break-even and have some money for the unexpected repairs that come up. We also hope to have time to apply for grants and loans and eventually improve our water quality by moving the pump up the hill away from livestock, the road, and septic tanks.

Please feel free to contact me with any questions you ever have.

Sincerely,

Grady Kohler  
President  
801-815-4663

# Complaint Report

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**Complaint Number:** C24-0061

## Customer Information

**Customer Name:** Patten, Kris

**Account Number:**

**Phone Number:** 8016615930

**Email Address:** kristerrapath@gmail.com

**Service Address:** 2899 Cottonwood Dr  
Wanship, UT 84017

**Mailing Address:** 11161 North 5730 West Street  
Highland, UT 84003

## Complaint Information

**Company Name:** Wanship Cottage Water Company

**Date Received:** 3/11/2024

**Date Resolved:** 3/12/2024

**Type of Call:** Complaint

**Complaint Type:** Additional Charges

**Complaint Received By:** Stefanie Liebert

**Utility Company Analyst:** Grady Kohler

**Gone Formal:** NO

## Complaint Description:

The following complaint was received via email and has been copied and sent exactly as received.

From: dpu.utah.gov

Date: Sun, Mar 10, 2024 at 8:28 PM

Subject: dpu.utah.gov | Online Complaint Submission From Kris Patten

To:

### UTILITY CUSTOMER

Customer Name: Kris Patten

If Business, Contact Person:

Primary Phone: 8016615930

Other Phone:

E-mail Address: kristerrapath@gmail.com

Service Address:

11161 North 5730 West Street Highland, UT 84003

Mailing Address:

11161 North 5730 West Street Highland, Utah 84003

### INCIDENT DETAILS

Utility: Wanship Water Company

Account Number: Kris Patten

Complaint Type: Additional Charges

Complaint:

GK misled the attendees at the Oct 12th pump house meeting by stating that the State sets the rates. He also wrote - "Public Service Commission is the one who will set the rates" (May 26th email) The state approved the water rates that Grady recommended (Docket No. 23-067-01 May 25th 2023)

- During the Oct 12th meeting he discouraged attendees from attending the



Public Witness Hearing on the rate increase

- On March 4th Mark Long, of the Division of Public Utilities, stated that he had the impression our community agreed with this exorbitant increase.

When asked what gave him this impression he said "Well, no one intervened and no one came to the hearing."

- This increase does not meet The Divisions policy objectives as defined in Utah Code Section 54-4a-6

- Inconsistent and mis-leading communication

Hearing date was changed, email communication was variable and No written notifications were received

- The 742% increase is far from the fair market water value.

- Seasonal residences use very little water. There was no discussion of variable rates and no provisions for our economically diverse community GK has stated he will illegally lien properties which are unable to pay and has not provided reasonable documentation to stakeholders

- No contracts, no transparency around operating costs or governance of the company have been provided to the stakeholders

Suggested Resolution:

Charge no more than \$50 per month for water when our previous rate was 742% less per year in three years of ownership! We shouldn't have to pay for bad debt that you new owner assumed.

Demand audited financials!

Suspend current 742% rate increase until a new hearing can be scheduled where our community members can voice concerns

- Request reasonable rate to match market value of surrounding communities

- Suggest using closest comparable market rates as base rate for acceptable rate increase-Bridge Hollow, Wanship Mutual Water

Company

- Comps are \$700-740 annual or \$60/month- This would represent a 300% rate increase!

Regards, Kris Patten

## Complaint Response:

From: Grady Kohler

Date: Tue, Mar 12, 2024 at 4:08 PM

Subject: Wanship Water Update

To: , , , ,

Wanship Water Customers,

I am sending this email to address some concerns a few of our customers have and to be completely transparent with this water company. Some of you have called and had questions I have been happy to answer, even specific ones like what did the \_\_\_\_ repair cost; and I have been happy to answer. I have been and always will be 100% transparent with this water company; I will continue to answer my phone and your questions.

Thank you to all the customers who have been supportive and understanding that the water company has to at least break even and have some reserves. And thank you to all who have paid your bills timely. I appreciate that you all understand the water company needs money to keep operating and to improve very old equipment.

Recap of 2023: The water company lost about \$25,000. I have attached our P&L. If not for our rate increase and some revenue coming in December, we would have lost about \$30,000, and if not for some bill deferrals, we would have closer to \$45,000 in losses. Our current operating balance is about \$2,000 (cash on hand). In 2023 I had to infuse \$20,000 into the company to keep it operating and be able to pay our bills and vendors. I did this via \$5,000 in Jan, June, July, and October. I have attached full, detailed banking transactions for your reference. Please note that 2023 doesn't include our debt service (because we couldn't afford it or other expenses, we had to differ; we even got some vendors that allowed deferrals into 2024). Without these, we would have been really hard-pressed.

Since expenses are not fixed (repairs being the biggest variable any year), we forecast expenses to be in the \$50,000 to \$65,000 range every year. We hope to bring in around \$65,000 in revenue with the new rates, so on a good year, we have some reserves, and on a bad year, we will likely break even. I HOPE down the road, as the system becomes more reliable, we do better. Some of you have asked about doing another rate case. I can see some benefits to doing this as the company doesn't have much by way of reserves (cash) and to clarify some billing. But these rate cases are very time-consuming, and I would likely need to hire someone to do it this time, hence that cost becomes a factor. The rates are largely determined by what the company costs to run, the state was great to work with, and I think we landed on an agreed price that I hope works for some time. Rates are not necessarily determined by what other systems cost. For example, one house in one community may be significantly less than one next door; what I may pay in water in Salt Lake has little impact on what I pay in Murray. They are different systems with different costs. We have a very small system, so the hard part is keeping costs low since every dollar has a greater impact on rates with fewer users.

I also want everyone to know that I didn't personally take payment in 2023. I have not even so much as reimbursed or filled up my tank with gas. However, going forward, I do plan to pay myself \$500/mo. If anyone in the community wants to apply for this job, I would love to hand it off; it definitely doesn't pay over minimum wage :)

As we have discussed in the past, we will need grants and/or loan assistance to make large capital improvements. I have not had any time to work on this; so far billing and working with the Division of Drinking Water has taken all my time this year. I hope to have time down the road, but the clock is ticking as I understand it we have deadlines for these that happen earlier in the year. I don't know if I will have the time, but I sure hope so. If anyone has time to help apply for these grants, it would be much appreciated.

What I really hope is that the community can come together and take over this water system someday. I know several of you have expressed that you don't want to do that, and I appreciate your honesty, but perhaps when some of the upgrades are complete, it will be more manageable.

I totally understand that a 700%+ increase in rates is massive, I know some would much rather have had a steady increase over the last 30 years. If that had been done, the system would also be in better condition and hence less to operate. But that's not the situation we have today. The math on this company is really quite simple; we have mostly fixed/steady costs, and the big unknown of repairs and professional fees is our largest variable cost. Assuming we keep legal and other professional fees down and we don't need to hire a full-time administrator, I really hope some money is left over at the end of each year. To do this frankly we need your help and support.

Infrastructure Update: If we can get the approvals and funds, I hope to move the well up next to the holding tank. If we can pull this off, it will be the biggest game-changer the system has ever had. The water looks really good and may not need chlorination. It's far from septic, the road, and livestock and is a deep well.

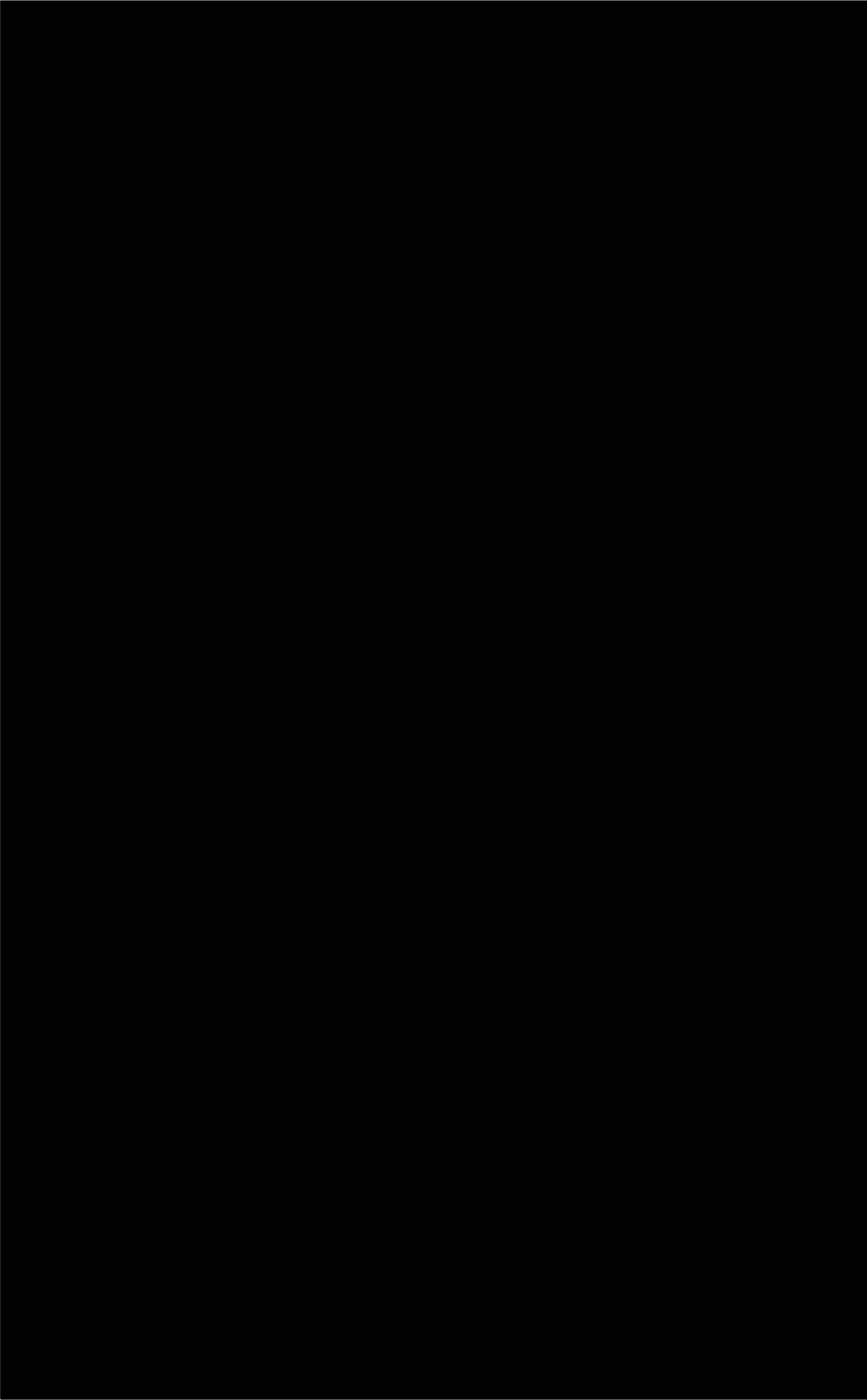
Lastly, I want to invite you all to another community open house. This time we will do it indoors at my office so we are not frozen. It will be on March 21st, 2023 at 6 pm. I have a large room that can fit lots of people in my office. The address is 1835 Three Kings Dr, Park City, UT 84060. If you have been to Silver Star Cafe, we are right next door. If you are attending please let me know and I will help explain the parking in this complex, it will also help me know the number to plan for. At this meeting, I will have DeAnn's old boxes of receipts going back to the 80s (like I had at the pump house), my computer to dive into any expense questions, and I hope to have some brainstorming on how we can save time and money for the water company. I will also update everyone on the infrastructure goals. This meeting is not mandatory, but if you have questions, I will be around to answer them. As always, you can call, text, or email as well. Happy to answer your questions and be totally transparent.

Sincerely,

Grady

801-815-4663

p.s. I want to give a shout-out and thank you to Jeff Harkness, our certified water operator. Without his help and fair fees, we would not be functional. If you see him around the community fixing things or taking water samples, please thank him and be as cooperative as possible.







## **Response to Complaint**

For Wanship Water Co. LLC  
Wanship, Utah

Wanship Water Co worked with the Public Service Commission on a rate increase in 2023. We were assigned Docket No: 23-067-01. By no means does this letter intend to cover every detail of that year-long process. I hope that it can clarify the questions you have regarding your complaint with the Public Service Commission.

In January 2023, we filed a notice to apply for a rate increase. At this point, we let the community know about such notice with our billing that went out in January.

In May 2023, we were assigned a docket number with the Public Service Commission. An email was sent out sharing this docket number and some background information, such as the last rate increase was in 1988. At this point, we provided full, transparent information to the Public Service Commission; we didn't withhold any information proving full bank statements, pro formas, and much more. All this information was shared with the community we purposely chose not to redact or back out any information, we were a totally open book.

Over the subsequent months the Public Service Commission worked on this rate increase and provided more information and documentation on the docket. I spoke with many people in the community and answered emails and questions they had.

On September 27th, 2023, we sent an email letting people know about a public open house we held at the pump house on October 12th. This meeting was well attended for our little water system. At this point we communicated that the Public Service Commission had completed its analysis, and we planned to or have agreed to go along with its findings. More formally, I believe we agreed to the 'Stipulation Settlement.' Or in other words we agreed with the rates that the Public Service Commission and Wanship Water worked on all summer. Also, at this meeting, we passed out the proposed rates and printouts of the hearing to take place on November 1st.

After the community meeting on October 13th, 2023, another email was sent thanking those who were in attendance. We shared a link to the docket and let everyone know the hearing was

scheduled for November 1st, 2023. Then, toward the end of November, the order was granted, and we sent out further communications in the invoicing for December.

If anything was not as clear or transparent as you would have liked, I sincerely apologize for that. It was never my intention to do anything that would not be completely above board. I want you to know I am happy to have total transparency and open communication with all our customers.

Our intent with this rate increase was to get the water company to a break-even and have some money for the unexpected repairs that come up. We also hope to have time to apply for grants and loans and eventually improve our water quality by moving the pump up the hill away from livestock, the road, and septic tanks.

Please feel free to contact me with any questions you ever have.

Sincerely,

Grady Kohler  
President  
801-815-4663



# Complaint Report

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**Complaint Number:** C24-0066

## Customer Information

**Customer Name:** Concannon, Liz

**Account Number:**

**Other Contact Info:** John Concannon

**Phone Number:** 4356403396

**Email Address:** jtcon945@gmail.com

**Service Address:** 2685 Rockport Road  
Wanship, UT 84017

## Complaint Information

**Company Name:** Wanship Cottage Water Company

**Date Received:** 3/11/2024

**Date Resolved:** 3/13/2024

**Type of Call:** Complaint

**Complaint Type:** Rate Increase

**Complaint Received By:** Cynthia Dumas

**Utility Company Analyst:** Gary Kohler

**Gone Formal:** NO

## Complaint Description:

The following email was sent in via email and copies as is:

From: dpu.utah.gov

Date: Sun, Mar 10, 2024 at 12:45 PM

Subject: dpu.utah.gov | Online Complaint Submission From Liz and John Concannon

To:

### UTILITY CUSTOMER

Customer Name: Liz and John Concannon

If Business, Contact Person:

Primary Phone: 4356403396

Other Phone:

E-mail Address: jtcon945@gmail.com

Service Address:

2685 Rockport Road Wanship, UT 84017

Mailing Address:

2685 Rockport Road Coalville, UT 84017

### INCIDENT DETAILS

Utility: Wanship Water Company

Account Number: Liz and John Concannon

Complaint Type: Rate Increases

### Complaint:

During an informal meeting on October 12, 2023 Grady Kohler told a few members of our community there would be a rate increase. We were told the rate increase would be around \$170 each month which would be a 742% increase. Several of the community members were taken back on that type of increase. Grady Kohler told the rate increase was set by the state which the community would have no say in. We were told there would be a public hearing on it but since the rate couldn't be changed there wasn't a reason to appear at the meeting.

We were also told part of the rate increase was to pay Grady Kohler back from loans he gave Wanship Cottages the previous owner. Since the payments have been paid we have had no communication or transparency on what is going with both the antiquated system and to pay back his loans.

We have since found out we were misled in our voice in the rate increase. We could have appeared in the public meeting to voice our displeasure on the amount of the rate increase and where the money goes to.

This increase does not meet the Division of Public Utilities policy objectives as defined

in Utah Code Section 54-4A-6.

Suggested Resolution:

To suspend current rate increase until a new hearing can be scheduled where our community members can voice concerns.

Request reasonable rate to match market value of surrounding communities and transparency on where the money is going.

## Complaint Response:

From: Grady Kohler

Date: Tue, Mar 12, 2024 at 10:38 AM

Subject: Fwd: Informal Complaint ~ Concannon, Liz and John

To: John Concannon ,

Hi Liz and John,

I am responding to your complaint filed with the Division of Public Utilities. First off, I am sorry to hear you are upset. I think it's warranted to be upset about a 700%+ rate increase, so I don't blame you. You and others in the community had similar complaints so I attached an outline to answer your questions. If, for some reason, I missed something, please let me know. I am happy to communicate via email, text, or a call and also happy to be an open book and share any expenses and revenue. And lastly I'm open to ideas on how we can save money. The more time we have with billing, repairs, and the like, the more it costs us to run this system.

You mention loans and repayment. These are costs like legal fees or admin fees of the water company. We actually still have some vendors that didn't get paid before my involvement that we are making right. The vendors should be paid and our goal is to break even and pay our bills. The lower we keep costs the lower rates should be. The state does finalize the rate; the water company had agreed with the proposal the state made; in other words, we didn't fight the recommendation for it to be lower or higher. They came up after auditing the financials with a breakeven that hopefully has some money left over for repairs and improvements. The best use of our time would be trying to get grants and moving the well up the hill to have better, cleaner, more reliable water. I have spent quite a bit of time, and things are looking promising, but I have not had any time to write grants or apply for loans.

Separately, if you or anyone is willing to start the conversation to turn this into a community water system I would really appreciate that. With such a small community system I think we could really benefit from community help. Anything that lowers the costs, keeps repairs down, save time, all come back to benefit the system users. If we can keep costs down, I hope it's quite some time before we have to go back to increase rates.

-Grady



## **Response to Complaint**

For Wanship Water Co. LLC  
Wanship, Utah

Wanship Water Co worked with the Public Service Commission on a rate increase in 2023. We were assigned Docket No: 23-067-01. By no means does this letter intend to cover every detail of that year-long process. I hope that it can clarify the questions you have regarding your complaint with the Public Service Commission.

In January 2023, we filed a notice to apply for a rate increase. At this point, we let the community know about such notice with our billing that went out in January.

In May 2023, we were assigned a docket number with the Public Service Commission. An email was sent out sharing this docket number and some background information, such as the last rate increase was in 1988. At this point, we provided full, transparent information to the Public Service Commission; we didn't withhold any information proving full bank statements, pro formas, and much more. All this information was shared with the community we purposely chose not to redact or back out any information, we were a totally open book.

Over the subsequent months the Public Service Commission worked on this rate increase and provided more information and documentation on the docket. I spoke with many people in the community and answered emails and questions they had.

On September 27th, 2023, we sent an email letting people know about a public open house we held at the pump house on October 12th. This meeting was well attended for our little water system. At this point we communicated that the Public Service Commission had completed its analysis, and we planned to or have agreed to go along with its findings. More formally, I believe we agreed to the 'Stipulation Settlement.' Or in other words we agreed with the rates that the Public Service Commission and Wanship Water worked on all summer. Also, at this meeting, we passed out the proposed rates and printouts of the hearing to take place on November 1st.

After the community meeting on October 13th, 2023, another email was sent thanking those who were in attendance. We shared a link to the docket and let everyone know the hearing was

scheduled for November 1st, 2023. Then, toward the end of November, the order was granted, and we sent out further communications in the invoicing for December.

If anything was not as clear or transparent as you would have liked, I sincerely apologize for that. It was never my intention to do anything that would not be completely above board. I want you to know I am happy to have total transparency and open communication with all our customers.

Our intent with this rate increase was to get the water company to a break-even and have some money for the unexpected repairs that come up. We also hope to have time to apply for grants and loans and eventually improve our water quality by moving the pump up the hill away from livestock, the road, and septic tanks.

Please feel free to contact me with any questions you ever have.

Sincerely,

Grady Kohler  
President  
801-815-4663

# Complaint Report

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**Complaint Number:** C24-0074

## Customer Information

**Customer Name:** Whitaker, William A

**Account Number:**

**Phone Number:** 801 268 6215

**Email Address:** slcappraiser@hotmail.com

**Service:** 2887 Cottonwood Drive

**Address:** Coalville, UT 84017

## Complaint Information

**Company Name:** Wanship Cottage Water Company

**Date Received:** 3/11/2024

**Date Resolved:** 3/12/2024

**Type of Call:** Complaint

**Complaint Type:** Additional Charges

**Complaint Received By:** Cynthia Dumas

**Utility Company Analyst:** Grady Kohler

**Gone Formal:** NO

## Complaint Description:

From: dpu.utah.gov  
Date: Mon, Mar 11, 2024 at 9:19 PM  
Subject: dpu.utah.gov | Online Complaint Submission From William A. Whitaker  
To:

### UTILITY CUSTOMER

Customer Name: William A. Whitaker  
If Business, Contact Person:  
Primary Phone: 801 268 6215  
Other Phone:  
E-mail Address: slcappraiser@hotmail.com  
Service Address:  
2887 Cottonwood Drive Coalville, UT 84017  
Mailing Address:  
2887 Cottonwood Drive Coalville, Utah 84017No account number

### INCIDENT DETAILS

Utility: Wanship Water Company  
Account Number: Bill Whitaker (no Account Number on the bill)  
Complaint Type: Additional Charges

Complaint:  
A 742% increase in the water rate from Wanship Water Company.

It has become clear that communication from Wanship Water Company regarding this increase was inconsistent and mis-leading.

Suggested Resolution:  
Suspend current 742% rate increase until a new hearing can be scheduled where our community members can voice concerns

Request reasonable rate to match market value of surrounding communities

Suggest using closest comparable market rates as base rate for acceptable rate increase-Bridge Hollow and/or the Wanship Mutual Water Company



## Complaint Response:

From: Grady Kohler  
Date: Tue, Mar 12, 2024 at 10:01 AM  
Subject: Fwd: Informal Complaint ~ Whitaker , Willaim A  
To: ,

Hi Willaim,

I am responding to your complaint filed with the Division of Public Utilities. First off, I am sorry to hear you are upset. I think it's warranted to be upset about a 700%+ rate increase, so I don't blame you. You and others in the community had similar complaints so I attached an outline to answer your questions. If, for some reason, I missed something, please let me know. I am happy to communicate via email, text, or a call and also happy to be an open book and share any expenses and revenue. And lastly I'm open to ideas on how we can save money. The more time we have with billing, repairs, and the like, the more it costs us to run this system.

Separately, if you or anyone is willing to start the conversation to turn this into a community water system I would really appreciate that. With such a small community system I think we could really benefit from community help. Anything that lowers the costs, keeps repairs down, save time, all come back to benefit the system users. If we can keep costs down, I hope it's quite some time before we have to go back to increase rates.

-Grady





## **Response to Complaint**

For Wanship Water Co. LLC  
Wanship, Utah

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In May 2023, we were assigned a docket number with the Public Service Commission. An email was sent out sharing this docket number and some background information, such as the last rate increase was in 1988. At this point, we provided full, transparent information to the Public Service Commission; we didn't withhold any information proving full bank statements, pro formas, and much more. All this information was shared with the community we purposely chose not to redact or back out any information, we were a totally open book.

Over the subsequent months the Public Service Commission worked on this rate increase and provided more information and documentation on the docket. I spoke with many people in the community and answered emails and questions they had.

On September 27th, 2023, we sent an email letting people know about a public open house we held at the pump house on October 12th. This meeting was well attended for our little water system. At this point we communicated that the Public Service Commission had completed its analysis, and we planned to or have agreed to go along with its findings. More formally, I believe we agreed to the 'Stipulation Settlement.' Or in other words we agreed with the rates that the Public Service Commission and Wanship Water worked on all summer. Also, at this meeting, we passed out the proposed rates and printouts of the hearing to take place on November 1st.

After the community meeting on October 13th, 2023, another email was sent thanking those who were in attendance. We shared a link to the docket and let everyone know the hearing was

scheduled for November 1st, 2023. Then, toward the end of November, the order was granted, and we sent out further communications in the invoicing for December.

If anything was not as clear or transparent as you would have liked, I sincerely apologize for that. It was never my intention to do anything that would not be completely above board. I want you to know I am happy to have total transparency and open communication with all our customers.

Our intent with this rate increase was to get the water company to a break-even and have some money for the unexpected repairs that come up. We also hope to have time to apply for grants and loans and eventually improve our water quality by moving the pump up the hill away from livestock, the road, and septic tanks.

Please feel free to contact me with any questions you ever have.

Sincerely,

Grady Kohler  
President  
801-815-4663

# Complaint Report

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**Complaint Number:** C24-0067

## Customer Information

**Customer Name:** Ross , Daniel

**Other Contact Info:** Lynn Kelley

**Email Address:** danielgossross@gmail.com

**Service Address:** 2650 S Lakeside Dr  
Waship , UT 84017

**Account Number:**

**Phone Number:** 435-729-0117

**Cell Number:** 435-800-7001

**Mailing Address:** PO Box 680701  
Park City , UT 84068

## Complaint Information

**Company Name:** Wanship Cottage Water Company

**Date Received:** 3/11/2024

**Type of Call:** Complaint

**Complaint Received By:** Cynthia Dumas

**Gone Formal:** NO

**Date Resolved:** 3/13/2024

**Complaint Type:** Rate Increase

**Utility Company Analyst:** Gary Kohler

## Complaint Description:

The following email was sent in via email and copies as is:

From: dpu.utah.gov

Date: Sun, Mar 10, 2024 at 2:45 PM

Subject: dpu.utah.gov | Online Complaint Submission From Daniel Ross/Lynn Kelley

To:

### UTILITY CUSTOMER

Customer Name: Daniel Ross/Lynn Kelley

If Business, Contact Person:

Primary Phone: 435-729-0117

Other Phone: 435-800-7001

E-mail Address: danielgossross@gmail.com

Service Address:

2650 S Lakeside Dr Wanship, UT 84017

Mailing Address:

PO Box 680701 Park City, UT 84068

### INCIDENT DETAILS

Utility: Wanship Water Company

Account Number: Daniel Goss Ross

Complaint Type: Rate Increases

Complaint:

There has been a 742% increase in our water rates. We are asking for a fair rate of about \$700/year as our surrounding areas on wells pay. There has been bad communication, in fact, we have never been informed of the rate change.

Suggested Resolution:

We want a fair rate.

## Complaint Response:

From: Grady Kohler  
Date: Tue, Mar 12, 2024 at 10:30 AM  
Subject: Fwd: Informal Complaint ~ Ross, Daniel & Lynn Kelley  
To: ,

Hi Daniel and Lynn,

I am responding to your complaint filed with the Division of Public Utilities. First off, I am sorry to hear you are upset. I think it's warranted to be upset about a 700%+ rate increase, so I don't blame you. You and others in the community had similar complaints so I attached an outline to answer your questions. If, for some reason, I missed something, please let me know. I am happy to communicate via email, text, or a call and also happy to be an open book and share any expenses and revenue. And lastly I'm open to ideas on how we can save money. The more time we have with billing, repairs, and the like, the more it costs us to run this system.

Separately, if you or anyone is willing to start the conversation to turn this into a community water system I would really appreciate that. With such a small community system I think we could really benefit from community help. Anything that lowers the costs, keeps repairs down, save time, all come back to benefit the system users. If we can keep costs down, I hope it's quite some time before we have to go back to increase rates.

-Grady







## **Response to Complaint**

For Wanship Water Co. LLC  
Wanship, Utah

Wanship Water Co worked with the Public Service Commission on a rate increase in 2023. We were assigned Docket No: 23-067-01. By no means does this letter intend to cover every detail of that year-long process. I hope that it can clarify the questions you have regarding your complaint with the Public Service Commission.

In January 2023, we filed a notice to apply for a rate increase. At this point, we let the community know about such notice with our billing that went out in January.

In May 2023, we were assigned a docket number with the Public Service Commission. An email was sent out sharing this docket number and some background information, such as the last rate increase was in 1988. At this point, we provided full, transparent information to the Public Service Commission; we didn't withhold any information proving full bank statements, pro formas, and much more. All this information was shared with the community we purposely chose not to redact or back out any information, we were a totally open book.

Over the subsequent months the Public Service Commission worked on this rate increase and provided more information and documentation on the docket. I spoke with many people in the community and answered emails and questions they had.

On September 27th, 2023, we sent an email letting people know about a public open house we held at the pump house on October 12th. This meeting was well attended for our little water system. At this point we communicated that the Public Service Commission had completed its analysis, and we planned to or have agreed to go along with its findings. More formally, I believe we agreed to the 'Stipulation Settlement.' Or in other words we agreed with the rates that the Public Service Commission and Wanship Water worked on all summer. Also, at this meeting, we passed out the proposed rates and printouts of the hearing to take place on November 1st.

After the community meeting on October 13th, 2023, another email was sent thanking those who were in attendance. We shared a link to the docket and let everyone know the hearing was

scheduled for November 1st, 2023. Then, toward the end of November, the order was granted, and we sent out further communications in the invoicing for December.

If anything was not as clear or transparent as you would have liked, I sincerely apologize for that. It was never my intention to do anything that would not be completely above board. I want you to know I am happy to have total transparency and open communication with all our customers.

Our intent with this rate increase was to get the water company to a break-even and have some money for the unexpected repairs that come up. We also hope to have time to apply for grants and loans and eventually improve our water quality by moving the pump up the hill away from livestock, the road, and septic tanks.

Please feel free to contact me with any questions you ever have.

Sincerely,

Grady Kohler  
President  
801-815-4663

# Complaint Report

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**Complaint Number:** C24-0057

## Customer Information

**Customer Name:** Arrington, Jeffrey and Julie

**Account Number:**

**Email Address:** jeffarrington@me.com

**Phone Number:** 8015993858

**Cell Number:** 8016318597

**Service Address:** 2877 Cottonwood Dr  
Wanship, UT 84017

**Mailing Address:** 527 Cloverwood Cir  
Draper, UT 84020

## Complaint Information

**Company Name:** Wanship Cottage Water Company

**Date Received:** 3/11/2024

**Date Resolved:** 3/12/2024

**Type of Call:** Complaint

**Complaint Type:** Rate Increase

**Complaint Received By:** Stefanie Liebert

**Utility Company Analyst:** Grady Kohler

**Gone Formal:** NO

## Complaint Description:

The following complaint was received via email and has been copied and sent exactly as received.

UTILITY CUSTOMER

Customer Name: Jeffrey and Julie Arrington

If Business, Contact Person:

Primary Phone: 8015993858

Other Phone: 8016318597

E-mail Address: jeffarrington@me.com

Service Address:

2877 Cottonwood Dr. Wanship, UT 84017

Mailing Address:

527 Cloverwood Cir Draper, UT 84020

INCIDENT DETAILS

Utility: Wanship Water Co.

Account Number: Arrington Jeffrey B. & Julie B.

Complaint Type: Rate Increases

Complaint:

On Oct. 12 2023 there was a meeting at our pump house, which is across the street from my residence. I was not informed of this meeting either by email or paper mail of this meeting. My neighbors that attended this meeting were misled by the owner of Wanship Water Co. Grady Kholer. He stated at the time that the State of Utah sets the rates of our water and the Public Service Commission is the one who will set the rates. The State approved the water rates that Mr. Kholer recommended. (Docket No. 23-067-01 on May 25, 2023. During this meeting, Mr. Kholer discouraged members of the community from attending the Public Witness Hearing on the rate increase (which I was also unaware of) On March 4th Mark Long of the Division of Public Utilities stated that he had the impression our community agreed with the exorbitant increase. (a 742% increase) When asked why he assumed this, he stated that no one intervened and no one came to the hearing. This increase does not meet the Divisions policy objectives as defined in Utah Code

Section 54-4a-6.

It seems as though there was inconsistent and mis-leading communication, or no communication at all. My neighbors all have said the Hearing date was changed, email communication was variable (I have never received an email from Wanship Water Co. or Mr. Kholer.) And No written notification was received. We as a community believe that a 742% increase is far from fair market value for water.

I am a seasonal resident and therefore do not use the water from October to April each year. There was no discussion of variable rates for such use.

Suggested Resolution:

I think the current rate increase should be suspended and a new Hearing should be scheduled for the community members to voice their concerns and request a reasonable rate that reflects fair market value as it relates to other surrounding communities.

## Complaint Response:

From: Grady Kohler  
Date: Tue, Mar 12, 2024 at 10:57 AM  
Subject: Fwd: UT - Arrington, Jeffrey & Julie  
To: ,

Hi Jeff and Julie,

I am responding to your complaint filed with the Division of Public Utilities. First off, I am sorry to hear you are upset. I think it's warranted to be upset about a 700%+ rate increase, so I don't blame you. You and others in the community had similar complaints so I attached an outline to answer your questions. If, for some reason, I missed something, please let me know. I am happy to communicate via email, text, or a call and also happy to be an open book and share any expenses and revenue. And lastly I'm open to ideas on how we can save money. The more time we have with billing, repairs, and the like, the more it costs us to run this system.

I know we have had several calls and communications. I appreciate you reaching out to me directly so I can help answer any questions you have. I have been an open book on this; we didn't withhold any information or redact anything. For example, we provided full unredacted bank statements. I will open my books to anyone, so I am happy to sit down and go over the numbers with anyone. The more time or legal fees this company has the more we have to charge to break even. I am sure at some point, if this keeps taking a lot of time, I will have to hire someone to run this. The rate of a water company are directly related to what it costs to run a water company; thus it benefits the customers who pay the rate if we keep costs down.

Separately, if you or anyone is willing to start the conversation to turn this into a community water system I would really appreciate that. With such a small community system I think we could really benefit from community help. Anything that lowers the costs, keeps repairs down, save time, all come back to benefit the system users. If we can keep costs down, I hope it's quite some time before we have to go back to increase rates.

-Grady

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On Tue, Mar 12, 2024 at 4:35 PM Grady Kohler wrote:

This email was sent to all the below. This is our customer list plus some of the new emails from the complaints. The complaints sometimes had a different email from what we have in our system (i.e. they used a spouse's email for the complaint).

I have responded to each complaint directly. Let me know if I missed one or overlooked

one. I got a response from some of you that certain complaints were closed but not every one I responded to. Let me know if I need to do something more.

I hope this email clarifies any that had further questions on the financials or transparency. The entire time I have been totally transparent, even at the community meeting I had our expenses and we discussed them. I have always been quick to respond to all questions anyone has had through this process. I hope these customers can move on. I do feel bad about the big rate increase, but I dont see a way to lower our costs, so it's what we had to do.

I also want to note that the rates went up starting in December and I had very little pushback and people generally paid timely. I think we have a few people who are trying to organize a collaborative response to try and have lower rates. But the problem is lower rates wont cover the costs.

Lastly just so you know I do have some customers who 100% understand and told me they stood up and opposed this revolt.

vjhays@gmail.com,  
info@legalagellc.com,  
David Adams ,  
dillon.morrison88@gmail.com,  
weber84111@gmail.com,  
krisneala@gmail.com,  
spencestorm@gmail.com,  
sylvjarrett58@yahoo.com,  
Jaygibb100@gmail.com,  
juliearrington@ymail.com,  
Susan Booth ,  
christopulostyrene@gmail.com,  
paigequion@gmail.com,  
steveswisher1050@gmail.com,  
zenzoewaterworks@gmail.com,  
roberthill@utah.gov,  
wendyton4@gmail.com,  
slcappraiser@hotmail.com,  
bgottfredson@bhhsutah.com,  
arrington.craigp@gmail.com,  
danielgossross@gmail.com,  
wiscoboy1954@yahoo.com,  
dgrif@xmission.com,  
Grady Kohler ,  
jkrockport@gmail.com,  
jmlindsey18@gmail.com,

kristineweston@gmail.com,  
John Concannon ,  
mariasolorio@infowest.com,  
tinamarieseelos@gmail.com,  
Michellerankin33@gmail.com,  
Mike Wirthlin ,  
cathyk@mvdst.com,  
rgibb@yahoo.com,  
bgottfredson@promentoryclub.com,  
Elizabeth Hamilton Concannon ,  
Beckyharston@gmail.com,  
halewai8@gmail.com,  
downeyhill@gmail.com,  
jjohnson@huntsman.utah.edu,  
jeffarrington@me.com,  
margs1306@gmail.com,  
kristerrapath@gmail.com,  
Craiglejosh@gmail.com,  
mommawillis48@gmail.com,  
kgibb@utah.gov

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Grady

On Tue, Mar 12, 2024 at 4:08 PM Grady Kohler wrote:

Wanship Water Customers,

I am sending this email to address some concerns a few of our customers have and to be completely transparent with this water company. Some of you have called and had questions I have been happy to answer, even specific ones like what did the \_\_\_ repair cost; and I have been happy to answer. I have been and always will be 100% transparent with this water company; I will continue to answer my phone and your questions.

Thank you to all the customers who have been supportive and understanding that the water company has to at least break even and have some reserves. And thank you to all who have paid your bills timely. I appreciate that you all understand the water company needs money to keep operating and to improve very old equipment.

Recap of 2023: The water company lost about \$25,000. I have attached our P&L. If not for our rate increase and some revenue coming in December, we would have lost about \$30,000, and if not for some bill deferrals, we would have closer to \$45,000 in losses. Our current operating balance is about \$2,000 (cash on hand). In 2023 I had to infuse \$20,000 into the company to keep it operating and be able to pay our bills and vendors. I did this via \$5,000 in Jan, June, July, and October. I have attached full, detailed



banking transactions for your reference. Please note that 2023 doesn't include our debt service (because we couldn't afford it or other expenses, we had to differ; we even got some vendors that allowed deferrals into 2024). Without these, we would have been really hard-pressed.

Since expenses are not fixed (repairs being the biggest variable any year), we forecast expenses to be in the \$50,000 to \$65,000 range every year. We hope to bring in around \$65,000 in revenue with the new rates, so on a good year, we have some reserves, and on a bad year, we will likely break even. I HOPE down the road, as the system becomes more reliable, we do better. Some of you have asked about doing another rate case. I can see some benefits to doing this as the company doesn't have much by way of reserves (cash) and to clarify some billing. But these rate cases are very time-consuming, and I would likely need to hire someone to do it this time, hence that cost becomes a factor. The rates are largely determined by what the company costs to run, the state was great to work with, and I think we landed on an agreed price that I hope works for some time. Rates are not necessarily determined by what other systems cost. For example, one house in one community may be significantly less than one next door; what I may pay in water in Salt Lake has little impact on what I pay in Murray. They are different systems with different costs. We have a very small system, so the hard part is keeping costs low since every dollar has a greater impact on rates with fewer users.

I also want everyone to know that I didn't personally take payment in 2023. I have not even so much as reimbursed or filled up my tank with gas. However, going forward, I do plan to pay myself \$500/mo. If anyone in the community wants to apply for this job, I would love to hand it off; it definitely doesn't pay over minimum wage :)

As we have discussed in the past, we will need grants and/or loan assistance to make large capital improvements. I have not had any time to work on this; so far billing and working with the Division of Drinking Water has taken all my time this year. I hope to have time down the road, but the clock is ticking as I understand it we have deadlines for these that happen earlier in the year. I don't know if I will have the time, but I sure hope so. If anyone has time to help apply for these grants, it would be much appreciated.

What I really hope is that the community can come together and take over this water system someday. I know several of you have expressed that you don't want to do that, and I appreciate your honesty, but perhaps when some of the upgrades are complete, it will be more manageable.

I totally understand that a 700%+ increase in rates is massive, I know some would much rather have had a steady increase over the last 30 years. If that had been done, the system would also be in better condition and hence less to operate. But that's not the situation we have today. The math on this company is really quite simple; we have mostly fixed/steady costs, and the big unknown of repairs and professional fees is our largest variable cost. Assuming we keep legal and other professional fees down and we

dont need to hire a full-time administrator, I really hope some money is left over at the end of each year. To do this frankly we need your help and support.

Infrastructure Update: If we can get the approvals and funds, I hope to move the well up next to the holding tank. If we can pull this off, it will be the biggest game-changer the system has ever had. The water looks really good and may not need chlorination. It's far from septic, the road, and livestock and is a deep well.

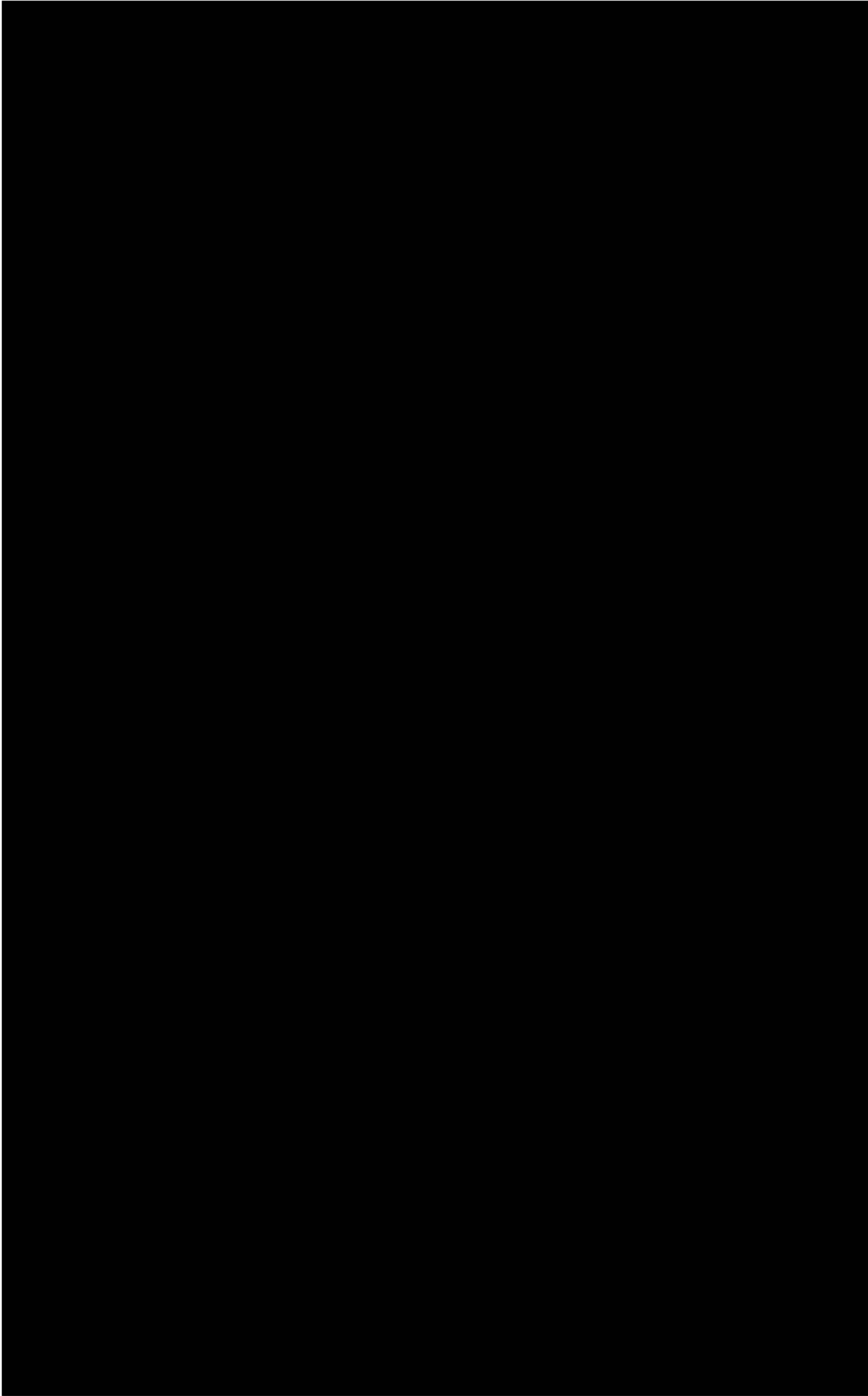
Lastly, I want to invite you all to another community open house. This time we will do it indoors at my office so we are not frozen. It will be on March 21st, 2023 at 6 pm. I have a large room that can fit lots of people in my office. The address is 1835 Three Kings Dr, Park City, UT 84060. If you have been to Silver Star Cafe, we are right next door. If you are attending please let me know and I will help explain the parking in this complex, it will also help me know the number to plan for. At this meeting, I will have DeAnns old boxes of receipts going back to the 80s (like I had at the pump house), my computer to dive into any expense questions, and I hope to have some brainstorming on how we can save time and money for the water company. I will also update everyone on the infrastructure goals. This meeting is not mandatory, but if you have questions, I will be around to answer them. As always, you can call, text, or email as well. Happy to answer your questions and be totally transparent.

Sincerely,

Grady

801-815-4663

p.s. I want to give a shout-out and thank you to Jeff Harkness, our certified water operator. Without his help and fair fees, we would not be functional. If you see him around the community fixing things or taking water samples, please thank him and be as cooperative as possible.







## **Response to Complaint**

For Wanship Water Co. LLC  
Wanship, Utah

Wanship Water Co worked with the Public Service Commission on a rate increase in 2023. We were assigned Docket No: 23-067-01. By no means does this letter intend to cover every detail of that year-long process. I hope that it can clarify the questions you have regarding your complaint with the Public Service Commission.

In January 2023, we filed a notice to apply for a rate increase. At this point, we let the community know about such notice with our billing that went out in January.

In May 2023, we were assigned a docket number with the Public Service Commission. An email was sent out sharing this docket number and some background information, such as the last rate increase was in 1988. At this point, we provided full, transparent information to the Public Service Commission; we didn't withhold any information proving full bank statements, pro formas, and much more. All this information was shared with the community we purposely chose not to redact or back out any information, we were a totally open book.

Over the subsequent months the Public Service Commission worked on this rate increase and provided more information and documentation on the docket. I spoke with many people in the community and answered emails and questions they had.

On September 27th, 2023, we sent an email letting people know about a public open house we held at the pump house on October 12th. This meeting was well attended for our little water system. At this point we communicated that the Public Service Commission had completed its analysis, and we planned to or have agreed to go along with its findings. More formally, I believe we agreed to the 'Stipulation Settlement.' Or in other words we agreed with the rates that the Public Service Commission and Wanship Water worked on all summer. Also, at this meeting, we passed out the proposed rates and printouts of the hearing to take place on November 1st.

After the community meeting on October 13th, 2023, another email was sent thanking those who were in attendance. We shared a link to the docket and let everyone know the hearing was

scheduled for November 1st, 2023. Then, toward the end of November, the order was granted, and we sent out further communications in the invoicing for December.

If anything was not as clear or transparent as you would have liked, I sincerely apologize for that. It was never my intention to do anything that would not be completely above board. I want you to know I am happy to have total transparency and open communication with all our customers.

Our intent with this rate increase was to get the water company to a break-even and have some money for the unexpected repairs that come up. We also hope to have time to apply for grants and loans and eventually improve our water quality by moving the pump up the hill away from livestock, the road, and septic tanks.

Please feel free to contact me with any questions you ever have.

Sincerely,

Grady Kohler  
President  
801-815-4663

# Complaint Report

---

**Complaint Number:** C24-0058

## Customer Information

**Customer Name:** Booth, Susan

**Account Number:**

**Email Address:** sbooth103@gmail.com

**Phone Number:** 801-243-8964

**Cell Number:** 801-971-2689

**Service Address:** 2660 Lakeside Drive  
Wanship, UT 84017

**Mailing Address:** Same as Service Address  
, SE

## Complaint Information

**Company Name:** Wanship Cottage Water Company

**Date Received:** 3/11/2024

**Date Resolved:** 3/12/2024

**Type of Call:** Complaint

**Complaint Type:** Rate Increase

**Complaint Received By:** Maria Martinez

**Utility Company Analyst:** Grady Kohler

**Gone Formal:** NO

## Complaint Description:

Online Complaint submission. Copied exactly as received. -MW-

### UTILITY CUSTOMER

Customer Name: Susan Booth

If Business, Contact Person:

Primary Phone: 801 243 8964

Other Phone: 801 971 2689

E-mail Address: sbooth103@gmail.com

Service Address:

2660 Lakeside Drive Wanship, UT 84017

Mailing Address:

2660 Lakeside Drive Wanship, UT 84017

### INCIDENT DETAILS

Utility: Wanship Cottage Sites Water

Account Number: Susan Booth

Complaint Type: Rate Increases

Complaint:

Grady Kohler has not communicated adequately in a matter of such import and impact for the users of Wanship Water Company.

9/27/2023 Email received from Grady Kohler: a link to public service commission showing notice of intent to apply for water rate increase and subsequent actions which had been going on since January 2023. Does not state cost increase just refers to PSC link. In checking the link, we realized the increased cost would be more than 700%. Included in the email was an invitation to attend an open house at the Pump House for October 12, 2023 5:30 p.m.

9/27/2023 Email reply sent to Grady Kohler expressing our concern and alarm at the drastic increase. We told him we two are only here in the summer and that we water the lawn with river water. Our prior home in the Salt Lake Valley with six of us and watering lawn with culinary water was less than proposed rate. We suggested maybe metering was in order.



9/28/2023 Email received from Grady Kohler saying he agrees that the increase is huge but that the water company is in debt \$54,112 because there had not been a rate increase since 1988. He implies that the State sets the rate.

11/13/2023 sent to Grady Kohler asking if public hearing was still happening 11/15/2023 3:00 p.m. as per PSC link - No response. We discovered later the meeting happened 11/1/2023.

11/15/2023 attempted to login to WebEx meeting but there was no meeting at that time.

11/29/2023 Email received from Grady Kohler with invoice showing we were paid in full for 2023.

11/29/2023 Email received from Grady Kohler showing balance due of \$134.50 because of new rate in effect for December. We paid this.

2/7/2024 Email received from Grady Kohler showing balance due of \$460.50 for Q1 2024. Bottom line we received no written communication via US Mail and email communication was hit-and-miss and incomplete. Some people received no communication at all. The process began in January 2023 but our first email communication regarding rate change occurred in September and first payment was billed at new rate for Dec 2023 even though we had already paid in full for all of 2023. And a 742% increase is onerous.

**Suggested Resolution:**

Suspend rate increase until a valid and appropriate public hearing can be scheduled and the DPU can make an equitable assessment.

## Complaint Response:

3-11-2024

Thank you, received. Attached is the email we sent customers with the hearing date. This was given to Mark. It was also posed to our website:  
<https://sites.google.com/wanshipwater.com/wanshipwater/rate-case-updates?authuser=0>

When we met as a community people seemed to understand why we had to increase the rates. I don't think anyone wants to pay more. It's true that I conveyed to Mark that in general people seemed to understand, not all happy but they understood after I spoke to them. We have given multiple notices over this long process. We had a community meeting and people fully understood the large rate increase. I have proof from people like this complainant that they got all these notices (they responded to them), they know about the large rate increase (they complained about such a large one time increase), I passed out a copy of the new meeting time to the community at the meeting and they got the email and posted to our website.

I hate that a large group are now complaining. I have told everyone and continue to do so that I am an open book. At the community meeting I had boxes for old files, my files, expenses, and more.

As for who sets the rate complaint; back in May 2023 we outlined that we are doing a rate increase and ultimately the final decision would be decided at a hearing. We gave notice that we are doing a rate increase but it's true that I said ultimately it's not up to me (Wanship Water), that it's a regulated public utility and the final decision is not up to me. In the May email I explained that we have not risen rates since 1988.

I have attached emails to the community and responses from Susan (the person complaining). I was very fast to respond to all her emails.

Let me know what you guys need from me. I am happy to cooperate in any way. It's my understanding we gave all the notices necessary. I am happy to look up any particular situation or customer like Susan's complaint and I can pull my correspondence. Attached are emails and responses to and from Susan, you can see clearly she got all these.

---

Grady

3-12-2024

Hi Susan,

I am responding to your complaint filed with the Division of Public Utilities. First off, I am sorry to hear you are upset. I think it's warranted to be upset about a 700%+ rate increase, so I don't blame you. You and others in the community had similar complaints so I attached an outline to answer your questions. If, for some reason, I missed something, please let me know. I am happy to communicate via email, text, or a call and also happy to be an open book and share any expenses and revenue. And lastly

I'm open to ideas on how we can save money. The more time we have with billing, repairs, and the like, the more it costs us to run this system.

Susan- I want you to know I really appreciate all the communications we have had such as your emails to clarify any questions you have had. That is really helpful, and I am an open book, happy to share all financials and bank statements and brainstorm ways to save money. In your complaint, you mention some of our communications but also state you didn't get email communications until September. Back in May when we were assigned a docket number I sent that out to everyone, you were one of the customers who responded, you had some questions that I answered. At the end of the day, our goal is to keep costs low. Anything we can do to save time and expense makes its way to the bottom line, and rates are reflective of what it costs to run a water company. Frankly, we run this company on a shoestring right now; I have not yet hired an admin or part-time employee, and every single expense we have had is 100% for the water company.

Separately, if you or anyone is willing to start the conversation to turn this into a community water system I would really appreciate that. With such a small community system I think we could really benefit from community help. Anything that lowers the costs, keeps repairs down, save time, all come back to benefit the system users. If we can keep costs down, I hope its quite some time before before we have to go back to increase rates.

-Grady

Grady Kohler

Attachments

Mar 12, 2024, 4:08 PM (2 days ago)

to jeff, me, cvdumas, sliebert, gflores

Wanship Water Customers,

I am sending this email to address some concerns a few of our customers have and to be completely transparent with this water company. Some of you have called and had questions I have been happy to answer, even specific ones like what did the \_\_\_\_ repair cost; and I have been happy to answer. I have been and always will be 100% transparent with this water company; I will continue to answer my phone and your questions.

Thank you to all the customers who have been supportive and understanding that the water company has to at least break even and have some reserves. And thank you to all who have paid your bills timely. I appreciate that you all understand the water company needs money to keep operating and to improve very old equipment.

Recap of 2023: The water company lost about \$25,000. I have attached our P&L. If not for our rate increase and some revenue coming in December, we would have lost about \$30,000, and if not for some bill deferrals, we would have closer to \$45,000 in losses. Our current operating balance is about \$2,000 (cash on hand). In 2023 I had to infuse

\$20,000 into the company to keep it operating and be able to pay our bills and vendors. I did this via \$5,000 in Jan, June, July, and October. I have attached full, detailed banking transactions for your reference. Please note that 2023 doesn't include our debt service (because we couldn't afford it or other expenses, we had to differ; we even got some vendors that allowed deferrals into 2024). Without these, we would have been really hard-pressed.

Since expenses are not fixed (repairs being the biggest variable any year), we forecast expenses to be in the \$50,000 to \$65,000 range every year. We hope to bring in around \$65,000 in revenue with the new rates, so on a good year, we have some reserves, and on a bad year, we will likely break even. I HOPE down the road, as the system becomes more reliable, we do better. Some of you have asked about doing another rate case. I can see some benefits to doing this as the company doesn't have much by way of reserves (cash) and to clarify some billing. But these rate cases are very time-consuming, and I would likely need to hire someone to do it this time, hence that cost becomes a factor. The rates are largely determined by what the company costs to run, the state was great to work with, and I think we landed on an agreed price that I hope works for some time. Rates are not necessarily determined by what other systems cost. For example, one house in one community may be significantly less than one next door; what I may pay in water in Salt Lake has little impact on what I pay in Murray. They are different systems with different costs. We have a very small system, so the hard part is keeping costs low since every dollar has a greater impact on rates with fewer users.

I also want everyone to know that I didn't personally take payment in 2023. I have not even so much as reimbursed or filled up my tank with gas. However, going forward, I do plan to pay myself \$500/mo. If anyone in the community wants to apply for this job, I would love to hand it off; it definitely doesn't pay over minimum wage :)

As we have discussed in the past, we will need grants and/or loan assistance to make large capital improvements. I have not had any time to work on this; so far billing and working with the Division of Drinking Water has taken all my time this year. I hope to have time down the road, but the clock is ticking as I understand it we have deadlines for these that happen earlier in the year. I don't know if I will have the time, but I sure hope so. If anyone has time to help apply for these grants, it would be much appreciated.

What I really hope is that the community can come together and take over this water system someday. I know several of you have expressed that you don't want to do that, and I appreciate your honesty, but perhaps when some of the upgrades are complete, it will be more manageable.

I totally understand that a 700%+ increase in rates is massive, I know some would much rather have had a steady increase over the last 30 years. If that had been done, the system would also be in better condition and hence less to operate. But that's not the situation we have today. The math on this company is really quite simple; we have

mostly fixed/steady costs, and the big unknown of repairs and professional fees is our largest variable cost. Assuming we keep legal and other professional fees down and we dont need to hire a full-time administrator, I really hope some money is left over at the end of each year. To do this frankly we need your help and support.

Infrastructure Update: If we can get the approvals and funds, I hope to move the well up next to the holding tank. If we can pull this off, it will be the biggest game-changer the system has ever had. The water looks really good and may not need chlorination. It's far from septic, the road, and livestock and is a deep well.

Lastly, I want to invite you all to another community open house. This time we will do it indoors at my office so we are not frozen. It will be on March 21st, 2023 at 6 pm. I have a large room that can fit lots of people in my office. The address is 1835 Three Kings Dr, Park City, UT 84060. If you have been to Silver Star Cafe, we are right next door. If you are attending please let me know and I will help explain the parking in this complex, it will also help me know the number to plan for. At this meeting, I will have DeAnns old boxes of receipts going back to the 80s (like I had at the pump house), my computer to dive into any expense questions, and I hope to have some brainstorming on how we can save time and money for the water company. I will also update everyone on the infrastructure goals. This meeting is not mandatory, but if you have questions, I will be around to answer them. As always, you can call, text, or email as well. Happy to answer your questions and be totally transparent.

Sincerely,

Grady

801-815-4663

p.s. I want to give a shout-out and thank you to Jeff Harkness, our certified water operator. Without his help and fair fees, we would not be functional. If you see him around the community fixing things or taking water samples, please thank him and be as cooperative as possible.





Grady Kohler &lt;grady@wanshipwater.com&gt;

## Wanship Water Rate Case Update

1 message

Grady Kohler &lt;grady@wanshipwater.com&gt;

Fri, Oct 13, 2023 at 12:05 PM

To: jeff@harkwildmaintenance.com

Bcc: slcappraiser@hotmail.com, bgottfredson@promentoryclub.com, 59tr3rocks@gmail.com, arrington.craigp@gmail.com, danielgossross@gmail.com, dradams@providencerealtygroup.com, wiscoboy1954@yahoo.com, dgrif@xmission.com, grady@wincre.com, downeyhill@gmail.com, jmlindsey18@gmail.com, krisneala@gmail.com, kristineweston@gmail.com, stmatthew6.24@gmail.com, tinamarieseelos@gmail.com, gotglasspc@gmail.com, paigeguion@gmail.com, robinmcallist@gmail.com, Susan Booth <sbooth103@gmail.com>, vjhays@gmail.com, brcharlebois@utah.gov, christopulostyrene@gmail.com, mariasolorio@infowest.com, stmatthew6.24@gmail.com, jtcon945@gmail.com, "craiglejosh@gmail.com" <craiglejosh@gmail.com>, kgibb@utah.go, zenzoewater@gmail.com

### Wanship Water Users:

Thank you to all who attended our open house yesterday at the pump house. It was cold, but a great meeting. I appreciate all the support and ideas on working together to save some money with our small water system.

A few reminders from our meeting: Wanship Water has a proposed settlement agreement and will agree with what the State wants to do regarding rates and our new customer billing. The hearing is scheduled for November 1, 2023, at 1:00 p.m., and the Public Witness Hearing is scheduled for November 1, 2023, at 5:00 p.m. This is a direct link to the Commission's website for Docket No. 23-067-01, <https://psc.utah.gov/2023/01/27/docket-no-23-067-01/>, please view the docket and contact me if you have any questions.

Please feel free to share this info with the community. We have a majority of emails from everyone, but we are missing a few. We will send the few we are missing a letter in the mail. If you know of people who dont want to provide us with an email, please encourage them to do so, as it saves our water company money and time.

Assuming the rate increase is approved, all customers would receive an invoice in early January for December water, and then early April for Q1 water and subsequently each quarter going forward. We will work to do all billing digitally so you can pay via a bank account directly. We do NOT plan to accept credit cards since that will add 3-5% fees for our company, and we would have to pass that cost along. We will accept direct bank payments or checks. Ideally, if we can get most customers to pay via bank payments, as you may do with other utilities, that will save significant money on accounting vs. checks since it automates your billing vs. more manual input.

I can't thank you all enough for the support. We will work hard to get the system in the best condition, work on grants to help pay for larger capital improvements, and utilize all those who are willing to kick in and help.

-Grady Kohler  
801-815-4663







Grady Kohler <grady@wincre.com>

## Re: Public Hearing Nov. 15th Is this still happening?

1 message

Grady Kohler <grady@wincre.com>  
To: Susan Booth <sbooth103@gmail.com>

Tue, Nov 14, 2023 at 6:43 AM

Hi Susan, The hearing was November 1st. Not the 15th, I think it was originally the 15th. Sorry for any confusion on that.

Via the docket link that notice was updated and it was in my emails to the users. See below the email to you on the date:

← Susan Booth  
to Grady ▾

Tue, Oct 17, 12:09 PM ☆ ↶ ⋮

Sorry I forgot to ask this in the last email. Where is the 1:00 pm and the 5:00 pm hearings? Are they open to us as water users?  
Susan

On Fri, Oct 13, 2023 at 12:05PM Grady Kohler <grady@wanshipwater.com> wrote:

Wanship Water Users:

Thank you to all who attended our open house yesterday at the pump house. It was cold, but a great meeting. I appreciate all the support and ideas on working together to save some money with our small water system.

A few reminders from our meeting: Wanship Water has a proposed settlement agreement and will agree with what the State wants to do regarding rates and our new customer billing. The hearing is scheduled for November 1, 2023, at 1:00 p.m., and the Public Witness Hearing is scheduled for November 1, 2023, at 5:00 p.m. This is a direct link to the Commission's website for Docket No. 23-067-01, <https://psc.utah.gov/2023/01/27/docket-no-23-067-01/>, please view the docket and contact me if you have any questions.

Please feel free to share this info with the community. We have a majority of emails from everyone, but we are missing a few. We will

### Grady

On Mon, Nov 13, 2023 at 5:40PM Susan Booth <sbooth103@gmail.com> wrote:

Is this still happening on Nov. 15th\

~~ISSUED: JUNE 7, 2023~~

On June 2, 2023, the Public Service Commission (PSC) held a scheduling conference in this docket. During the conference, the parties stipulated to the following schedule, which the PSC approves and adopts:

**SCHEDULE**

ITEM	DEADLINE/DATE/TIME/LOCATION
Intervention deadline	<b>Wednesday, August 30, 2023</b>
Non-applicant direct testimony	<b>Wednesday, September 27, 2023</b>
Rebuttal testimony, all parties	<b>Wednesday, October 11, 2023</b>
Surrebuttal testimony, all parties	<b>Wednesday, October 25, 2023</b>
Hearing	<b>Wednesday, November 15, 2023, beginning at 9:00 a.m., Fourth Floor Hearing Room 403, Heber M. Wells Building, 160 East 300 South, Salt Lake City, Utah</b>
Public witness hearing	<b>Wednesday, November 15, 2023, beginning at 3:00 p.m. via Webex:</b> <a href="https://utah-psc.webex.com/utah-psc/j.php?MTID=m11cf655880f344da5ee1ea942c89027b">https://utah-psc.webex.com/utah-psc/j.php?MTID=m11cf655880f344da5ee1ea942c89027b</a>

Thanks,

--

***Susan Booth***



Grady Kohler &lt;grady@wincre.com&gt;

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**Re: Wanship Water Update**

1 message

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**Susan Booth** <sbooth103@gmail.com>  
To: Grady Kohler <Grady@wanshipwater.com>

Fri, May 26, 2023 at 4:28 PM

Thank you for your email. Is there anything pending on getting water in the fire hydrants?

On Fri, May 26, 2023 at 4:05 PM Grady Kohler <grady@wanshipwater.com> wrote:

Happy Spring Wanship Water Customers,

I am happy to report we have fixed nearly all the deferred maintenance items that the Division of Drinking Water had for our small water company. You may have noticed some workers around the pump house making improvements (and a new door!). We still have some further items to complete in the coming weeks but we are currently in the best shape we have been in for years. One improvement we hope to make this summer is installing radio communication between the water tank and the pumphouse that will call the pump more reliably when the water take is getting low. And we hope in the coming years to utilize a well that is actually up by our water tank as the primary source for our system. I want to thank Jeff Harkness, our water operator, and other local trades for all the help they have done to get things in better, more reliable condition. Jeff is and will continue to help collect water samples on a regular basis to ensure we have clean drinking water. I appreciate your assistance in helping him collect your water samples.

Since we have not raised our water rate since 1988, we all know we have some making up to do. In 1988 gasoline was under a dollar a gallon (about .75 cents), the minimum wage was \$3.35, and your property tax was probably around \$100/year. Much has changed in 35 years and obviously, we are well behind on raising rates. Good news is we have all been paying too little for years and the bad news is that it will be a large increase all at once. Most water companies will raise rates every year or two to keep up with inflation. You all have been very supportive in the fact we need to raise rates to pay for reliable water. Our goal with our rate case is to simply have a rate that will pay the bills and have some money in reserves to pay for improvements and repairs as they come up. Whether you support or oppose a rate increase, you will have the opportunity to voice your opinion during the rate case the Public Service Commission is working on. I will get you all info on the day and time for that hearing when it's announced. It's probably some months out, but in the meantime, we have been assigned a DOCKET NO. 23-067-01. The Division of Public Utilities has been very good to work with so far, and ultimately the Public Service Commission is the one who will set the rates. The goal they have, like our goal, is to have reliable and clean drinking water for consumers.

Assuming they get us a bit more info in the coming weeks, I hope to have a gathering at the pump house this summer. I would like to show off all the implements we have made and answer any questions you all have with regard to our system and the upcoming rate case. Exact date to follow.

Have a great holiday weekend everyone!

-Grady Kohler  
801-815-4663

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**Susan Booth**





## **Response to Complaint**

For Wanship Water Co. LLC  
Wanship, Utah

Wanship Water Co worked with the Public Service Commission on a rate increase in 2023. We were assigned Docket No: 23-067-01. By no means does this letter intend to cover every detail of that year-long process. I hope that it can clarify the questions you have regarding your complaint with the Public Service Commission.

In January 2023, we filed a notice to apply for a rate increase. At this point, we let the community know about such notice with our billing that went out in January.

In May 2023, we were assigned a docket number with the Public Service Commission. An email was sent out sharing this docket number and some background information, such as the last rate increase was in 1988. At this point, we provided full, transparent information to the Public Service Commission; we didn't withhold any information proving full bank statements, pro formas, and much more. All this information was shared with the community we purposely chose not to redact or back out any information, we were a totally open book.

Over the subsequent months the Public Service Commission worked on this rate increase and provided more information and documentation on the docket. I spoke with many people in the community and answered emails and questions they had.

On September 27th, 2023, we sent an email letting people know about a public open house we held at the pump house on October 12th. This meeting was well attended for our little water system. At this point we communicated that the Public Service Commission had completed its analysis, and we planned to or have agreed to go along with its findings. More formally, I believe we agreed to the 'Stipulation Settlement.' Or in other words we agreed with the rates that the Public Service Commission and Wanship Water worked on all summer. Also, at this meeting, we passed out the proposed rates and printouts of the hearing to take place on November 1st.

After the community meeting on October 13th, 2023, another email was sent thanking those who were in attendance. We shared a link to the docket and let everyone know the hearing was

scheduled for November 1st, 2023. Then, toward the end of November, the order was granted, and we sent out further communications in the invoicing for December.

If anything was not as clear or transparent as you would have liked, I sincerely apologize for that. It was never my intention to do anything that would not be completely above board. I want you to know I am happy to have total transparency and open communication with all our customers.

Our intent with this rate increase was to get the water company to a break-even and have some money for the unexpected repairs that come up. We also hope to have time to apply for grants and loans and eventually improve our water quality by moving the pump up the hill away from livestock, the road, and septic tanks.

Please feel free to contact me with any questions you ever have.

Sincerely,

Grady Kohler  
President  
801-815-4663

# Complaint Report

---

**Complaint Number:** C24-0056

## Customer Information

**Customer Name:** Weston, Kristine

**Account Number:**

**Email Address:** kristineweston@gmail.com

**Phone Number:** 801-599-8537

**Cell Number:** 801-558-2258

**Service Address:** 2945 Cottonwood Drive

**Mailing Address:** 1876 E 7200 S

**Address:** Wanship, UT 84017

**Address:** Cottonwood Heights, UT 84121

## Complaint Information

**Company Name:** Wanship Cottage Water Company

**Date Received:** 3/11/2024

**Date Resolved:** 3/12/2024

**Type of Call:** Complaint

**Complaint Type:** Rate Increase

**Complaint Received By:** Maria Martinez

**Utility Company Analyst:** Grady Kohler

**Gone Formal:** NO

## Complaint Description:

Complaint submitted online, copied exactly as received. -MW-

UTILITY CUSTOMER

Customer Name: Kristine Weston

If Business, Contact Person:

Primary Phone: 8015998537

Other Phone: 8015582258

E-mail Address: kristineweston@gmail.com

Service Address:

2945 Cottonwood Drive Wanship, UT 84017

Mailing Address:

1876 E. 7200 S. Cottonwood Heights, Ut 84121

INCIDENT DETAILS

Utility: Wanship Cottage Site Water Company

Account Number: Kristine Weston

Complaint Type: Rate Increases

Complaint:

I have talked to Grady Kohler by phone in December 2023 about the large increase on our water bill. He told me he was a volunteer and he told me the rate increase was set by the state, which I now know is not true. The state only approves the rate change. He could not answer most of my questions about why there was such a huge increase.

There was a hearing scheduled for the rate change on November 14, 2023 with the Division of Public Utilities. That hearing was changed to November 1, 2023 and I was not notified of the change, therefore I could not attend the public hearing.

Mark Long has been quoted saying, "He had the impression that our community agreed with the exorbitant increase." That is not true we do not agree!

We would like to suspend the rate increase until a new hearing can be scheduled where our community members can vote their concerns. We would like to request a reasonable increase that would be fair, equitable and sustainable.

We have owned this property since 1969. We have a small cabin that is used on weekends



from May to October each year. We are paying the same amount as customers that live their year round. Our past water bill was \$228 a year. The increase is now \$1,842 a year.

Suggested Resolution:

Please allow us to schedule a new hearing where we can have the opportunity to express our concern with The Division of Public Utilities

Thank you

2nd Submission:

UTILITY CUSTOMER

Customer Name: Kristine Weston

If Business, Contact Person:

Primary Phone: (801) 599-8537

Other Phone: (801) 558-2258

E-mail Address: kristineweston@gmail.com

Service Address:

2945 Cottonwood Drive Wanship, UT 84017

Mailing Address:

1876 E 7200 S Cottonwood Heights, Ut 84121

INCIDENT DETAILS

Utility: Wanship Water Company

Account Number: Lot 68

Complaint Type: Rate Increases

Complaint:

I spoke to Grady Kohler on the phone in December 2023 about the large increase on our water bill He stated he was a volunteer (not the owner of Wanship Water Co.) Mr. Kohler also told me the rate increase was set by the state of Utah not Wanship Water Company, which I believe is false, the state only approves the rate increase they do not set the rate.

There was a hearing scheduled for the rate change on November 14, 2023 with the Division of Public Utilities, that hearing was changed to November 1, 2023. I was not notified of

the change and therefore could not attend the public hearing and state my concerns.

(Docket No. 23-067-01 May 25, 2023)

Mark Long has been quoted saying, "He had the impression that our community agreed with the exorbitant increase." That is not true, we do not agree! We were shocked when we got a letter from Mr. Kohler showing the rate increase.

Our family has owned this property since 1969. We have a small cabin on the property that is used on weekends between May and October each year. Last year our water bill was \$228 for the year, with the increase it is now \$1,842 for the year (742% increase) This amount is the same for home owners living year round in Wanship Cottage. Grady Kohler told me that the State decided it is only fair to charge everyone the same amount. I believe that this rate increase has not been handled in a honest and lawful way. Please give us a chance to be heard.

Thank you, Kristine Weston

Suggested Resolution:

I would like to suggest that we suspend the rate increase until a new hearing can be scheduled with The Division of Public Utilities. I would also like to suggest that we come up with a reasonable increase that would be fair, equitable and sustainable. We would like to have Grady Kohler attend the hearing so that he can be accountable for the things he has said and so he can tell his side and hopefully work with us to come up with more reasonable rate.

Thank you, Kris Weston

## Complaint Response:

Hi Kristine,

I am responding to your complaint filed with the Division of Public Utilities. First off, I am sorry to hear you are upset. I think it's warranted to be upset about a 700%+ rate increase, so I don't blame you. You and others in the community had similar complaints so I attached an outline to answer your questions. If, for some reason, I missed something, please let me know. I am happy to communicate via email, text, or a call and also happy to be an open book and share any expenses and revenue. And lastly I'm open to ideas on how we can save money. The more time we have with billing, repairs, and the like, the more it costs us to run this system.

I want to thank you for calling me directly to go over your questions. I am sorry if anything was still unclear. I am happy to chat again and share any expenses and costs and dive into everything. I don't have anything to conceal and am happy to share full bank statements and whatever can help. The lower we keep fees, such as if we don't have to hire an admin, the lower we can keep rates. You mentioned I told you I was a volunteer; I do remember saying I am basically a volunteer or something similar. I am trying to relay that I didn't pay myself. I have not even filled a tank of gas on the water company. Now, that is going to change this year; I am paying myself \$500/mo. If anyone wants to do this for \$500/mo, I would like to hire them! :) Seriously. Anyway, please call, text, or email me any of your questions; I hope I can do a better job to help sort things out for you and others.

Separately, if you or anyone is willing to start the conversation to turn this into a community water system I would really appreciate that. With such a small community system I think we could really benefit from community help. Anything that lowers the costs, keeps repairs down, save time, all come back to benefit the system users. If we can keep costs down, I hope it's quite some time before we have to go back to increase rates.

-Grady

3-12-2024

Grady Kohler

Attachments

Mar 12, 2024, 4:08 PM (2 days ago)

to jeff, me, cvdumas, sliebert, gflores

Wanship Water Customers,

I am sending this email to address some concerns a few of our customers have and to be completely transparent with this water company. Some of you have called and had questions I have been happy to answer, even specific ones like what did the \_\_\_ repair cost; and I have been happy to answer. I have been and always will be 100% transparent with this water company; I will continue to answer my phone and your questions.

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Recap of 2023: The water company lost about \$25,000. I have attached our P&L. If not for our rate increase and some revenue coming in December, we would have lost about \$30,000, and if not for some bill deferrals, we would have closer to \$45,000 in losses. Our current operating balance is about \$2,000 (cash on hand). In 2023 I had to infuse \$20,000 into the company to keep it operating and be able to pay our bills and vendors. I did this via \$5,000 in Jan, June, July, and October. I have attached full, detailed banking transactions for your reference. Please note that 2023 doesn't include our debt service (because we couldn't afford it or other expenses, we had to differ; we even got some vendors that allowed deferrals into 2024). Without these, we would have been really hard-pressed.

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I also want everyone to know that I didn't personally take payment in 2023. I have not even so much as reimbursed or filled up my tank with gas. However, going forward, I do plan to pay myself \$500/mo. If anyone in the community wants to apply for this job, I would love to hand it off; it definitely doesn't pay over minimum wage :)

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What I really hope is that the community can come together and take over this water system someday. I know several of you have expressed that you don't want to do that, and I appreciate your honesty, but perhaps when some of the upgrades are complete, it will be more manageable.

I totally understand that a 700%+ increase in rates is massive, I know some would much rather have had a steady increase over the last 30 years. If that had been done, the system would also be in better condition and hence less to operate. But that's not the situation we have today. The math on this company is really quite simple; we have mostly fixed/steady costs, and the big unknown of repairs and professional fees is our largest variable cost. Assuming we keep legal and other professional fees down and we don't need to hire a full-time administrator, I really hope some money is left over at the end of each year. To do this frankly we need your help and support.

Infrastructure Update: If we can get the approvals and funds, I hope to move the well up next to the holding tank. If we can pull this off, it will be the biggest game-changer the system has ever had. The water looks really good and may not need chlorination. It's far from septic, the road, and livestock and is a deep well.

Lastly, I want to invite you all to another community open house. This time we will do it indoors at my office so we are not frozen. It will be on March 21st, 2023 at 6 pm. I have a large room that can fit lots of people in my office. The address is 1835 Three Kings Dr, Park City, UT 84060. If you have been to Silver Star Cafe, we are right next door. If you are attending please let me know and I will help explain the parking in this complex, it will also help me know the number to plan for. At this meeting, I will have DeAnn's old boxes of receipts going back to the 80s (like I had at the pump house), my computer to dive into any expense questions, and I hope to have some brainstorming on how we can save time and money for the water company. I will also update everyone on the infrastructure goals. This meeting is not mandatory, but if you have questions, I will be around to answer them. As always, you can call, text, or email as well. Happy to answer your questions and be totally transparent.

Sincerely,

Grady

801-815-4663

p.s. I want to give a shout-out and thank you to Jeff Harkness, our certified water operator. Without his help and fair fees, we would not be functional. If you see him around the community fixing things or taking water samples, please thank him and be as cooperative as possible.





## **Response to Complaint**

For Wanship Water Co. LLC  
Wanship, Utah

Wanship Water Co worked with the Public Service Commission on a rate increase in 2023. We were assigned Docket No: 23-067-01. By no means does this letter intend to cover every detail of that year-long process. I hope that it can clarify the questions you have regarding your complaint with the Public Service Commission.

In January 2023, we filed a notice to apply for a rate increase. At this point, we let the community know about such notice with our billing that went out in January.

In May 2023, we were assigned a docket number with the Public Service Commission. An email was sent out sharing this docket number and some background information, such as the last rate increase was in 1988. At this point, we provided full, transparent information to the Public Service Commission; we didn't withhold any information proving full bank statements, pro formas, and much more. All this information was shared with the community we purposely chose not to redact or back out any information, we were a totally open book.

Over the subsequent months the Public Service Commission worked on this rate increase and provided more information and documentation on the docket. I spoke with many people in the community and answered emails and questions they had.

On September 27th, 2023, we sent an email letting people know about a public open house we held at the pump house on October 12th. This meeting was well attended for our little water system. At this point we communicated that the Public Service Commission had completed its analysis, and we planned to or have agreed to go along with its findings. More formally, I believe we agreed to the 'Stipulation Settlement.' Or in other words we agreed with the rates that the Public Service Commission and Wanship Water worked on all summer. Also, at this meeting, we passed out the proposed rates and printouts of the hearing to take place on November 1st.

After the community meeting on October 13th, 2023, another email was sent thanking those who were in attendance. We shared a link to the docket and let everyone know the hearing was

scheduled for November 1st, 2023. Then, toward the end of November, the order was granted, and we sent out further communications in the invoicing for December.

If anything was not as clear or transparent as you would have liked, I sincerely apologize for that. It was never my intention to do anything that would not be completely above board. I want you to know I am happy to have total transparency and open communication with all our customers.

Our intent with this rate increase was to get the water company to a break-even and have some money for the unexpected repairs that come up. We also hope to have time to apply for grants and loans and eventually improve our water quality by moving the pump up the hill away from livestock, the road, and septic tanks.

Please feel free to contact me with any questions you ever have.

Sincerely,

Grady Kohler  
President  
801-815-4663



# Complaint Report

**Complaint Number:** C24-0075

## Customer Information

**Customer Name:** Solorio, Maria

**Account Number:** Maria Solorio

**Phone Number:** 801 518-7897

**Email Address:** mariasolorio@infowest.com

**Service Address:** 2777 Cottonwood Rd  
Wanship, UT 84017

**Mailing Address:** 1235 N Tuweap Dr  
Ivins, UT 84738

## Complaint Information

**Company Name:** Wanship Cottage Water Company

**Date Received:** 3/12/2024

**Type of Call:** Complaint

**Complaint Received By:** Gwen Flores

**Gone Formal:** NO

**Date Resolved:** 3/12/2024

**Complaint Type:** Rate Increase

**Utility Company Analyst:** Grady Kohler

## Complaint Description:

### UTILITY CUSTOMER

Customer Name: Maria Solorio

Primary Phone: 8015187897

E-mail Address: mariasolorio@infowest.com

### Service Address:

2777 Cottonwood Rd

Wanship, UT 84017

### Mailing Address:

1235 N Tuweap Dr

Ivins, Utah 84738

### INCIDENT DETAILS

Utility: Wanship Water Company

Account Number: Maria Solorio

Complaint Type: Rate Increases

### Complaint:

Grady Kohler sent a December and quarterly bill to me. I am a seasonal occupant of my property and Wanship. I believe he misinformed me about in conversations. for the October 12, 2023 we were not notified about witness hearing on the rate increase.. I believe there's been inconsistent and misleading communication October 12 public hearing he discouraged attendees from attending the public witness hearing on the increase. therefore, there were no attendees. Please review the action.

The rate increase is far from the fair market water value.

### Suggested Resolution:

suspend current 742% rate increase until a new hearing can be scheduled where our community members can voice concerns.

request reasonable rate to match market value of surrounding communities,. suggest using closest comparable market rates as based rate for acceptable rate increases bridge.

Hollow, Wanship mutual water company comps are \$700 to 740 annually or \$60 a month.

## Complaint Response:

Grady Kohler

Attachments

Tue, Mar 12, 5:20 PM

to mariasolorio, me

Hi Maria,

I am responding to your complaint filed with the Division of Public Utilities. First off, I am sorry to hear you are upset. I think it's warranted to be upset about a 700%+ rate increase, so I don't blame you. You and others in the community had similar complaints so I attached an outline to answer your questions. If, for some reason, I missed something, please let me know. I am happy to communicate via email, text, or a call and also happy to be an open book and share any expenses and revenue. And lastly I'm open to ideas on how we can save money. The more time we have with billing, repairs, and the like, the more it costs us to run this system.

I know we have spoken a few times. If you feel any misinformation, just let me know; happy to explain whatever I can. You also just received an email from me about the financials and more details on how the rate was set based off what it costs to run the company, not necessarily what other water companies charge. I never discouraged anyone from attending the hearing. I did explain that I had agreed to the stipulation, this means I agreed with the findings and recommendation of the state.

Separately, if you or anyone is willing to start the conversation to turn this into a community water system I would really appreciate that. With such a small community system I think we could really benefit from community help. Anything that lowers the costs, keeps repairs down, save time, all come back to benefit the system users. If we can keep costs down, I hope it's quite some time before we have to go back to increase rates.

-Grady

# Complaint Report

**Complaint Number:** C24-0073

## Customer Information

**Customer Name:** Gibb, Rodney

**Account Number:** Rodney Gibb

**Email Address:** kgibb@utah.gov

**Phone Number:** 801 556-8198

**Service:** 2620 S Lakeside Dr

**Cell Number:** 8015568198

**Address:** Wanship, UT 84017

## Complaint Information

**Company Name:** Wanship Cottage Water Company

**Date Received:** 3/11/2024

**Date Resolved:** 3/11/2024

**Type of Call:** Complaint

**Complaint Type:** Rate Increase

**Complaint Received By:** Gwen Flores

**Utility Company Analyst:** Grady Kohler

**Gone Formal:** NO

## Complaint Description:

### UTILITY CUSTOMER

Customer Name: Rodney Gibb

If Business, Contact Person:

Primary Phone: 8015568198

Other Phone: 8018082658

E-mail Address: kgibb@utah.gov

### Service Address:

2620 S Lakeside Dr

Wanship, UT 84017

### Mailing Address:

2620 S Lakeside Dr

Wanship, Utah 84017

### INCIDENT DETAILS

Utility: Wanship Water Co.

Account Number: Rodney Gibb

Complaint Type: Rate Increases

### Complaint:

I have not received any communication regarding the rate increase, except by word of mouth from one of my neighbors the day before the meeting that was held outside the pumphouse on October 12, 2023 in freezing cold weather. Nothing was provided to me by Mr. Kohler or Wanship Water Co. I attended the meeting on October 12th, at which time I was told that the rates would be increased. The only communication I had received from Wanship Water Co. up to this point was an invoice dated 1-24-23 for annual service with a charge of \$228.00 for the year. At the meeting I asked what the increased fees would be used for, and what improvements could be expected to be made to our water system. None of my questions were answered by Mr. Kohler. While at the meeting he told us that the new increased rates had been worked on by him and representation from the state, and that the rates were already approved. He mentioned that there was a public hearing scheduled, but I was never provided any information regarding the date, time or location of the public hearing. In addition, Mr. Kohler told everyone at the pumphouse meeting that there was no reason for any of us to attend the meeting because the rates had already been approved and it would not make any difference if any of us showed up. Our water rates were increased by 742%, which is higher than anywhere else in the state. As I listened to a portion of the hearing on a YouTube video the other day, I heard Mr. Kohler state during his testimony that we agreed with the rate increase. I want to reiterate that we did not "agree" with the rate change as Mr. Kohler represented in his testimony. I understand that the community across the road from us charges a rate of \$700 per year and has similar challenges to what we are dealing with as far as the condition of their water system, but they seem to have communication from aboard that is looking out for the best interest of the community, and rates that seem much more equitable. Mr. Kohler mentioned

during the meeting at the pumphouse that he had lent money to Ms. Geary, the previous owner of the water company. None of us were a part of the conversations between Mr. Kohler and Ms. Geary, we were not aware that these arrangements had been discussed or made, and certainly did not have an opportunity to provide any feedback. I don't feel it's appropriate for us to now bear the burden of these decisions and arrangements, particularly without any detailed accounting as to what the loan amount was, and what, if any, repairs were made to our water system. In a document dated September 27, 2023, Direct Testimony of Mark Long, it states that a loan in the amount of \$49,112.65 was made by Grady Kohler on January 1, 2023 to "Wanship" which I assume means the Wanship Water Co. It is my understanding that he acquired the water company from Ms. Geary in August of 2022. Mr. Long's testimony indicates that the loan was "used to offset annual losses suffered by the company and to meet the Division of Drinking Water requirements..." It is unclear to me to whom Mr. Kohler has lent money, and for what specific purposes, and yet the obligation of repayment of these loans seems to be being placed on the community without any clear explanation. The rate increase seems to allow for recovery of this loan amount over a period of five years, but once the loan is paid off, it doesn't appear that there will be a rate reduction. We don't feel comfortable drinking the water, we have chosen for years to buy drinking water from the store, which is an added expense to us. In addition, there are still days when the water pressure is so low we can't even take a shower. A couple of weeks ago, the chlorine level was so high that it burned skin and killed house plants, and it took almost two weeks for the problem to be corrected. I have no problem with paying a fair rate for water, as long as it is actually fair and will be used to make improvements to and to sustain the system. I also understand that if individuals in our community who are on fixed incomes cannot afford these extreme fees, Mr. Kohler has expressed that he will place liens on their homes and eventually own them. My biggest frustration, in addition to the exorbitant fee increase, is that I feel we were all misled and that information has been withheld and misrepresented to our community in an effort for these exorbitant fees to be established and approved.

#### Suggested Resolution:

- Suspend current 742% rate increase until a new hearing can be scheduled where our community members can voice concerns
- Request reasonable rate to match market value of surrounding communities
- Suggest using closest comparable market rates as base rate for acceptable rate increase-Bridge Hollow, Wanship Mutual Water Company
- Comps are \$700-740 annual or \$60/month- This would represent a 300% rate increase
- Transparency around operating costs and governance of the company needs to be provided to the community, we deserve to know what the budget and planning of our water company looks like, what our fees are covering, and justification as to how those fees are being established
- Provide an accounting regarding any loans made by Mr. Kohler to DeAnn Geary or Wanship Water Co. that have been included in the proposed rate increase for reimbursement, including the loan amounts, and the purposes for which the loans were used, in addition to specific repairs made to the water system, and the specific costs of those repairs, and fair consideration regarding what, if any, of those amounts should be reimbursed by

the community

- consistent communication with everyone in the community regarding proposed changes, test results when our water is tested, and notification when issues are discovered with our water. I have only received information through word of mouth from other neighbors

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## Complaint Response:

Grady Kohler

Attachments

Mon, Mar 11, 5:51 PM

to kgibb, me

Hi Kim and Rodney,

I am responding to your complaint filed with the Division of Public Utilities. First off, I am sorry to hear you are upset. I think it's warranted to be upset about a 700%+ rate increase, so I don't blame you. You and others in the community had similar complaints so I attached an outline to answer your questions. If, for some reason, I missed something, please let me know. I am happy to communicate via email, text, or a call and also happy to be an open book and share any expenses and revenue. And lastly I'm open to ideas on how we can save money. The more time we have with billing, repairs, and the like, the more it costs us to run this system.

At the pump house meeting (yes it was freezing), I explained that we had agreed with the stipulation, meaning the water company was going to agree with what they proposed. People did ask how they could support the company via volunteering and such. But I never told anyone not to go, but rather I may have explained that I had agreed with the stipulation. I see in your complaint you are primarily concerned with transparency. We did provide lots of documents to the state already and I am happy to be an open book. Perhaps at the end of this quarter you and I could collaborate and look at the expenses and revenue and brainstorm ideas. The state has requirements for annual reports and such.

Separately, if you or anyone is willing to start the conversation to turn this into a community water system I would really appreciate that. With such a small community system I think we could really benefit from community help. Anything that lowers the costs, keeps repairs down, save time, all come back to benefit the system users. If we can keep costs down, I hope it's quite some time before we have to go back to increase rates.

-Grady



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Wanship, Utah

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Over the subsequent months the Public Service Commission worked on this rate increase and provided more information and documentation on the docket. I spoke with many people in the community and answered emails and questions they had.

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Please feel free to contact me with any questions you ever have.

Sincerely,

Grady Kohler  
President  
801-815-4663