
Application of Crimson Ridge Phase Two Water Company LLC for Exemption	<u>DOCKET NO. 24-2652-01</u> <u>ORDER GRANTING APPLICATION FOR EXEMPTION</u>
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ISSUED: February 10, 2025

On October 18, 2024, Crimson Ridge Phase Two Water Company (“Crimson Ridge”) filed an Application for Exemption for Crimson Ridge (“Application”), attaching numerous exhibits. The Application indicates Crimson Ridge intends to serve 41 residential lots and will serve members only and not the public generally.

On November 21, 2024, the Division of Public Utilities (DPU) filed comments recommending the Public Service Commission (PSC) grant Crimson Ridge’s Application. DPU states that Crimson Ridge is a new water company and confirms that Crimson Ridge intends to serve 41 residential lots in a proposed subdivision located in Weber County.¹

DISCUSSIONS, FINDINGS OF FACT, AND CONCLUSIONS OF LAW

Utah Code Ann. § 54-4-1 vests the PSC with the power and jurisdiction to regulate public utilities, including water corporations. Utah Code Ann. § 54-2-1(39) defines a water corporation as “every corporation and person, their lessees, trustees, and receivers, owning, controlling, operating, or managing any water system for public service within this state.” It specifically states that a water corporation “does not include private irrigation companies engaged in distributing water only to their

¹ DPU’s Comments at 2.

stockholders, or towns, cities, counties, water conservancy districts, improvement districts, or other governmental units created or organized under any general or special law of this state." *Id.*

As represented in the Application and DPU's Comments, Crimson Ridge intends to only serve its members. The Application and DPU's Comments confirm Crimson Ridge will not provide water service to the public generally. Based on these representations, the PSC finds and concludes that Crimson Ridge does not meet the definition of a water corporation under Utah Code Ann. § 54-2-1(39). Therefore, it is not subject to the PSC's jurisdiction and is thus exempt from regulation.

ORDER

Because Crimson Ridge will only serve its members and will not otherwise serve the general public, the PSC concludes Crimson Ridge is exempt from the PSC's regulation and grants the Application in accordance with Utah Code Ann. § 54-2-1(39). The letter of exemption is attached to this Order as Exhibit A. This exemption is revocable for cause at any time should Crimson Ridge commence operations that render it subject to the PSC's jurisdiction.

DATED at Salt Lake City, Utah, February 10, 2025.

/s/ Michael J. Hammer
Presiding Officer

Approved and Confirmed February 10, 2025, as the Order of the Public Service
Commission of Utah.

/s/ Jerry D. Fenn, Chair

/s/ David R. Clark, Commissioner

/s/ John S. Harvey, Ph.D., Commissioner

Attest:

/s/ Gary L. Widerburg

PSC Secretary

DW#338189

Notice of Opportunity for Agency Review or Rehearing

Pursuant to Utah Code Ann. §§ 63G-4-301 and 54-7-15, a party may seek agency review or rehearing of this order by filing a request for review or rehearing with the PSC within 30 days after the issuance of the order. Responses to a request for agency review or rehearing must be filed within 15 days of the filing of the request for review or rehearing. If the PSC fails to grant a request for review or rehearing within 30 days after the filing of a request for review or rehearing, it is deemed denied. Judicial review of the PSC's final agency action may be obtained by filing a Petition for Review with the Utah Supreme Court within 30 days after final agency action. Any Petition for Review must comply with the requirements of Utah Code Ann. §§ 63G4-401, 63G-4-403, and the Utah Rules of Appellate Procedure.

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Exhibit A



State of Utah

SPENCER J. COX
Governor

DEIDRE M. HENDERSON
Lieutenant Governor

Public Service Commission

JERRY D. FENN
Chair

DAVID R. CLARK
Commissioner

JOHN S. HARVEY, Ph.D.
Commissioner

LETTER OF EXEMPTION NO. 248

February 10, 2025

Kevin Deppe
Manager, Crimson Ridge
110 W 1700 N
Centerville, UT 84014

Dear Mr. Deppe,

The Public Service Commission (PSC) has reviewed the application for exemption for a new water company filed on behalf of Crimson Ridge Phase Two Water Company, LLC ("Crimson Ridge") on October 18, 2024.

On November 21, 2024, the Division of Public Utilities (DPU) recommended the PSC grant the request for exemption because Crimson Ridge intends to only serve its members and not the general public. It is not a water corporation subject to regulation as defined in Utah Code Ann. § 54-2-1(39). Given these facts, Crimson Ridge's request for exemption from regulation by the PSC is warranted and appropriate.

Please be advised this Letter of Exemption No. 248 is granted pursuant to the representations contained in the Application and based on DPU's confirmation that Crimson Ridge will only serve its members. Crimson Ridge has a continuing obligation to update the PSC within 30 days of any change regarding this matter. Similarly, the PSC would be legally obligated to reevaluate the matter should any third party submit a notice of facts suggesting that Crimson Ridge is subject to the PSC's jurisdiction.

This Letter of Exemption No. 248 is revocable for cause at any time. Please refer to this letter number in any future correspondence with either the PSC or DPU.

Sincerely,

/s/ Gary L. Widerburg
PSC Secretary
DW#338189

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CERTIFICATE OF SERVICE

I CERTIFY that on February 10, 2025, a true and correct copy of the foregoing was delivered upon the following as indicated below:

By Email:

Janelle Eurick Bauer (jbauer@crwpc.com)
Attorney for Crimson Ridge Phase Two Water Company LLC

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

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

/s/ Melissa R. Paschal _____
Administrative Assistant