

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

In the Matter of the Application of MOUNTAIN)
VALLEY RANCHES NORTH, INC., to Increase Per)
Acre-Foot Water Rates)

DOCKET NO. 01-2369-02
ERRATUM
REPORT AND ORDER

ISSUED: January 22, 2002

SYNOPSIS

The proposed rates appearing to be just and reasonable, the Commission approved the Application.

By the Commission:

PROCEDURAL HISTORY

Pursuant to notice duly served, the above-captioned matter came on regularly for hearing the thirtieth day of October, 2001, before A. Rober Thurman, Administrative Law Judge, at the Iron County Visitors Center, Cedar City, Utah. No one appeared in opposition to the proposed rates. Evidence was offered and received, and the Administrative Law Judge, having been fully advised in the matter, now enters the following Report, containing proposed findings of fact, conclusions of law, and the Order based thereon.

FINDINGS OF FACT

1. Mountain Valley Ranches North, Inc., Applicant herein, is a water corporation certificated by this Commission. Applicant seeks to increase its flat monthly water rate from \$20 to \$25 and to impose a surcharge of \$10 per month on subscribers whose usage exceeds 1 acre foot in a calendar year. Meters would be read monthly, the annual usage accumulated, and the surcharge imposed from the time the accumulated usage exceeds one acre foot. The Division of Public Utilities, Utah Department of Commerce (DPU) has also recommended implementation of a \$2,500 connection fee, to be applied prospectively, \$500 of which would be used to make the physical connection and the balance to be placed in a fund to defray costs of future improvements.

2. DPU's audit indicates the proposed rates are just and reasonable -- in fact, taking depreciation into account, the proposed rates still leave Applicant in a deficit position.

CONCLUSIONS OF LAW

The Application should be granted.

ORDER

NOW, THEREFORE, IT IS HEREBY ORDERED that:

1. The proposed rates, as outlined in Finding of Fact 1 above, be, and they are, approved, provided that the \$25 monthly rate and \$2500 connection fee are approved effective the date of this Order, and the \$10 overage charge is approved effective January 1, 2002. Applicant is authorized to publish tariffs implementing said rates on one day's notice.

2. Any person aggrieved by this Order may petition the Commission for review within 20 days of the date of this Order.

Failure so to do will forfeit the right to appeal to the Utah Supreme Court.

Dated at Salt Lake City, Utah, this 22nd day of January, 2002.

/s/ Stephen F. Mecham, Chairman

/s/ Constance B. White, Commissioner

/s/ Richard M. Campbell, Commissioner

Attest:

/s/ Julie Orchard

Commission Secretary

G#27940