

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

In the Matter of the Petition of the DIVISION)
OF PUBLIC UTILITIES for cancellation of the)
Certificate of Public Convenience and Necessity)
of EAST KANAB WATER COMPANY)

DOCKET NO. 02-2209-01
REPORT AND ORDER
Cancellation of Certificate No. 2828

ISSUED: April 16, 2002

SYNOPSIS

East Kanab Water Company having requested that its certificate of public convenience and necessity be canceled, the Commission so orders.

By The Commission:

PROCEDURAL HISTORY

East Kanab Water Company (the "Company") was organized as a non-profit mutual water company, and is so registered with the Division of Corporations. On January 22, 1996, the Company was issued a certificate of public convenience and necessity, certificate number 2828, because at the time of its application the majority of the shares were held or controlled by the developer. The Company has since provided water service in its certificated territory.

In a letter dated February 6, 2002, the Company requested that the Commission cancel its authority and issue a letter of exemption. In support, the Company provided a detailed list of all shareholders showing that a majority of its shares are now owned by individuals. The division investigated and recommended that the Company's request be granted.

We find that with the changed ownership, voting control of the Company is distributed in a way that each member enjoys a complete commonality of interest, as a consumer, such that rate regulation would be superfluous, and the Company otherwise meets the requirements of Rule 746-331-1(C).

ORDER

NOW, THEREFORE, IT IS HEREBY ORDERED that:

Certificate of Public Convenience and Necessity No. 2828 issued to East Kanab Water Company by Commission order dated January 26, 1996, be and hereby is canceled.

Any person aggrieved by this Order may petition the Commission for review within 20 days of the date of this Order. Failure to do so will forfeit the right to appeal to the Utah Supreme Court.

DATED at Salt Lake City, Utah, this 16th day of April, 2002.

/s/ Stephen F. Mecham, Chairman

/s/ Constance B. White, Commissioner

/s/ Richard M. Campbell, Commissioner

Attest:

/s/ Julie Orchard

Commission Secretary

G#29102