

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

In the Matter of the Investigation of the)
Operations of LONG VALLEY ESTATES)
WATER COMPANY as a Public Utility)

DOCKET NO. 98-2265-01
REPORT AND ORDER

ISSUED: December 4, 2003

By the Commission:

This action was originally commenced by a 1998 Application from Long Valley Estates Water Company ("Long Valley") for a letter of exemption from regulation from this Commission. Long Valley represented that it was providing water to its shareholders. The Application was incomplete. The Division of Public Utilities ("Division") made numerous requests to Long Valley for the information needed, but the information was not provided. Long Valley continued to provide water service without authorization from this Commission, and also without charge to its customers.

When the necessary information was not provided the Division, the Division filed a Petition for an Order to Show Cause. An Order to Show Cause was issued, and hearings were held regarding Long Valley's unauthorized operation as a public utility. All parties expressed the desire to provide the necessary information, and comply with applicable laws and regulations. Problems with the management of the company, and the health of one of the principals in the company, had made such action difficult in the past, and delayed matters in this docket. Robert Overtree, the major investor in the water company, has undertaken to take the steps necessary to complete the development, including improving and properly running Long Valley. As part of that effort a new Application for a Certificate of Public Convenience and Necessity has been filed by Long Valley. That application was given docket number 03-2265-01. The Division of Public Utilities has recommended that the new Application be granted, and that any fines in this docket be waived pending compliance with Department of Environmental Quality requirements and Commission orders and rules.

The Division's recommended resolution is appropriate. While it has taken a long time, significant progress has been made toward the goal of having a properly run, and legally compliant water company. Mr. Overtree's recent actions are commendable. The new application will be dealt with in Docket 03-2265-01, and we will not at this time impose fines for operating as a public utility without a certificate, pending compliance by Long Valley with DEQ requirements, Commission orders and rules, and other legal requirements.

ORDER

NOW, THEREFORE, IT IS HEREBY ORDERED, that:

1. No fines will be assessed against Long Valley Estates Water Company or its officers at this time pending compliance by the company with DEQ requirements, the rules and orders of this Commission, and other legal requirements.
2. Long Valley Estate Water Company's most recent application for a certificate of public convenience and necessity will be dealt with in the docket to which it was assigned.
3. Any person aggrieved by this Order may petition the Commission for review/rehearing pursuant to the *Utah Administrative Procedures Act, Utah Code Ann. §63-46b-1 et seq.* Failure so to do will preclude judicial review of the grounds not identified for review. *Utah Code Ann. §54-7-15.*

DATED at Salt Lake City, Utah, this 4th day of December, 2003.

/s/ Ric Campbell, Chairman

/s/ Constance B. White, Commissioner

/s/ Ted Boyer, Commissioner

Attest:

/s/Julie Orchard
Commission Secretary

G#36198