

In the Matter of the Rate Increase)
Application of HARMONY HEIGHTS)
WATER COMPANY,)
Applicant)

DOCKET NO. 99-2184-01
REPORT AND ORDER

ISSUED: April 23, 1999

SYNOPSIS

Applicant's proposed rates appearing to be just and reasonable, and the rates having been previously approved by Applicant's shareholders, we approve the same subject to refund in the event of further Commission action pursuant to a timely-filed, meritorious protest.

By The Commission:

PROCEDURAL HISTORY

Applicant filed its rate increase application March 17, 1999. Before the filing, the Division of Public Utilities, Utah Department of Commerce, (hereafter "DPU") conducted an audit and filed its report with the Commission the same date. There appears to be no factual dispute necessitating a hearing, and so we have determined to dispose of the matter summarily. 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. Applicant is organized as a non-profit mutual water company, which would ordinarily exempt it from Commission regulation. However, the developer still owns a majority of the ownership in Applicant's system and assets; consequently, we continue to assert jurisdiction.
2. Applicant proposes the following rates: \$25 per month base charge including 20,000 gallons of water; \$1.75 per 1,000 gallons over the base amount; standby fee of \$25 per month for unconnected lots; \$1,250 connection fee; and \$100 turn on fee after disconnection.
3. The proposed rates were approved at a shareholders meeting January 30, 1999, at which the developer cast no votes.
4. DPU's recent compliance audit disclosed no irregularities in Applicant's finances, and DPU recommends approval without change.
5. The proposed rates appear to be just and reasonable and the minimum necessary to maintain current and future system integrity.

CONCLUSIONS OF LAW

There being no apparent opposition to the application, and the rates having been already approved by Applicant's shareholders, the Application should be granted, subject to refund in the event of a timely-filed, meritorious protest.

ORDER

NOW, THEREFORE, IT IS HEREBY ORDERED, that:

The proposed rates, as set forth above, are approved effective on the publishing of a tariff on one-day's notice to the Commission, subject to the following terms and conditions:

Customers are accorded THIRTY (30) DAYS from the date of this Order to file with this Commission a written protest of the rates.

If the Commission deems any such protest meritorious, it may order a hearing on the matter and suspend the effectiveness of the proposed rates pending disposition of the same.

The Commission may order refund of rates paid in the event of meritorious protest.

This Order is effective the date of its issuance.

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 22nd day of April, 1999.

/s/ A. Robert Thurman
Administrative Law Judge

Approved and Confirmed this 22nd day of April, 1999, as the Report and Order of the Public Service Commission of Utah.

/s/ Stephen F. Mecham, Chairman

/s/ Constance B. White, Commissioner

/s/ Clark D. Jones, Commissioner

Attest:

/s/ Julie Orchard
Commission Secretary