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PUBLIC SERVICE COMMISSION

OF UTAH

ANNUAL REPORTS

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PUBLIC SERVICE COMMISSION OF UTAH

FISCAL YEAR ENDED JUNE 30, 1977

PART ONE

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PART ONE

GENERAL SUMMARY

HISTORY OF COMMISSION

The Public Utilities Commission of Utah was authorized by the Public Utilities Act which was signed by the Governor on March 8, 1917. The Commission was organized on April 3, 1917, and consisted of three Commissioners, a stenographer, a reporter and a special investigator. The year 1977 marks the completion of sixty years in the history of the Commission.

Legislation enacted by the 1935 Legislature changed the name of the Public Utilities Commission to the Public Service Commission, by which it is known today. In a major reorganization of Utah State government, the first session of the 1941 Legislature created the Department of Business Regulation of Utah with a three-member Commission known as the Commission of Business Regulation. The Commission of Business Regulation also constituted the Public Service Commission.

The Utah Legislature at its regular 1969 session enacted legislation reorganizing the administrative powers in the Department of Business Regulation. The Commission of Business Regulation was replaced with an Executive Director of the Department of Business Regulation and the Public Service Commission was made an independent part of the Department of Business Regulation. The Public Service Commission was prohibited from exercising any administrative authority over the Division of Public Utilities, which was created to execute the rules, regulations, and orders of the Commission under the direction of the Executive Director of the Department of Business Regulation. The Division audits utilities' books and records, assists in review of legal matters, submits recommendations to the Commission, and presents testimony and exhibits in formal cases before the Commission.

OPEN AND PUBLIC MEETINGS LAW

During this fiscal year, the Utah State Legislature enacted legislation amending and reenacting certain portions of the Open and Public Meetings law as it pertains to state agencies and political subdivisions, which became effective May 10, 1977. The Commission requested an opinion from the Attorney General as to the applicability of the law to the Commission. The Attorney General's opinion was that the Commission is exempt from the act because of its exercise of quasi-judicial powers. Shortly thereafter, counsel for the State Legislature issued a contrary opinion, concluding that ratemaking is a legislative function. The Commission concluded that it should abide by the Attorney General's opinion until such time as the Supreme Court would make a ruling in the matter.

Subsequent to that time, Common Cause of Utah filed suit in the District Court of Salt Lake County seeking an order requiring the Commission to comply with the Act.

RATE DESIGN

The Commission considered Utah Power & Light's declining block rates as part of Case No. 7167. During this case, three forms of rate design were investigated. Utah Power & Light presented a "declining block" rate design, the Division of Public Utilities presented a "customer-energy-demand" or "CED" rate design, and a "lifeline" rate design. Utah Power presently uses the declining block rate structure, meaning that the per KWH charge is higher for the first block of electrical energy and declines on a per KWH basis through the succeeding block of energy. The lifeline rate would establish a lower per KWH charge for the first block of energy and a higher charge for subsequent blocks. The CED rate structure indicates the separate components of customer costs, energy costs, and demand costs that must be recovered in the rates.

The Commission did not decide the rate structure issue, but ordered Utah Power & Light to submit a cost-of-service study by December 1, 1977. With prior cost data and an updated cost-of-service study, the Commission felt that it would be in a better position to reach a meaningful decision. It anticipated hearings on Utah Power & Light's rate design could be commenced in early 1978.

House Concurrent Resolution No. 1 approved March 20, 1977, directed the Utah Public Service Commission to convene general hearings by February 1, 1978, to review the origin and nature of natural gas and electric rate structures. The Commission was directed to consider the feasibility of a minimum reasonable cost rate structure for minimum use residential consumers to provide those amounts of natural gas and electricity necessary to maintain minimum standards of health, safety and welfare while promoting energy comservation. The Commission was directed to prepare and submit a final report to the Legislature by July 1, 1978.

SECTION I

PERSONNEL

June 30, 1977

PUBLIC SERVICE COMMISSION

Milly O. Bernard	Chairman
Olof E. Zundel	Commissioner
Kenneth Rigtrup	Commissioner
Victor N. Gibb	Secretary
Vern D. Wilde	Official Court Reporter
Gail Grayson	Docket Secretary

DIVISION OF PUBLIC UTILITIES

ACCOUNTING

Joseph C. Vincent	Manager, Utility Accounts and Finance
Dan W. Bagnes	Auditor
Lance Bateman	Auditor
Ronald L. Burrup	Auditor
Michael L. Earl	Auditor
Charles T. Greenland	Auditor
Carl L. Mower	Auditor
V. Mark Petersen	Auditor
Mary K. Jacobsen	Secretary

ENGINEERING

Clayton S. Hogstrom	Rate Engineer
George R. Compton	Rate Engineer
Darrell S. Hanson	Rate Engineer
Ray L. Pruett	Service Engineer
Wayne L. Carlson	Engineering Inspector
Kathleen C. Howard	Secretary
Jane Koller	Secretary

TRANSPORTATION

Donald K. Hales. . . . . .Manager, Regulated Carrier Section

Jack H. Ollinger . . . . . .Rate and Tariff Specialist

William D. Sheppard. . . . . .Regulated Carrier Compliance Officer

Tony Speth . . . . . .Regulated Carrier Compliance Officer

Allen D. Voorhies. . . . . .Regulated Carrier Compliance Officer

Vicki J. Cowan . . . . . Secretary

Shari B. Holt. . . . . Secretary

Stella V. Manes. . . . . Secretary

Office, 330 East Fourth South Street, Salt Lake City

CHANGES IN DEPARTMENT PERSONNEL

Public Service Commission

Mr. Kenneth Rigtrup was appointed as a Commissioner on March 31, 1977, succeeding Mr. Joseph C. Foley. Mr. Rigtrup has an accounting degree and a law degree from the University of Utah. He engaged in private law practice from 1962 to 1972, and served as an Administrative Law Judge with the Industrial Commission from 1972 to 1977. He is married and has four children. His current term expires March 1, 1983.

Mr. Victor N. Gibb was appointed Secretary of the Public Service Commission April 4, 1977, succeeding Mr. Ronald E. Casper. Mr. Gibb has a BA degree from Brigham Young University, an MBA from Portland State University, and a law degree from Lewis & Clark Law School. He has 10 years previous experience in private industry and was previously with the Utah State Real Estate Division. He is married and has five children.

SECTION II

ELECTRIC

ELECTRIC UTILITY RATE CASES

Of the 16 rate cases handled during the year, the one involving Utah Power & Light Company was by far the most significant with respect to the amount of revenue granted. Utah Power was granted $11,833,000 in Case No. 76-035-06, as compared to a total for all electric utilities of $14,362,681 or 82.4 per cent of the total granted during the year.

In Case No. 76-035-06, $7,841,000 represented the inclusion of 40 per cent of Utah Power's construction work in progress in rate base and $3,992,000 represented normalization of the tax effect of accelerated depreciation. In Case No. 7167, Utah Power was allowed to include construction work in progress in the rate base over a five-year period and change from the flow-through to normalized method of accounting over a three-year period.

During 1976, five rate cases involving California-Pacific Utilities Company were concluded. Of the five cases, four involved the company's Cedar City district, and one involved the Kanab district. All of the cases were for the recovery of increased purchase power costs. In Case No. 76-023-05, which affected the Kanab district, $110,193 was granted Cal-Pac for the recovery of increased purchased power costs from Garkane Power.

In Case No. 76-023-01 through 04, which involved the company's Cedar City district, a total of $1,394,708 was granted. This allowed the company to pass through the increased purchased power cost from Utah Power & Light. Also, $454,419 of the fixed charges of $856,910 on a 230-KV transmission line built by Utah Power to serve Cal-Pac was allowed.

Flowell Electric Association's four cases during the year accounted for $449,617 of the increases granted electric utilities. Two factors accounted for these pass-through requests. The first reason was that the Bureau of Reclamation increased its rates to its preference customers by

approximately 31 per cent. Second, Flowell Electric exceeded its Bureau allotment of power during the year and had to purchase its excess power requirements from Utah Power & Light at a much higher cost.

Strawberry Water Users Case Nos. 76-034-01 and 77-034-01 totaled $197,758. These increases were made necessary because of the Bureau of Reclamation increases to its preference customers. Also, Strawberry was unable to meet its power requirements from its Bureau allocation and own generation. As a result, it had to purchase the additional requirements from Utah Power at a much higher cost.

Moon Lake Electric also had two rate increases during the year which totaled $361,368. In the first case, Moon Lake had to buy its excess power requirements over its Bureau allocation from UP&L at a much higher rate. In Case No. 77-030-01, the Company exceeded its contract amount of power from Utah Power. Accordingly, UP&L made special purchases for Moon Lake at cost plus 15 per cent. These purchases were at a higher cost than Moon Lake had included in its rates and the Commission allowed Moon Lake to pass these costs through to its customers.

Empire Electric was granted an increase of $5,660 to pass through the increased cost of purchased power from Colorado-Ute Electric Association.

In Case No. 76-031-01, Mt. Wheeler was granted an increase of $10,377. The Company experienced increases in all its costs including purchased power which made this application necessary. To maintain its credit rating with the Rural Electrification Administration it had to improve its earnings.

ELECTRIC RATES AND USE OF ELECTRICITY

The following table contains information on the use and cost of electricity for selected years beginning with the year 1935. During 1976,

there was an increase in the annual average use per residential customer served by the two investor-owned companies of 2.26 per cent and 17.06 per cent increase in the average charge per kilowatt-hour as compared to the corresponding figures for 1975. The annual average use per residential customer served by the 12 rural electric cooperative associations increased by 14.92 per cent during 1976 over 1975, and there was a slight decrease in the average charge per kilowatt-hour. The annual average bill per residential customer served by the investor-owned companies exceeded the average bill per customer served by the rural electric cooperative associations by $34.86 or 15.87 per cent.

TREND OF ELECTRIC RATES AND USE OF ELECTRIC POWER IN UTAH

	Residential Service			All Classes of Service
Year	Annual Average Use Per Customer	Average Charge Per Kilowatt-Hour	Annual Average Bill Per Customer	Average Charge Per Kilowatt-Hour
		INVESTOR-OWNED UTILITIES		
1935	762 Kwh	4.69¢	$ 35.74	1.88¢
1940	1,170	3.40	39.78	1.41
1945	1,530	2.69	41.11	1.54
1950	2,573	2.29	58.89	1.81
1955	3,657	2.21	80.93	1.81
1960	4,184	2.19	91.58	1.64
1965	4,747	2.26	107.60	1.76
1970	5,800	2.17	125.72	1.66
1971	6,236	2.13	133.02	1.47
1972	6,416	2.23	142.88	1.49
1973	6,823	2.26	154.36	1.71
1974	7,289	2.34	170.64	1.72
1975	7,266	2.93	212.79	1.96
1976	7,430	3.43	254.55	2.18
		RURAL ELECTRIC COOPERATIVE ASSOCIATIONS		
1965	5,676 Kwh	2.33¢	$132.39	1.58¢
1970	6,596	2.25	148.71	1.55
1971	7.025	2.17	152.45	1.65
1972	7,163	2.15	154.29	1.66
1973	7,976	2.11	168.13	1.73
1974	8,294	2.18	180.73	1.74
1975	8,950	2.20	196.92	1.75
1976	10,285	2.14	219.69	1.77

A summary of the kilowatt-hours sold and the average number of customers served in Utah by electric utilities regulated by the Commission during the year ended December 31, 1976, is in the following table. There was an increase of 6.7 per cent in the number of kilowatt-hours sold to ultimate consumers and an increase of 38.1 per cent in the number of kilowatt-hours sold for resale during 1976 over 1975. The total revenue earned from sales of electricity amounted to $235,922,275, or an increase of 29.1 per cent over 1975, and the average number of customers increased by 15,648, or an increase of 4.8 per cent.

UTAH KILOWATT-HOUR SALES AND CUSTOMERS

Year 1976	Kilowatt-Hours Sold (Thousands)	Average Number of Customers
INVESTOR OWNED UTILITIES		
Residential	2,183,887	293,931
Commercial	1,757,208	26,799
Industrial (includes irrigation sales)	2,127,171	6,290
Public street and highway lighting	43,202	1,048
Other sales to public authorities	368,313	113
Other sales (includes company use)	500	3
Total sales to ultimate consumers	6,480,281	328,184
Sales for resale	3,933,853	25
Total sales - investor owned utilities	10,414,134	328,209
RURAL ELECTRIC COOPERATIVE ASSOCIATIONS		
Residential	122,716	11,931
Irrigation	72,242	789
Commercial	42,915	2,161
Industrial	229,127	303
Public street and highway lighting	940	325
Other sales to public authorities	1,559	93
Total sales to ultimate consumers	469,499	15,602
Sales for resale	32,265	5
Total sales - cooperative electric associations	501,764	15,607
SUMMARY - ALL UTILITIES		
Total sales to ultimate consumers	6,949,780	343,786
Sales for resale	3,966,118	30
Total sales - all utilities	10,915,898	343,816

SECTION III

NATURAL GAS

MOUNTAIN FUEL SUPPLY COMPANY RATE PROCEEDINGS

The Commission issued orders in seven cases for increases and four cases for decreases or refunds to customers resulting from direct increases and decreases in the prices which Mountain Fuel Supply Company must pay for natural gas. All of these cases are the direct result of actions taken by the Federal Power Commission (FPC).

On July 27, 1976, the FPC issued its Opinion No. 770, "National Rates for Jurisdictional Sales of Natural Gas Dedicated to Interstate Commerce on or After January 1, 1973 for the Period January 1, 1975, to December 31, 1976," and its Opinion No. 742-A, "Small Producer Regulation." The FPC orders were made effective on the date they were issued. Opinion No. 770 was appealed to the United States Court of Appeals for the District of Columbia Circuit which ordered that refunds be made for any portions of the new rates subsequently held to be unlawful upon rehearing by the FPC or any further action by the Federal District Court.

The primary effects of Opinion No. 770 on sales of natural gas in interstate commerce for resale are:

(a) Such sales from wells commenced on or after January 1, 1975, may be made up to $1.42 per Mcf (at 14.73 psia). This price may be escalated by an amount not to exceed one cent per Mcf each calendar quarter commencing October 1, 1976.

(b) Such sales made from wells commenced on or after January 1, 1973, and on or before January 1, 1975, may be made at a rate of $1.01 per Mcf at 14.73 psia. There is no periodic escalation of this maximum price permitted.

(c) Such sales made with respect to flowing gas subject to contracts expiring on or after January 1, 1973 , will continue to be governed by the rate level and escalation provisions of FPC Opinion No. 699-H; namely at a maximum price of 52 cents per Mcf (at 14.73 psia), which annual 1.0 cent per Mcf escalations permitted commencing January 1, 1977.

(d) All above base prices are to be adjusted for applicable taxes, quality adjustments and gathering allowances.

Opinion 742-A primarily upholds the small producer rate of 130 per cent of the base ceiling rate for a comparable large producer sale, as originally set out in FPC Opinion No. 742, with the following modifications relevant to Mountain Fuel's application:

(a) Sales of natural gas by small producers in interstate commerce made in accordance with FPC Opinion No. 749 will be subject to a ceiling of 35.0 cents per Mcf, except

(b) For sales made from the Rocky Mountain Area, and pursuant to contracts dated on or after October 1, 1968, and not covered by FPC Opinion Nos. 699 et seq., the small producer rate shall be 40.5 cents per Mcf.

(c) The nationwide ceiling of $1.42 per Mcf for gas subject to the 1975-1976 biennium rate imposed by Opinion 770 shall apply equally to small producers as well as large.

FPC Opinion No. 742-B, issued August 2, 1976, is a clarification of Opinion 742-A, holding that the small producers are entitled to the 30 per cent maximum upward adjustment on sales which qualify for the $1.01 per Mcf base ceiling rate for 1973-1974 vintage gas.

As a direct consequence of the provisions of FPC Opinion Nos. 770 and 742-A, providing for new national rates for interstate sales of natural gas for resale, Mountain Fuel experienced the following annualized increases:

a.	Total increase due to field purchase cost increases from field producers	$24,221,495
b.	Total of increased royalty payments to be made by Mountain Fuel in connection with its own gas production	$ 802,199
c.	Increased gas purchase costs from Mesa Pipeline Company	$ 334,417
d.	Total of all gas cost increases under the First Count of this Application	$25,358,111

The amount allocated to the State of Utah was $22,210,594. This figure does not take into consideration the effect that these opinions will have on the prices of gas supplied by the Company's pipeline suppliers. The increases from pipeline suppliers were passed on later in the year through the FPC authorized Purchased Gas Adjustment Clauses.

Mountain Fuel Supply Company, with support of the State of Utah through the Division of Public Utilities and the Public Service Commission, along with other companies and agencies, appealed FPC Opinion 770.

On November 5, 1976, the FPC issued Opinion No. 770-A, "Opinion and Order on Rehearing Modifying in Part Opinion 770 and Granting Petitions for Intervention." The FPC, by this opinion, reduced the ceiling price for 1974-75 vintage gas in interstate commerce from $1.01 per Mcf to 93 cents per Mcf, added an allowable one cent per Mcf per year escalation for such gas where no previous escalation has been permitted, and rendered a clearer definition of the date to be used for purposes of determining appropriate vintage of a particular well.

On June 10, 1976, the Canadian Government announced that effective September 10, 1976, the export price of natural gas at the border would increase from $1.60 to $1.80 per MMBtu and that the price would further increase to $1.94 on January 1, 1977. Mountain Fuel's principal pipeline supplier, Northwest Pipeline Corporation, purchases a considerable portion of its gas supply from Canada. Therefore, the price that Northwest pays for

its gas from Canada has an effect on the price Mountain Fuel must pay Northwest. The Utah allocated portion of the September 10, 1976, increase in Canadian gas amounted to $2,541,866 and the Utah allocation of the January 1, 1977, increase amounted to $2,482,300.

UTAH GAS SERVICE COMPANY RATE PROCEEDINGS

The effects of FPC Opinions 770 and 742-A were also felt by Utah Gas Service Company which serves in the Vernal, Moab, and Monticello areas. These opinions triggered the favored nations provisions of the gas purchase contracts which Utah Gas Service has with its intrastate suppliers. These favored nations clauses permit the prices in the contracts to escalate to the highest prices allowed by the FPC.

The price at which Utah Gas Service purchases gas from Northwest also increased due to FPC Opinions 770 and 742-A, and to the increase in Canadian gas.

All of Utah Gas Service's cases were pass-throughs of changes in gas costs, with one exception. Utah Gas Service requested that it be allowed to increase its rates by $200,000 so that it could develop an exploration program within the Company. The first $200,000 was to go to the Company's parent company, Cordillera Corporation, to help pay for the cost of drilling a well in the Little Valley Field near Moab. If successful, Utah Gas Service would have received its investment back over a five-year period, but it would have had to pay market price for the gas which would then have to have the impurities cleaned out of it. The Commission denied the application stating that the Company had failed to prove that the proposal was of sufficient benefit to the ratepayers to justify the cost of it under the current contractual relationships.

NATURAL GAS RATES AND USE OF GAS

The following table gives a summary of the usage and cost of natural gas for selected years beginning with 1940. The average annual bill per residential and commercial customer increased by $30.92 or 13.64 per cent during 1976 over 1975. This increase occurred even though there was a 10.09 per cent decrease in usage.

TREND OF NATURAL GAS RATES AND USE OF GAS IN UTAH

	Residential and Commercial			All Classes of Service
Year	Annual Average Use Per Customer	Average Charge Per Mcf	Annual Average Bill Per Customer	Average Charge Per Mcf
1940	88.46 Mcf	66.4¢	$ 58.72	20.6¢
1945	113.97	63.9	72.87	21.9
1950	157.71	41.6	65.64	26.8
1955	197.80	50.4	99.66	34.3
1960	228.11	57.6	131.39	40.7
1965	226.65	58.4	132.36	39.5
1970	236.54	64.6	152.82	43.3
1975	235.51	96.2	226.62	80.3
1976	211.75	121.6	257.54	105.4

The next table shows the total sales of natural gas in Utah by major service classifications for selected years beginning with the year 1940. This table shows that the total gas usage is continuing to decline from the peak year of 1973 when 131,064,284 Mcf of gas was sold in the State of Utah. The total revenue from the sale of natural gas in Utah amounted to $127,500,385 during 1976 with an average of 309,765 customers served during the year.

NATURAL GAS SALES IN UTAH
(Thousands of Cubic Feet at 12.85 psia)

Year	Residential and Commercial	Industrial	For Resale	Total
1940	2,355,537	12,361,974		14,717,511
1945	4,435,137	19,253,755		23,688,892
1950	11,944,972	18,855,542		30,800,514
1955	22,797,003	33,955,205		56,752,208
1960	37,916,291	41,355,304		79,271,595
1965	47,895,211	62,371,870	15,321	110,282,402
1970	57,516,963	70,223,515	18,455	127,758,933
1975	69,854,715	55,765,669	576,818	126,197,202
1976	65,449,485	55,073,754	443,626	120,966,865

NATURAL GAS PIPELINE SAFETY

The United States Congress passed the Natural Gas Pipeline Safety Act of 1968 which provided that the Federal Government would establish "Minimum Safety Standards" for the transportation or storage of natural and other gases by pipeline systems.

The Act provides for the Federal Department of Transportation to take over safety jurisdiction of interstate systems and allows certifying states to handle intrastate systems as long as they enforce equal or more stringent standards. Utah has been so certified and handles these matters through the staff of the Division of Public Utilities. Utah also handles interstate pipeline safety. Utah is reimbursed for 50 per cent of the expenses for interstate and intrastate pipeline safety activities including the following:

The Division makes periodic inspections of each gas operator's installations and records. This includes all interstate operators and Mountain Fuel Supply and Utah Gas Service Company who are the main intrastate operators; also propane operators with piped systems which are regulated under special circumstances and nearly all master metered apartment complexes and mobile home parks. This includes a review of their safety procedures; communication facilities; leak detection and repair practices; engineering detail and standards; personnel training and testing, public information programs; emergency planning and response; accident investigation; safety tests of equipment; construction practices and other matters related to pipeline safety.

There were 358 Inspection Reports completed during this period in addition to many contacts made which were not described in formal reports. This included a few oil line inspections which were made on a cooperative basis for the Office of Pipeline Safety Operations.

SECTION IV

COMMUNICATIONS

TELEPHONE CASES

There were several significant cases involving telephone rates and service during this period.

In December of 1976, Mountain States Telephone and Telegraph Company filed a request with the Public Service Commission for a $19,200,000 rate increase. During the next seven months, several weeks of hearings were held on this matter. The Division of Public Utilities spent approximately $136,000 to audit the company and present its case. In June of 1977, Mountain Bell reached agreement with the Division of Public Utilities and reduced their rate increase request by $5,000,000. At the end of the fiscal year, June 30, 1977, the case was still pending before the Commission, no decision had been reached.

As a result of Mountain Bell's being allowed to charge 20¢ for each directory assistance call over the first five each month, the Commission ordered the company to issue a supplement telephone directory every two months and charge those wishing to subscribe to the directory. After several months experience with this system, the Commission granted Mountain Bell's request to discontinue the service because too few directories were subscribed for.

Mountain Bell serves most of the state. At the end of 1976, the Company served 201,823 business phones, 7,919 coin phones, and 623,265 residential phones. The total company phones was 883,007 in 1976.

Mountain Bell was also ordered to provide extended area service between its Bingham Canyon exchange and metropolitan Salt Lake City. This means that Bingham Canyon telephone users can call Salt Lake City without a long distance charge. This was Case No. 76-049-01 granted April 2, 1977.

Continental Telephone Company of Utah received approval to merge with Continental Telephone Company of the West. Also in Case No. 7185 Continental was authorized to increase rates by $117,035. The increase was to apply to all customers except Thiokol Corporation.

Emery County Farmers Union Telephone Association Inc., in Case No. 76-042-01, was given approval for a construction program totaling $2,588,000.

Silver Beehive Telephone Company was also granted a rate increase that totaled $2,172. This was a general increase applied to all 63 customers served by the company. In addition, Silver Beehive was certified to provide telephone service to parts of Tooele, Juab, and Millard counties, which had previously been certified to Mountain Bell and Continental Telephone, this was in Case No. 76-051-01. Later, in Case No. 7168, Mountain Bell relinquished another portion of its territory in the Fruitland-Currant Creek area to Uintah Basin Telephone Association.

TELEPHONE SERVICE

The number of telephones in service on December 31, 1976, is shown by major classification of service in the following table. In addition to the number of telephones served, there were 2,020 subscribers to paging services provided by the telephone companies.

TELEPHONES BY MAJOR CLASSIFICATION

December 31, 1976	Residence Service	Business Service	Total
Main telephones	367,567	58,140	425,707
Extension telephones	277,704	60,589	338,293
Mobile telephones		986	986
P.B.X.		91,107	91,107
Coin telephones		8,217	8,217
Total company telephones	654,271	219,039	864,310
Service telephones			15,367
Private line telephones			1,983
Total telephones in service			881,660

The number of company owned telephones in service in Utah for selected years beginning with 1940 is provided in the following tabulation. There was a 6.1 percent increase in the number of telephones during 1976.

NUMBER OF COMPANY TELEPHONES IN UTAH

Year	Net Gain During Year	Number End of Year
1940	4,825	84,450
1945	6,578	117,818
1950	11,031	195,398
1955	11,780	260,870
1960	18,300	357,510
1965	20,491	453,378
1970	32,120	581,665
1971	39,030	620,695
1972	48,334	669,029
1973	54,861	723,890
1974	48,239	772,129
1975	58,900	831,029
1976	50,631	881,660

SECTION V

WATER

Only two of the 23 regulated water or water and sewer companies came to the Commission for rate increases during the year.

Bridgerland Water Company requested an increase of $1,404.00, but was only granted $1,104.00. This included an increase in connection fees of $50.00 from $250.00 to $300.00. The order was issued October 1, 1976, in Case No. 76-001-01.

On January 27, 1977, the Commission granted an increase of $6,300.00 to Nordic Valley Water Company in Case No. 76-012.02. This was 100 per cent of the amount requested, and included an increase in connection fees from $500.00 to $1,000.00.

In Case No. 76-010-01, dated March 7, 1977, Highlands Water Company was ordered to accept and publish a Division of Public Utilities proposed tariff. This was necessary because the principals of the Company ignored the requests and prior orders of the Commission to file their tariff.

Dixie Deer Water Company was ordered to pay a fine of $500.00 for failure to file a timely annual report ($400.00 was to be suspended upon payment of $100.00 and filing of the report). The Company filed its report approximately seven months late and did not pay the fine, but no action has been taken to collect it.

SECTION VI

TRANSPORTATION

The Commission is charged with the responsibility of regulated motor carriers, railroads, and air carriers engaged in the transportation of passengers or property for hire in the State of Utah. The Division of Public Utilities Motor Carrier Section assists the Commission in this responsibility by issuing interstate carrier licenses and intrastate exempt licenses, maintaining insurance filing records, issuing cab card identification stamps, maintaining tariff filings, investigating motor carrier complaints, offering testimony at motor carrier hearings, and performs audits of regulated carriers. In addition, the Division's three enforcement officers inspect vehicles operated by all motor carriers and enforce the Commission's regulation on the state's highways.

OPERATING AUTHORITY

Hearings and reports dealing with motor carrier operating authority occupies a considerable part of the time of the Commission and the Division of Public Utilities. During the fiscal year, 1,459 orders were issued concerning motor carrier operating authorities. Following is a summary of these orders:

SUMMARY OF PROCEEDINGS INVOLVING MOTOR CARRIER AUTHORITY

Type of Authority	Issued	Canceled	Denied	Dismissed
Certificates of Convenience and Necessity	27	21	4	4
Contract Carrier Permits	13	3	1	1
Interstate Carrier Licenses	211	35	-	-
Exempt Licenses	870	269	-	-
TOTAL	1,121	328	5	5

The issuance or cancellation of certificates of convenience and necessity issued to common carriers, and permits issued to contract carriers requires a formal hearing, and an order of the Commission. Interstate

carrier licenses require only that the carrier provide evidence of ICC authority, evidence of insurance, and designation of process agent.

Exempt motor carriers are exempt from regulation by the Commission, under Section 54-6-12, Utah Code Annotated, 1953. These carriers are issued exempt licenses when they register their operations with the Division and file evidence of insurance. They must also comply with safety regulations.

Of significance during this period was the Commission's decision to grant Certificate of Convenience and Necessity No. 1892 to United Parcel Service. After 15 days of hearings and 2,005 pages of testimony from more than 100 witnesses, the Commission granted United Parcel Service statewide operating authority. Nine motor carriers protested the United Parcel Service application, but the Commission's order stated: "The public should not be deprived of a needed new service merely because it may divert some traffic from other carriers. The paramount consideration is the benefit to the public and the promotion and advancement of its welfare." Currently, United Parcel Service is handling more than four million packages per day nationwide and serving approximately 368,000 shippers.

Also during this period, Utah Moving and Storage purchased the authority of Hadley Transfer and Storage. Other orders involving motor carriers authority are listed in Table Nos. 5, 6, 7, and 8.

MOTOR CARRIER INVESTIGATIONS AND ENFORCEMENT

The Division's enforcement officers inspected 2,801 motor vehicles during the fiscal year and issued 469 citations. Fifty-six citations were for unauthorized hauling, 61 for cab card stamp violations, and 352 for violations of safety rules and regulations. There were also 63 warnings for violations of safety rules and 17 vehicles were ordered "out of service" for unsafe conditions. There were 43 motor vehicle accidents investigated.

Approximately $17,348 was received in fines by the various counties in which citations were written. The Division collected $133,618 in revenue from the issuance of 132,724 cab card identification stamps. Included in this figure are 16,214 free stamps issued to Utah-based vehicles and reciprocating states. The reciprocating states are California, Michigan, Missouri, Oklahoma and North Carolina.

TRANSPORTATION RATE CASES

During this fiscal year, there were 45 motor carrier rate cases, six railroad rate cases, and one air carrier rate case. These cases are described in Table Nos. 4, 9 and 10. The Division of Public Utilities investigated each of these cases and participated in the hearings.

The nine railroads operating in the state were granted a five per cent intrastate rate increase on December 22, 1976. They also requested an additional four per cent increase; this was granted on April 15, 1977. Railroad freight rates increased by 9.2 per cent during this 12-month period. W. S. Hatch Company received seven separate rate increases involving different parts of their tariff, and Wycoff Company, Inc., was authorized to increase their rates by 7.5 per cent.

SECTION VII
TABLES

Table No. 1
PROCEEDINGS BEFORE THE PUBLIC SERVICE COMMISSION

JULY 1, 1976 to JUNE 30, 1977

FORMAL CASES

	Elect.	Gas	Teleph.	Water	Motor Carrier	Railroad	Air Carrier	Total
No. of Cases Pending 7/1/76	7	5	0	7	46	0	1	66
No. of Cases Filed	37	29	15	9	118	15	1	224
No. of Cases Concluded	35	24	7	7	106	12	2	193
No. of Cases Pending 6/30/77	9	10	8	9	58	3	0	97
No. of Hearings	26	22	16	11	83	6	2	166
No. of Hearing Days	49	21	38	9	63	8	2	190
No. of Orders Appealed	4	0	0	1	2	1	0	8

TABLE NO. 2

SUMMARY OF ORDERS ISSUED IN UTILITY RATE CASES

Case No.	Company	Date of Order	Amount Requested	Amount Granted	% of Request
		GAS CASES			
76-057-02	Mountain Fuel Supply Co.	7- 1-76	$ (160,783)	$ (160,783)	100.00%
76-057-02	Mountain Fuel Supply Co.	7- 1-76	(1,373,820)	(1,373,820)	100.00
76-057-04-I	Mountain Fuel Supply Co.	9- 1-76	22,210,594	22,210,594	100.00
76-057-04-III	Mountain Fuel Supply Co.	9- 1-76	2,541,866	2,541,866	100.00
76-057-04-II	Mountain Fuel Supply Co.	10- 7-76	1,566,943	1,566,943	100.00
76-057-06	Mountain Fuel Supply Co.	10- 1-76	2,758,166	2,758,166	100.00
76-057-09-I	Mountain Fuel Supply Co.	12- 1-76	(658,881)	(658,881)	100.00
76-057-09-II	Mountain Fuel Supply Co.	12- 1-76	1,067,702	1,067,702	100.00
76-057-15	Mountain Fuel Supply Co.	12-31-76	2,873,026	2,873,026	100.00
76-057-16	Mountain Fuel Supply Co.	4- 1-77	(1,645,648)	(1,645,648)	100.00
77-057-03-I	Mountain Fuel Supply Co.	4- 6-77	228,969	228,969	100.00
76-059-01	Utah Gas Service Company	4-12-77	200,000	0	0.00
76-059-02	Utah Gas Service Company	9- 9-76	129,440	129,440	100.00
76-059-03	Utah Gas Service Company	9-10-76	1,110,815	1,110,815	100.00
76-059-03	Utah Gas Service Company	10-14-76	110,786	110,786	100.00
76-059-04	Utah Gas Service Company	10-22-76	45,458	45,458	100.00
76-059-05	Utah Gas Service Company	12-27-76	83,099	83,099	100.00
77-059-01	Utah Gas Service Company	4- 1-77	(74,701)	(74,701)	100.00
77-059-02	Utah Gas Service Company	6-29-77	13,948	13,948	100.00
	Totals		$31,026,979	$30,826,979	99.36
		ELECTRIC CASES			
76-023-01	California-Pacific Utilities Co.	2-18-77	$ 343,276	$ 170,354	49.63%
76-023-02	California-Pacific Utilities Co.	2-18-77	61,241	61,241	100.00
76-023-03	California-Pacific Utilities Co.	2-18-77	708,694	708,694	100.00
76-023-04	California-Pacific Utilities Co.	2-18-77	856,910	454,419	53.03
76-023-05	California-Pacific Utilities Co.	10-22-76	110,538	110,193	99.69
77-025-01	Empire Electric Association	5-13-77	5,660	5,660	100.00
76-027-01	Flowell Electric Association	11-30-76	32,354	32,354	100.00
76-027-02	Flowell Electric Association	2-24-77	29,415	29,415	100.00
76-027-03	Flowell Electric Association	2-24-77	94,628	94,628	100.00
77-027-02	Flowell Electric Association	6-10-77	293,220	293,220	100.00
76-030-01	Moon Lake Electric	1-11-77	202,485	202,485	100.00
77-030-01	Moon Lake Electric	5- 9-77	281,208	158,883	56.50
76-031-01	Mt. Wheeler Power Association	2-16-77	10,377	10,377	100.00
76-034-01	Strawberry Water Users Assoc.	3- 3-77	74,202	74,202	100.00
77-034-01	Strawberry Water Users Assoc.	5-18-77	123,556	123,556	100.00
76-035-06	Utah Power & Light Company	2-28-77	13,599,000	11,833,000	87.01
	Totals		$16,826,764	$14,362,681	85.36
		TELEPHONE CASES			
77-051-01	Silver Beehive Telephone Co.	4-25-77	$ 2,172	$ 2,172	100.00%
76-040-01	Central Utah Telephone Company	4-15-77	13,550	13,550	100.00

TABLE NO. 2 CONTINUED

7185	Continental Telephone Company of Utah *	6-8-77		117,035	21.
	Totals		$ 15,722	$ 132,757	
		WATER CASES			
76-001-02	Bridgerland Water Company	10-1-76	$ 1,404	$ 1,104	78.
76-012-02	Nordic Valley Water Company	1-27-77	6,300	6,300	100.
	Totals		$ 7,704	$ 7,404	96.

*Final Order in the Case.

TABLE NO. 3

SUMMARY OF ORDERS ISSUED IN MISCELLANEOUS UTILITY CASES

Case No.	Date of Order	Nature of Case
		ELECTRIC CASES
77-027-01	4-25-77	Flowell Electric Association granted authority to borrow $366,000 from the Rural Electrification Administration.
76-035-01	7-28-76	Utah Power and Light Company authorized to change its state of incorporation, from Maine to Utah.
76-035-03	7-22-76	Utah Power and Light Company received approval of a research project relating to solar heating of water.
76-035-04	1- 6-77	Utah Power and Light Company received approval of its rate schedules No. 29 and 31.
76-035-05	3- 7-77	Utah Power and Light Company received approval for the acquisition of coal and mining properties known as the Deer Creek and Wilberg Mines from the Peabody Coal Company.
76-035-07	1- 7-77	Utah Power and Light Company received approval of its rate schedule No. 7 relating to security area lighting.
77-035-02	6-13-77	Utah Power and Light Company received Certificate of Convenience and Necessity to serve the town of Plain City.
77-035-03	6-13-77	Utah Power and Light Company received Certificate of Convenience and Necessity to serve the town of Huntsville.
77-035-04	6-13-77	Utah Power and Light Company received Certificate of Convenience and Necessity to serve the town of Kamas.
77-035-05	6-13-77	Utah Power and Light Company received Certificate of Convenience and Necessity to serve the town of Snowville.
77-035-06	6-13-77	Utah Power and Light Company received Certificate of Convenience and Necessity to serve the town of Riverton.
77-035-07	6-13-77	Utah Power and Light Company received Certificate of Convenience and Necessity to serve the town of Pleasant View.
77-035-08	6-13-77	Utah Power and Light Company received Certificate of Convenience and Necessity to serve the town of Perry.
77-035-09	6-13-77	Utah Power and Light Company received Certificate of Convenience and Necessity to serve the town of North Salt Lake.
77-035-10	6-13-77	Utah Power and Light Company received Certificate of Convenience and Necessity to serve the county of Grand County.

SUMMARY OF ORDERS ISSUED IN MISCELLANEOUS UTILITY CASES

TABLE NO. 3 CONTINUED

Case No.	Date of Order	Nature of Case
		ELECTRIC CASES
77-035-11	6-13-77	Utah Power and Light Company received Certificate of Convenience and Necessity to serve the city of East Carbon.
77-035-12	6-13-77	Utah Power and Light Company received Certificate of Convenience and Necessity to serve the town of Elwood.
77-035-13	6-13-77	Utah Power and Light Company received Certificate of Convenience and Necessity to serve the town of Moab.
77-035-15	5-17-77	Utah Power and Light Company received authority to issue not more than 13,500,000 shares of common stock and to change the par value of its stock.
		NATURAL GAS CASES
7206	4-15-77	Mountain Fuel Supply Company was ordered to continue the differential of 30% higher rates for the Company's "A" schedules than the "standard" schedules until January 1, 1982 when new rate schedules would be proposed to eliminate the 30% differential.
7212	12-21-76	An application by Mountain Fuel Supply Company to provide new natural gas service to Western Oil Shale Corporation in amounts ranging from 114 to 2,400 Mcf per day under Rate Schedule I-2 was dismissed without prejudice due to the experimental oil shale development project being postponed.
76-057-01		Mountain Fuel Supply Company through its wholly owned subsidiary, Mountain Fuel Resources, Inc., acquired the gas transmission system of the Colorado--Utah Division of the Cascade Natural Gas Corporation for $9,000,000.
76-057-03	7-30-76	Mountain Fuel Supply Company was authorized to purchase from Colorado Interstate Gas Company a temporary supply of excess gas up to a maximum of 25,000 Mcf per day for the 60-day period from August 1 through September 30, 1976 and to sell it to industrial customers that exceeded their limitation volume of gas.
76-057-03	8-31-76	Mountain Fuel Supply Company was authorized to offset the net revenues from the sale of the excess gas purchased from Colorado Interstate Gas Company to its exploration expense accounts, thus, reducing the currently existing exploration deficit.

SUMMARY OF ORDERS ISSUED IN MISCELLANEOUS UTILITY CASES

TABLE NO. 3 CONTINUED

Case No.	Date of Order	Nature of Case
		NATURAL GAS CASES
76-057-04	2-23-77	Mountain Fuel Supply Company was authorized to use a Preserved Reserve/Production Ratio of 14 for the year commencing April 1, 1977 to establish the Company's tentative annual production level of natural gas, modified, as necessary, to adjust for existing "take or pay" problems during the Ratio Year. The Company was also ordered to file with the Commission on or before March 14 of each year beginning in 1977, a Verified Report containing information on Company gas reserves, production volumes, and take or pay problems.
76-057-04	4- 4-77	Mountain Fuel Supply Company was authorized to file new tariff provisions to modify the Limitation Order issued by the Commission on December 10, 1973, in Case No. 6791. The tariff revisions permit Mountain Fuel to shift remaining high priority industrial users to firm schedules as large interruptible customers switch to alternate fuels, to regulate summer sales of gas to interruptible customers by reference to annual production levels, to supply interruptible customers with gas delivered from underground storage, and to review applications for new or additional gas service by reference to annual production levels.
76-057-05	11-22-76	Mountain Fuel Supply Company was authorized to purchase all of the assets and all related contracts and rights of Uintah Pipeline Corporation for a purchase price approximating $61,031.95, and to salvage a portion of Uintah's pipeline and a compressor and a portion of Mountain Fuel's own pipeline for use elsewhere in its system.
76-057-07	11-10-76	Mountain Fuel Supply Company was authorized to render additional interruptible gas service to Caribou Four Corners, Inc., at their Woods Cross Refinery in an amount not to exceed 225 Mcf per day under the I-2 Rate.
76-057-08	11-10-76	Mountain Fuel Supply Company was authorized to provide firm gas service to Cottonwood High School in the amount of 95,467 Mcf on an annual basis under the F-1 Rate Schedule in lieu of the current interruptible service.
76-057-11	11-30-76	Mountain Fuel Supply Company was authorized to provide firm natural gas service in an amount not to exceed 1,200 Mcf per day under Rate Schedule F-4 to Phillips Petroleum Company at their Woods Cross Refinery in lieu of the

SUMMARY OF ORDERS ISSUED IN MISCELLANEOUS UTILITY CASES

TABLE NO. 3 CONTINUED

Case No.	Date of Order	Nature of Case
		NATURAL GAS CASES
		interruptible service currently provided.
76-057-12	1- 5-77	Mountain Fuel Supply Company was allowed to purchase an additional $10,000,000 of common equity of Mountain Fuel Resources, Inc.
76-057-14	1- 7-77	The Commission ordered the State Division of Public Utilities and Mountain Fuel Supply Company to file a coordinated report on or before July 1, 1977 as to whether the assets and properties transferred by Mountain Fuel to Wexpro Company, a wholly owned subsidiary, were, in fact, non-utility properties.
77-057-01	3-24-77	Mountain Fuel Supply Company was authorized to provide firm natural gas service in an amount not to exceed 1,100 Mcf per day under Rate Schedule F-4 to Chevron Oil Company for use in Chevron's Compressor facility located in North Salt Lake, Utah, the service being a transfer from that previously provided under Rate Schedule I-4.
77-057-02	5-24-77	Mountain Fuel Supply Company was authorized to file Original Sheet No. 204 to its tariff to provide a proration procedure for billing periods during which there are two or more sets of rate schedules in effect.
77-057-03-II	5-13-77	The Commission ordered Mountain Fuel Supply Company to provide data concerning the feasibility and desirability of imposition of consumer connection charges.
76-058-01	11-30-76	Uintah Pipeline Corporation was granted a Certificate of Convenience and Necessity to construct a gas gathering pipeline system in the Peters Point--Jacks Canyon Area of Carbon County, Utah and the contract for the sale and purchase of the gas between Uintah and Mountain Fuel Supply Company was approved.
76-059-01	2- 1-77	The Commission ordered that the hearing on Utah Gas Service Company scheduled for January 13, 1977 be postponed to March 1, 1977 because an intervenor did not receive notice of the hearing. Also ordered that the parties testimony be reduced to writing and set filing deadlines.
76-059-01	4-12-77	The application of Utah Gas Service Company for an increase in its rates and charges of $200,000 for the establishment of a proposed exploration program was denied.

SUMMARY OF ORDERS ISSUED IN MISCELLANEOUS UTILITY CASES

TABLE NO. 3 CONTINUED

Case No.	Date of Order	Nature of Case
		NATURAL GAS CASES
76-059-02	2-1-77	The Commission approved a settlement procedure between Utah Gas Service Company and its industrial customers whereby, Utah Gas would dismiss an appeal to the Utah Supreme Court arising in Case No. 7190 if it could retain the refunds to its industrial customers in this case.
76-059-03	11-19-76	The Reports and Tentative Orders of September 10, 1976 and October 14, 1976 approving an increase in rates for Utah Gas Service Company were adopted and made final and a Petition for Reconsideration and Suspension filed by Rio Algon Corporation was denied.
76-059-05	2-2-77	The Report and Tentative Order dated December 27, 1976 granting a rate increase to Utah Gas Service Company effective Janaury 1, 1977 was adopted and made final.
77-059-01	4-28-77	The Report and Tentative Order dated April 1, 1977 granting a rate decrease to Utah Gas Service Company effective April 1, 1977 was adopted and made final.

TABLE NO. 4

SUMMARY OF ORDERS ISSUED IN MOTOR CARRIER RATE CASES

Case No.	Date of Order	Nature of Order
7031 Sub 4	8-30-76	Salt Lake Transportation authorized to increase rates for limousine, charter, sightseeing, and other services by various amounts.
7178	10-1-76	Intermountain Tariff Bureau, Inc. on behalf of carriers participating in Local Cartage Tariff 8-b authorized to increase rates.
7195	10-18-76	Wells Fargo Armored Service authorized to increase rates for the first time since 1970.
7208	7-22-76	Goulding's Monument Valley Tours authorized to increase passenger tours as requested.
76-100-02	11-30-76	Intermountain Tariff Bureau, on behalf of National Classification Committee, authorized to amend classification NMF-100-C to conform with previously granted increase.
76-110-01	5-14-76	Ashworth Transfer authorized to reduce rates by 10% in Tariff No. 7 because operating expenses were less than anticipated.
76-114-01	2-28-77	Bankers Dispatch Corporation authorized to increase its rates by varying amounts for the first time in eight years, and to make other tariff changes.
76-123-01	12-27-76	Mel Blackner authorized to increase transportation rates for sand and gravel products by 23%.
76-124-01	12-27-76	Doris Bohn Trucking authorized to increase transportation rates for sand and gravel products by 23%.
76-149-01	12-28-76	Commercial Cartage Company to amend Local Cartage Tariff 8-B concerning shipments of blanket wrapped furniture, the change resulted in some increased charges.
76-152-01	12-6-76	Convoy Company authorized to increase service charges by varying amounts, and to increase distance commodity rates for transporting vehicles by 7%.
76-170-01	12-27-76	Perry L. Een authorized to increase transportation rates for sand and gravel products by 23%.
76-173-01	12-27-76	Erickson Brothers Trucking authorized to increase transportation rates for sand and gravel products by 23%.
76-179-01	12-27-76	Edwin F. Gardner Trucking authorized to increase transportation rates for sand and gravel products by 23%.

SUMMARY OF ORDERS ISSUED IN MOTOR
CARRIER RATE CASES

TABLE NO. 4 CONTINUED

Case No.	Date of Order	Nature of Order
76-180-01	12-27-76	Hal Garner authorized to increase transportation rates for sand and gravel products by 23%.
76-190-01	12-27-76	Harper Excavating, Inc. authorized to increase transportation changes for sand and gravel products by 23%.
76-192-02	11-19-76	W. S. Hatch Co. authorized to increase rates in Freight Tariff No. 4 for transportation of chemicals within the state.
76-192-03	7-19-76	W. S. Hatch Co. authorized to reduce transportation rates for asphalt products by 7%.
76-192-04	11-30-76	W S Hatch Co. authorized to increase point to point rates for crude oil from Escalante Utah.
76-192-05	12-28-76	W S Hatch Co authorized to increase rates for ore in bulk under Tariff No. 4 by approximately 5%.
76-205-01	12-27-76	George Irwin Trucking authorized to increase transportation rates for sand and gravel products by 23%.
76-211-01	12-27-76	Jerry Kretchmann dba Jerry's Trucking authorized to increase transportation rates for sand and gravel products by 23%.
76-213-01	12-27-76	Paul W. Jones authorized to increase transportation rates for sand and gravel products by 23%.
76-214-01	12-27-76	Merrico Company authorized to increase transportation rates for sand and gravel products by 23%.
76-218-01	12-27-76	Junior C. Knight authorized to increase transportation rates for sand and gravel products by 23%.
76-219-01	12-27-76	Kroon Trucking authorized to increase transportation rates for sand and gravel products by 23%.
76-226-03	12-22-76	Lewis Brothers Stages authorized to increase rates for passengers baggage and express in intrastate commerce, and charter, regular route, and limousine service rates were also increased.
76-228-01	12-27-76	James K. Lisonbee authorized to increase transportation rates for sand and gravel products by 23%.
76-244-01	12-27-76	Moffit Brothers Trucking authorized to increase transportation rates for sand and gravel products by 23%.
76-249-01	11-11-76	Morgan Drive Away, Inc. requested rate increase was withdrawn and dismissed.

SUMMARY OF ORDERS ISSUED IN MOTOR
CARRIER RATE CASES
TABLE NO. 4 CONTINUED

Case No.	Date of Order	Nature of Order
76-270-01	12-27-76	Arthur Ouzouian authorized to increase transportation rates for sand and gravel products by 23%.
76-282-01	12-27-76	Doyle Peterson authorized to increase transportation rates for sand and gravel products by 23%.
76-284-01	12-27-76	Pearl Pollard Company authorized to increase transportation rates for sand and gravel products by 23%.
76-304-01	12-27-76	Ruttenbar Trucking authorized to increase transporation rates for sand and gravel products by 23%.
76-308-01	12-27-76	Savage Brothers, Inc. authorized to increase transportation rates for sand and gravel products by 23%.
76-316-01	12-27-76	Leo Slater authorized to increase transportation rates for sand and gravel products by 23%.
76-364-01	3-8-77	Wilkins Transportation, Inc. authorized to increase charter rates and regular route fares.
76-369-01	5-17-77	Wycoff Company, Inc. authorized to increase rates under Tariff No. 3 by approximately 7-1/2%.
76-374-02	4-13-77	McFarland & Hullinger authorized rate increase in Tariff No. 6, made permanent.
77-192-01	6-15-77	W. S. Hatch Company authorized to increase transportation rates for crude oil by approximately 5%.
77-192-02	6-30-77	W. S. Hatch Company authorized to increase rates for ore in bulk by approximately 2%.
77-192-03	6-30-77	W. S. Hatch Company authorized to increase rates for creosote and coal tar in bulk by approximately 12%.
77-354-01	5-20-77	Wells Fargo Armored Service authorized to establish average weight agreements with shippers.
77-369-02	5-10-77	Wycoff Company, Inc. authorized to publish a new tariff PSC Utah No. 11 covering courier service.
77-409-01	6-22-77	United Parcel Service authorized to increase rates.

TABLE NO. 5

CERTIFICATES OF CONVENIENCE AND NECESSITY
ISSUED TO MOTOR CARRIERS

Cert. No.	Case No.	Date of Order	Type of Service	Name of Carrier
1641*	76-389-01	10-1-76	P	Continental Bus Systems, Inc.
1679*	4252-Sub 20	10-7-76	SC	Wycoff Company, Inc.
1880	7211	7-15-76	HHG	John C. Williams dba Acme Transfer, Inc.
1881	7222	8-27-76	GC	Reed Truck Line, Inc.
1884	76-385-01	9-15-76	SC	Norwood Transportation, Inc.
1885	76-374-01	9-15-76	SC	McFarland & Hullinger
1886	76-382-01	9-15-76	SC	R. Mark Woolf
1887	76-380-01	9-24-76	P	Sunshine Travel & Tours
1888	76-390-01	10-1-76	S&G	Kerwin Frank Jensen dba Jensen Trucking
1889	76-383-01	11-1-76	S&G	Deluca, Inc.
1890	76-392-01	11-5-76	GC	Valley Transfer, Inc. dba Murray & Midvale Truck Line
1891	76-391-01	11-23-76	S&G	Bruce K. Johnson Trucking
1892	7181	12-1-76	GC	United Parcel Service
1893	76-256-01	12-27-76	GC	National Cartage Company
1894	76-397-01	2-24-77	S&G	Darrell & Jessee Wright dba Wright Trucking
1895	76-394-01	3-10-77	P	Douglass L. Stahele dba Transmed
1896	76-377-01	3-23-77	SC	A. Brent Draper Trucking
1897	7197	3-30-77	HHG	Utah Moving & Storage
1898	7197	3-30-77	HHG	Utah Moving & Storage
1899	77-194-01	4-13-77	P	Richard Wilson & Lewis Brothers Stages dba Hill Express
1900	7214	4-15-77	SC	Castle Country Transporting
1901	76-114-02	5-4-77	SC	Bankers' Dispatch Corporation
1902	77-404-01	5-26-77	S&G	Boyd P. Anderson Trucking
1903	77-402-01	6-20-77	HHG	East-Jones, Inc.
1916	76-335-01	6-22-77	GC	Uintah Freightways

CERTIFICATES OF CONVENIENCE AND NECESSITY
ISSUED TO MOTOR CARRIERS

TABLE NO. 5 CONTINUED

1917	77-410-01	6-30-77	HHG	Paul E. Turner dba Turner Moving and Storage
1918	77-405-01	6-30-77	S&G	Moroni Coal & Building Supplies, Inc.

*Certificate amended

TABLE NO. 6

CERTIFICATES OF CONVENIENCE AND NECESSITY
CANCELED

Cert. No.	Case No.	Date of Order	Type of Service	Name of Carrier
515	7197	3-30-77	HHG	Hadley Transfer & Storage Co.
755	76-392-01	11-5-76	GC	Grant Crockett dba Murray & Midvale Truckline
832	76-392-01	11-5-76	GC	Grant Crockett dba M & M Transfer
913	7197	3-30-77	HHG	Hadley Transfer & Storage Company
944	76-390-01	10-1-76	S&G	Melvin L. Blackner
954	77-405-01	6-30-77	S&G	Curtis J. Houston
1011	7211	7-15-76	HHG	Acme Transfer
1313	7222	8-27-76	GC	L. R. Reed & Sons Truck Line
1322	76-172-01	10-20-76	GC-P	Ely-Milford Mail Route
1576	76-383--01	11-1-76	S&G	Jacob P. Burton
1642	76-389-01	10-1-76	P	Denver-Salt Lake-Pacific States, Inc.
1694	76-385-01	9-15-76	S&G	Theron E. Coon Trucking Co.
1773	77-410-01	6-30-77	HHG	Robinson Moving & Storage
1781	77-402-01	6-20-77	HHG	Merchants Delivery Service
1802	76-254-01	11-27-76	GC	David R. Free dba Natural Cartage Co.
1808	7214	4-15-77	SC	Bentwood Trailer Sales
1831	76-391-01	11-23-76	S&G	James W. Draine
1832	76-221-01	10-28-76	SC	Larsen's Trailer Court & Garage
1833	76-374-01	9-15-76	SC	F & S Company, Inc.
1845	76-397-01	2-24-77	S&G	Hal E. Garner
1891	77-404-01	5-26-77	S&G	Bruce K. Johnson

TABLE NO. 7

CERTIFICATES OF CONVENIENCE AND NECESSITY

DISMISSED OR DENIED

Case No.	Date of Order	Type of Service	Name of Carrier
76-260-01	8-27-76	SC	A.C. Nielson
76-345-01	10-28-76	SC	Valley Transport & Supply Co., Inc.
76-360-01	10-19-76	SC	Wetco, Inc. dba Key Limousine Service
76-376-01	10-19-76	SC	Coal Tar Products Transportation, Inc.
76-379-01	3-10-77	P	D. Tony Ortega dba T & H Company
76-381-01	12-20-76	SC	Gene Sanders dba Gene's Transport Servi
76-401-01	6-22-77	P	Neil Moon Electric
76-403-01	6-30-77	SC	Fife House Moving

Key

SC - specific commodity
P - passengers
S & G - sand and gravel
HHG - Household goods
GC - General commodities

TABLE NO. 8

CONTRACT CARRIER PERMITS ISSUED

Permit No.	Case No.	Date of Order	Name of Carrier
542*	76-300-01	10-20-76	Karl S. Robinson
553*	7018 Sub 1	10-1-76	Valdon D. Jensen dba Valley Transport & Supply Company
574	76-109-01	12-20-76	Ashton Supply Company, Inc.
575	76-115-01	3-10-76	Barko Transport, Inc.
565	76-385-01	9-15-76	Norwood Transportation, Inc.
566	76-385-01	9-15-76	Norwood Transportation, Inc.
567	76-385-01	9-15-76	Norwood Transportation, Inc.
568	76-385-01	9-15-76	Norwood Transportation, Inc.
569	76-385-01	9-15-76	Norwood Transportation, Inc.
570	76-385-01	9-15-76	Norwood Transportation, Inc.
571	76-385-01	9-15-76	Norwood Transportation, Inc.
572	76-385-01	9-15-76	Norwood Transportation, Inc.
573	76-291-01	4-23-76	James Reed dba Reed Trucking Company

*Permit modified

CONTRACT CARRIER PERMITS DISMISSED OR CANCELLED

Permit No.	Case No.	Date of Order	Name of Contract Carrier
312	2852	9-16-76	City Delivery System
481 Sub 1-8	76-385-01	9-15-76	Theron E. Coon Trucking Company
--	6151 Sub 1	9-30-76	Delivery Service Transfer Company
--	76-345-01	10-28-76	Valley Transport & Supply Co., Inc.
506	76-122-01	2-8-77	Bird Trucking

TABLE NO. 9

SUMMARY OF ORDERS ISSUED IN RAILROAD CASES

Case No.	Date of Order	Nature of Order
7215	6-21-77	Union Pacific Railroad authorized to establish a mobile agency to serve the agency stations at Woods Cross, Midvale, Lehi and non-agency stations at Centerville, Sandy, Cutler and American Fork, Utah. Previous provisional order now made permanent.
76-393-01	11-30-76	Carbon County Railway Company, the Denver & Rio Grande Western Railroad Company, the Ogden Union Railway and Depot Company, Salt Lake, Garfield and Western Railway Company, Southern Pacific Company, Tooele Valley Railway Company, Union Pacific Railroad Company, Utah Railway Company, and the Western Pacific Railroad Company authorized to increase their intrastate freight rates and charges by 5% in conformity with Tariff X-330.
76-393-02	12-22-76	Carbon County Railway Company, the Denver & Rio Grande Western Railroad Company, the Ogden Union Railway and Depot Company, Salt Lake, Garfield and Western Railway Company, Southern Pacific Company, Tooele Valley Railway Company, Union Pacific Railroad Company, Utah Railway Company, and the Western Pacific Railroad Company authorized to amend certain demurrage rules in Freight Tariff 4-J.
76-393-03	4-15-77	Carbon County Railway Company, the Denver & Rio Grande Western Railroad Company, the Ogden Union Railway and Depot Company, Salt Lake, Garfield and Western Railway Company, Southern Pacific Company, Tooele Valley Railway Company, Union Pacific Railroad Company, Utah Railway Company, and the Western Pacific Railroad Company authorized to increase freight rates and charges on intrastate traffic by 4% in conformity with Tariff X-336.
76-398-01	12-6-77	The Denver and Rio Grande Western Railroad Company authorized to increase freight rates on coal moving from Columbia and Sunnyside to Geneva, Utah in its Tariff 7510-B.
77-398-02	4-15-77	The Denver and Rio Grande Western Railroad Company authorized to increase minimum weight on scrap iron or steel from 50,000 lbs. to 60,000 lbs.
77-398-03	5-13-77	The Denver and Rio Grande Western Railroad Company authorized to increase freight rates on dolomite, limestone and limerock from Kiegley to Geneva, Utah in its Tariff 7544-D.
76-400-01	12-30-76	Union Pacific Railroad Company authorized to increase rates on iron ore moving in unit trains to Geneva, Utah, under UPRR Freight Tariff 320-A.
77-400-01	6-21-77	Union Pacific Railroad Company authorized to discontinue its agency station at Arsenal, Utah.

SUMMARY OF ORDERS ISSUED IN RAILROAD CASES

TABLE NO. 9 CONTINUED

Case No.	Date of Order	Nature of Order
77-400-02	6-21-77	Union Pacific Railroad Company authorized to establish a mobile agency to serve the agency stations of Morgan and Park City, Utah and the blind sidings of Henefer, Devils Slide, Echo, Peterson, Coalville, Wanship, Phoston, and Keetley, Utah with the mobile agent headquartered at Morgan, Utah.
77-400-03	6-21-77	Union Pacific Railroad Company authorized to abandon its stockyard facilities at Henefer, Utah and to restore the underlying premises.
77-400-04	6-1-77	Union Pacific Railroad Company withdrew their petition for abolition of the crossing between UPRR mainline tracks and the KCC sandspur at M. P. 767.13, Garfield, Utah
77-400-05	6-28-77	Union Pacific Railroad Company, Utah Railway Company, and the Salt Lake, Garfield and Western Railway Company authorized to republish the tariff provisions on coal moving from Mohrland to Gadsby, Utah.
I.D. 171 Sub 1		The Denver and Rio Grande Western Railroad Company authorized to abandon and remove industrial railroad tracks along 200 West Street in Salt Lake City, Utah.

TABLE NO. 10

SUMMARY OF ORDERS ISSUED IN

AIR CARRIER CASES

Case No.	Date of Order	Nature of Order
76-387-01	9-15-76	Certificate of Convenience and Necessity granted to Trans Western Airlines authorizing passenger service to various Utah cities
77-101-01	4-15-77	Sky West Aviation, Inc. authorized to increase passenger and air cargo fares, and authorized to accept C.O.D. shipments

TABLE NO. 11

CASES APPEALED TO THE SUPREME COURT

July 1, 1976 to June 30, 1977

During the period covered by this report, there were eight Orders of the Public Service Commission appealed to the Supreme Court.

August 25, 1976 Case No. 14747	Terra Utilities, Inc. vs. Public Service Commission
December 29, 1976 Case No. 14948	Continental Bank & Trust Co. vs. Public Service Commission
February 28, 1977 Case No. 15049	Utility Consumer Action Group; Utah State Coalition of Senior Citizens; Salt Lake County vs. Public Service Commission
April 20, 1977 Case No. 15143	Parowan Pumpers' Association; Cedar Valley Pumpers' Association; Beryl Pumpers' Association vs. Public Service Commission
April 20, 1977 Case No. 15144	California Pacific Utilities vs. Public Service Commission
April 25, 1977 Case No. 15165	Rio Grande Motor Way vs. Public Service Commission
May 5, 1977 Case No. 15180	Utah State Board of Regents; Utah State Coalition of Senior Citizens; Utah Power & Light Company; Committee of Consumer Services vs. Public Service Commission
June 9, 1977 Case No. 15255	Ashworth Transfer; Savage Brothers, Inc. vs. Public Service Commission; A. Brent Draper Trucking

UTAH SUPREME COURT DECISIONS

January 19, 1977 Case 14533	Bowen Trucking Inc. et al VS Public Service Commission Decision affirming order of the Public Service Commission stated that Commission has continuing jurisdiction to rescind, alter, or amend any prior decision or order.
January 12 1977 Case 14568	Cottonwood Mall Shopping Center Inc. VS Public Service Commission Decision reversed order of Public Service Commission that shopping center corp was a public utility and remanded case back to Commission.

TABLE NO. 12

CHANGES IN COMMISSION RULES & REGULATIONS

Case No.	Date	Nature of Order
A67-05-32	1-10-77	The adoption and promulgation of rules, regulations, and standards of service for Public Utilities relating to termination of service for nonpayment, security deposits, billing procedures, complaints and information; was submitted to parties for their agreement and taken under advisement until further order by the Commission.
A67-05-30:19	9-15-76	Amendment of the Uniform Rules and Regulations of the Public Service Commission concerning identification of common, contract, and exempt motor carriers.
A67-05-99	7-7-76	Promulgation of certain rules for limitations on utility advertising expenses; withdrawn and dismissed.

TABLE NO. 13

PUBLIC UTILITIES UNDER JURISDICTION OF COMMISSION
June 30, 1977

Class of Utility	Number
Airline companies	2
Electric light and power, cooperatives	10
Electric light and power, investor owned	3
Motor carriers holding intrastate authority	266
Motor carriers holding interstate authority	775
Natural gas companies	4
Railroads	9
Telegraph company	1
Telephone companies	19
Terminal companies	2
Water and sewer companies	2
Water companies	18
Total	1,111

TABLE NO. 14

STATEMENT OF COMMISSION FINANCES

July 1, 1976 to June 30, 1977

	Public Service Commission	Central Administration (Pro Rata)	Total
Funds Available:			
Non-lapsing Balance 7-1-76			$ 21,272.79
Public Utility Levy . . .			750,400.00
Collections			122,821.00*
Federal Funds - Dept. of Transportation, Office of Pipeline Safety			16,400.00
Total amount available			$910,893.79
Expenditures:			
Personal Services	$549,707.65	$55,047.05	
Travel.	22,920.20	133.72	
Current Expenses	248,696.54	791.75	
Capital Outlay.	5,696.54	395.26	
Total Expenditures	$827,020.93	$56,367.78	$883,388.71
Lapsing Balance.			$ 27,505.08

*Includes $133,618 from sale of cab card identification stamps required by the Commission's General Order No. 93.

PUBLIC SERVICE COMMISSION OF UTAH

Fiscal Year Ended June 30, 1978

PART TWO

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PART TWO
GENERAL SUMMARY

The seventies, especially the last three years, were a time of great change for the Public Service Commission and the carriers and utilities it regulates. The two main reasons for change were, first, a tremendous growth in the number of customers served by the regulated carriers and utilities, and second, inflation. While the cases before the Public Service Commission increased during these years, the amount of time spent in hearings increased even more dramatically. To meet this growth, the Commission added two Administrative Law Judges to serve as hearing examiners for the Commission. The Division of Public Utilities has also grown to meet the increasing work load.

In October of 1979 the Commission retained Theodore Barry & Associates (TB&A), using federal funds available in connection with the Public Utility Regulatory Policies Act (PURPA) of 1978 enacted by Congress. One of the tasks of TB&A was a management review of the operations of the Commission and the Division of Public Utilities. TB&A conducted its study during the months of November and December of 1979 and concluded that both the quantity and complexity of the Commission and Division caseload had increased dramatically. It recommended changes in the number and arrangement of staff to meet the increase.

These and other similar facts, figures, and recommendations were presented to the Legislature but no significant changes were wrought. The Governor's Reorganization Committee has also had the Commission and Division under ongoing scrutiny and anticipates making recommendations to future Legislatures.

Air Carrier Deregulation

At one time, the Public Service Commission regulated 33 air carriers. In 1974, the Commission determined that it only had jurisdiction over intrastate air carriers: Sky West Aviation, Inc. and Trans Western Airlines of Utah.

In 1979, both Sky West Aviation and Trans Western Airlines of Utah failed to file annual reports to the Public Service Commission. The airlines maintained that Section 105 of the Federal Airline Deregulation Act of 1978 removed them from the jurisdiction of the Public Service Commission. The Commission studied the issue and on March 24, 1980 canceled Certificates of Convenience and Necessity No. A-1974 of Sky West and 1882 and 1883 of Trans Western, concluding that the carriers were no longer subject to the jurisdiction of the Public Service Commission.

Electricity

The electric utilities in the State of Utah have experienced rapid growth in the last five years. Utah Power & Light has been forced to build several new

plants to accommodate the increased number of customers. Two factors have greatly increased the cost of new plants. In addition to inflationary increases that have sent building costs soaring, the utilities have had to build expensive pollution control equipment to satisfy environmental controls. Utah Power & Light has been investigating alternative ways of producing electricity, such as solid waste conversion, solar and geothermal.

In 1978, California Pacific Utilities requested and was authorized to change its name to CP National. In February of 1980 CP National filed an application with the Commission for authorization to sell that portion of its electrical system located in southern Utah to Utah Power & Light Company. The sale has been complicated by the interest and desire of a coalition of southern Utah communities to purchase the system.

Electric Cooperatives

The 1979 Legislature relieved the Public Service Commission of some of its authority over rate increases for electric cooperatives. The electric cooperatives can now raise their rates without Public Service Commission approval if the new rates do not increase their rate of return above 7% of jurisdictional rate base. They must, however, hold a public meeting in advance, file rate schedules and support data for the Public Service Commission to review and if the increase does result in a return over 7%, the cooperative must notify the Commission for appropriate action.

Motor Carriers

The number of regulated motor carriers has grown steadily over the years. Motor carriers have been burdened in recent years by rapidly escalating gasoline prices. The Public Service Commission, working with the Transportation Section of the Division of Public Utilities, has developed a procedure by which motor carriers may increase their rates for gasoline-pump increases without going through a full rate increase hearing. Since 1978, many motor carriers have used the new procedure to obtain faster rate relief.

There has been a great increase in the number of interstate carriers operating in Utah since the Interstate Commerce Commission made it easier for motor carriers to get interstate authority. This, however, has not increased the number of Commission hearings, since the Commission adopted a new procedure to eliminate the need for hearings in such cases. There were 759 motor carriers holding interstate authority on June 30, 1976, compared to 1,399 on June 30, 1980 - an 84 per cent increase. In the same period, motor carriers holding intrastate authority increased from 221 to 300 which is an increase of less than 36 per cent.

The Transportation Section of the Division of Public Utilities has increased its auditing activities over the last few years. The Division determines if motor carriers are complying with recordkeeping standards, are following their authorized tariffs, and are restricting their operations to their authorized service areas. These audits have resulted in an increased number of hearings to investigate possible violations of Commission regulations. During the fiscal year ended June 30, 1980, 196 cases involving motor carriers were filed. This compares to 108 for the fiscal year ended June 30, 1978.

Natural Gas

There were three important developments in the natural gas industry in addition to escalating rates and rate cases. The declining use of natural gas per residential customer, the Natural Gas Policy Act (NGPA), and the creating of Wexpro, a subsidiary of Mountain Fuel Supply Company, have all had impact on the natural gas industry.

Mountain Fuel Supply has traditionally identified the "typical" residential customer as one who uses 180 Mcf of natural gas annually. This figure was shown to be fairly close to actual each year. Recently, with rapidly increasing prices and emphasis on conservation, this average usage has dropped closer to 160 Mcf annually.

Mountain Fuel Supply Company has used a "pass-through" procedure approved by the Public Service Commission to recover increased purchased gas costs immediately which are subject to a subsequent hearing. In December 1978, the Federal Energy Regulatory Commission and the Department of Energy under the Natural Gas Policy Act (NGPA) have implemented monthly increases of the wellhead price of actual gas. Monthly changes in cost of gas has made it difficult for even pass-throughs to be effective and increased case preparation and hearing time.

On January 24, 1979, the Utah Public Service Commission ruled that Mountain Fuel Supply Company could implement a balancing account which allows Mountain Fuel to track monthly overcollection or undercollection of gas costs through rates and adjust less frequently for the cumulative effect of several monthly increases. The procedure was subsequently approved for the Utah Gas Service Company which was faced with the same problem.

In 1976, Mountain Fuel Supply Company formed Wexpro Company, a wholly-owned subsidiary, to operate the oil business formerly handled by a non-utility division of Mountain Fuel. The transfer of assets took place January 1, 1977. Several parties opposed the transfer, arguing that the customers of Mountain Fuel had an interest in the assets to be transferred. After studying the issue, the Commission

ruled on July 20, 1977, that it (the Commission) had no jurisdiction over non-utility assets.

The Commission's order was appealed to the Utah Supreme Court, and on February 4, 1980, the Utah Supreme Court remanded the case to the Public Service Commission for further proceedings based on the Supreme Court's definition of utility and non-utility property. Mountain Fuel appealed to the Supreme Court of the United States, but was denied a hearing.

Telephone and Telegraph

There are two recent trends in the communications industry that are noteworthy. One is the increased role of the federal government in regulation of communication utilities and the other is the entry of competitors into the communication industry offering services previously offered exclusively by regulated telephone and telegraph companies.

The federal government has begun exerting authority previously reserved for state agencies and has allowed competitors in areas, such as long distance calls. The telephone companies have kept local service rates low in the past, depending on toll revenue to cover costs. The future trend appears to be toward higher basic rates and lower long distance rates.

Federal Funds

In 1978, Congress passed the Public Utilities Regulatory Policies Act of 1978 (PURPA), which obligated both utilities and state commissions to complete specified reports and studies on ratemaking issues.

In 1979, the Public Service Commission and the Division of Public Utilities began the necessary work to fulfill the requirements of PURPA. Application was made to the Department of Energy for grants, and three grants were awarded to the Commission in late 1979. Each of these grants is to last for two years. One grant was for the study of solar energy applications, another to study utility efficiency, and the third to study PURPA guidelines with comparisons to existing state guidelines.

The purpose of the PURPA guideline grant is to allow the Public Service Commission to study and consider adopting any PURPA guidelines that are not already part of the State's regulatory process at no expense to the people of the State of Utah.

SECTION I

PERSONNEL

June 30, 1978

PUBLIC SERVICE COMMISSION

Milly O. Bernard	Chairman
Kenneth Rigtrup	Commissioner
Olof E. Zundel	Commissioner
Victor N. Gibb	Secretary
Vern D. Wilde	Official Court Reporter
Gail Grayson	Secretary

DIVISION OF PUBLIC UTILITIES

Utility Accounts and Finance Section

Joseph C. Vincent	Manager
Dan W. Bagnes	Auditor
Ronald L. Burrup	Auditor
Charles T. Greenland	Auditor
Sidney R. Harman	Auditor
Carl L. Mower	Auditor
V. Mark Petersen	Auditor
Wayne Russell	Auditor
Carol Dahlberg	Secretary

Engineering Section

Clayton S. Hogstrom	Chief Utility Engineer
Wayne L. Carlson	Engineering Inspector
George R. Compton	Rate Engineer
Darrell S. Hanson	Rate Engineer
Ray Pruett	Service Engineer
Kathleen Howard	Secretary
Jane Koller	Secretary

Transportation Section

Donald K. Hales	Manager, Regulated Carrier Section
Jack H. Ollinger	Rates and Tariff Specialist
Steven J. Davis	Regulated Carrier Compliance Officer
Brent F. Fowles	Regulated Carrier Compliance Officer
William D. Sheppard	Regulated Carrier Compliance Officer
Tony Speth	Regulated Carrier Compliance Officer

Transportion Section (cont'd.)

Vicki J. Cowan. . . . . Secretary

Shari B. Holt . . . . . Secretary

Stella V. Manes . . . . . Secretary

SECTION II
ELECTRIC

ELECTRIC UTILITY RATE CASES

There are 12 electric utilities operating within the state and nine had rate increases during the fiscal year. In total, 18 rate increases and one rate decrease were granted to the state's electric utilities. These cases are listed on Table No. 2.

Utah Power & Light, which serves approximately 335,000 customers in Utah, was granted two rate increases. In Case 77-035-21, Utah Power & Light was allowed a fuel cost pass-through rate increase of $6,909,352. Commissioners Bernard and Zundel concurred with the increase, and Commissioner Rigtrup dissented. The Commission's final order in Case No. 76-035-01, a general rate case, allowed Utah Power & Light to increase by $17,258,472 on August 29, 1977. The company had requested a rate increase of $42,060,000. In their order, the Commission authorized a rate of return of 14.5% on common equity, 40% of construction work in progrss in the rate base, normalization of the tax effect of accelerated depreciation, and the Commission requested additional testimony concerning possible connection fees on all new residential and commercial hookups.

California Public Utilities Company changed its name to CP National Corporation. They serve approximately 9,000 retail customers in Utah. Four rate increases were granted to CP National Corporation totaling $2,218,919. The company had requested increases totaling $3,003,161. Three of these increases were pass-through cases involving increased cost of purchased electrical power.

Bridger Valley Electric Association, which serves approximately 905 customers in Utah, was granted a 11.6% increase on July 20, 1977, amounting to $20,700. And a 14% increase on June 26, 1978, amounting to $22,603.

Empire Electric Association serves 211 customers in Utah and was authorized to increase revenues by $15,605 as a result of increased purchased power costs.

Flowell Electric Association serves 333 customers in Utah, and on September 7, 1977, the Commission allowed a 25% surcharge amounting to a rate increase of $126,814, due to the increased cost of purchased power. However, on November 11, 1977, the Commission rescinded this rate increase, at the company's request, because wholesale power costs had been less than expected.

Moon Lake Electric Association serves 7,625 customers in Utah. On September 12, 1977, they were granted a pass-through rate increase of $548,494 due to the increased cost of wholesale power. And on January 26, 1978, the company was granted a rate increase of $1,059,072 due to increased costs for

wages, materials, and interest. This was the first general rate increase for Moon Lake since 1973.

Mt. Wheeler Power, Inc. serves 210 customers in Utah. Since it was organized in 1970, Mt. Wheeler has had only one previous rate increase. This current case granted Mt. Wheeler an increase of $39,468, resulting in rate increases of from 28% to 36%.

Wells Rural Electric Company, Inc. presently serves 396 customers in Utah and 1,183 customers in Nevada. This comapny was allowed to increase rates to its Utah customers by $14,325 due to increased operating costs. This was the company's first rate increase since it was organized and in fact it had decreased rates in 1964 and again in 1968.

Strawberry Water Users Association serves 1,664 Utah customers. During this period they were granted four rate increases totaling $385,716. The increases were a result of the drought conditions which reduced stream flow on which the company relies for generating capacity, and resulting from increased operating costs.

It should be noted that none of the figures in this report include municipal power systems. There are many such systems in Utah. They include: Beaver, Blanding, Brigham City, Bountiful, Enterprise, Ephraim, Fairview, Fillmore, Heber, Helper, Holden, Hurricane, Hyrum, Kanosh, Kaysville, Lehi, Levan, Logan, Manti, Meadow, Monroe, Monticello, Morgan, Murray, Mt. Pleasant, Nephi, Oak City, Parowan, Paragonah, Payson, Price, Provo, Salem, Spanish Fork, Spring City, Springville, and St. George. These systems either produce their own power or purchase power from government agencies such as the Bureau of Reclamation, or from other electric utilities, such as Utah Power & Light. These municipal systems are not under the jurisdiction of the Public Service Commission.

ELECTRIC RATES AND USE OF ELECTRICITY

The table below shows information on the use and cost of electricity for selected years beginning with the year 1935. During 1977, for the first time there was a decrease in the annual average use of electricity per customer. There was an increase in the average charge per kilowatt-hour. The decreased customer usage was partly due to the increased price of electric power. The increasing spread in price per kilowatt hour between investor owned utilities and cooperative associations is due mainly to the cooperatives being able to purchase low cost hydroelectric power from the Colorado River Storage Project and the investor owned utilities having to produce from more expensive coal burning steam generators.

TREND OF ELECTRIC RATES AND USE OF ELECTRIC POWER IN UTAH

Year	Residential Service: Annual Average Use Per Customer	Residential Service: Average Charge Per Kilowatt-Hour	All Classes of Service: Annual Average Bill Per Customer	All Classes of Service: Average Charge Per Kilowatt-Hour
		INVESTOR OWNED UTILITIES		
1935	762 Kwh	4.69¢	$ 35.74	1.88¢
1940	1,170	3.40	39.78	1.41
1945	1,530	2.69	41.11	1.54
1950	2,573	2.29	58.89	1.81
1955	3,657	2.21	80.93	1.81
1960	4,184	2.19	91.58	1.64
1965	4,747	2.26	107.60	1.76
1970	5,800	2.17	125.72	1.66
1971	6,236	2.13	133.02	1.47
1972	6,416	2.23	142.88	1.49
1973	6,823	2.26	154.36	1.71
1974	7,289	2.34	170.64	1.72
1975	7,266	2.93	212.79	1.96
1976	7,430	3.43	254.55	2.18
1977	7,330	3.84	281.74	2.74
		COOPERATIVE ELECTRIC ASSOCIATIONS		
1965	5,676 Kwh	2.33¢	$132.39	1.58¢
1970	6,596	2.25	148.71	1.55
1971	7,025	2.17	152.45	1.65
1972	7,163	2.15	154.29	1.66
1973	7,976	2.11	168.13	1.73
1974	8,294	2.18	180.73	1.74
1975	8,950	2.20	196.92	1.75
1976	10,285	2.14	219.69	1.77
1977	9,243	2.28	210.47	2.05

A summary of the kilowatt-hours sold and the average number of customers served in Utah by electric utilities regulated by the Commission during the year ending December 31, 1977, is portrayed in the following table. There was an increase of 8.5% in the number of kilowatt-hours sold to ultimate consumers and a decrease of 51.5% in the number of kilowatt-hours sold for resale during 1977. The average number of customers increased by 16,836, or an increase of 4.7%.

KILOWATT-HOUR SALES AND CUSTOMERS

Year 1977	Kilowatt-Hours Sold (Thousands)	Average Number of Customers
INVESTOR OWNED UTILITIES		
Residential	2,262,787	308,695
Commercial	1,852,708	28,189
Industrial (includes irrigation sales)	2,498,781	7,537
Public street and highway lighting	49,585	1,347
Other sales to public authorities	398,919	131
Total sales to ultimate consumers	7,062,780	345,899
Sales for resale	1,900,939	24
Total sales - investor owned utilities	8,963,219	345,923
COOPERATIVE ELECTRIC ASSOCIATION		
Residential	106,452	11,517
Irrigation	82,745	775
Commercial	41,811	1,931
Industrial	246,308	375
Public street and highway lighting	750	29
Other sales to public authorities	1,720	96
Total sales to ultimate consumers	479,786	14,723
Sales for resale	21,716	2
Total sales - cooperative electric assoc.	501,502	14,725
SUMMARY - ALL UTILITIES		
Total sales to ultimate consumers	7,542,566	360,622
Sales for resale	1,922,655	26
Total sales - all utilities	9,465,221	360,648

The following table shows the 1977 Revenue for each electric utility company, by customer class. Only the Utah jurisdictional revenue is shown.

ELECTRIC UTILITY REVENUE 1977
By Customer Class
Utah Jurisdiction Only

COOPERATIVE ELECTRIC ASSOC.	Residential	Irrigation Industrial Commercial	Public Auth. Street Light	Sales For Resale	Company Total
Bridger Valley	$ 98,755	$ 70,400	$	$	$ 169,155
Dixie Rural Elec. Asso.	218,888	102,830	4,145		325,863
Empire Electric Assoc.	49,380	111,644			161,024
Escalante Valley	66,443	277,154	1,587		345,184
Flowell Electric Asso.	60,437	553,253			613,690
Garkane Power Assoc.	539,496	1,275,827	32,587	607,646	2,455,556
Mexican Hat Power Assoc.		24,979			24,979
Moon Lake Power Assoc.	1,236,750	4,165,075	20,764	61	5,422,650
Mt. Wheeler Power Assoc.	25,870	96,314	11,447		133,631
Raft River	54,451	273,671	3,737		331,859
Wells Rural Electric Asso.	73,455	238,488	703		312,649
TOTAL	$2,423,928	$7,189,635	$ 74,970	$ 607,707	$10,296,240
INVESTOR OWNED					
California Pacific	$2,752,274	$3,426,532	$ 217,315	$	$ 6,396,121
Strawberry Water Users	289,992	207,104	495,136		992,232
Utah Power & Light	83,915,604	114,009,653	9,275,590	31,067,545	238,268,392
TOTAL	$86,957,870	$117,643,289	$9,988,041	$31,067,545	$245,656,745

SECTION III

NATURAL GAS

The Commission issued orders in five Mountain Fuel rate cases including one general rate case and four "pass-through" cases wherein Mountain Fuel sought only to pass through to its customers the increased cost of purchased gas. In all cases an increase was granted but in the general rate case the increase allowed was considerably less than the amount requested.

The pass-through cases involved passing through to customers increased gas costs such as increases from their major pipeline supplier, Northwest Pipeline Corporation, who passes on increases from its Canadian suppliers and increases from domestic sources who receive increases permitted by FPC Opinion 770. In addition, some of Mountain Fuel's suppliers operate under "favored nations" clauses which require that Mountain Fuel pay them the same rates as others who receive increases based on Opinion No. 770.

In the general rate case, Mountain Fuel requested an increase of $28,603,448 in Utah rates to recover increased costs, to earn a rate of return on common equity of 13.25% (11.84% allowed previously), and to earn a return on rate base of 9.84%.

The Division of Public Utilities examined the issues carefully and along with certain other groups proposed adjustments to various expense and rate base items as well as the requested rates of return and sales forecasts.

The Public Service Commission supported all or in part some of the recommendations made and as a result Mountain Fuel was allowed to increase its rates by $16,108,371 (56.31% of original request). The Commission found that a return on common equity of 13.25% was reasonable but calculated a return on rate base of 9.55% instead of 9.84% as requested.

Utah Gas Service received four increases, three of which were pass-through cases. The fourth case was a general rate case. The pass-through cases, like those of Mountain Fuel Supply involved price increases under FPC Opinion No. 770 and from Northwest Pipeline Corporation which is a major supplier of Utah Gas Service also.

In the general rate case, Utah Gas Service sought to increase its rates by $427,002 annually and to earn 11.59% on rate base and 15% on equity investment. The Division of Public Utilities audited Utah Gas Service in connection with the rate application and made certain recommendations. Certain other parties also appeared and made recommendations.

After reviewing the evidence, the Commission made adjustments in various areas including rate base, return on rate base, federal and state income tax expense operating revenue, operating expenses, purchased gas expense and exploration. The Commission determined that after all adjustments had been made, an increase of $288,494 instead of the requested $427,002, would be sufficient. The Commission allowed a 15% return on equity as requested and allowed the return on rate base of 11.56% just below the 11.59% requested.

Natural Gas Rates and Use of Gas

The following table gives a summary of the usage and cost of natural gas for selected years beginning with 1940. The average annual bill per residential and commercial customer increased by $28.54 or 11.08 percent during 1977 over 1976. This increase occurred even though there was a 6.25 percent decrease in usage.

TREND OF NATURAL GAS RATES AND USE OF GAS IN UTAH

	Residential and Commercial			All Classes of Service
Year	Annual Average Use Per Customer	Average Charge Per Mcf	Annual Average Bill Per Customer	Average Charge Per Mcf
1940	88.46Mcf	66.4¢	$ 58.72	20.6¢
1945	113.97	63.9	72.87	21.9
1950	157.71	41.6	65.64	26.8
1955	197.80	50.4	99.66	34.3
1960	228.11	57.6	131.39	40.7
1965	226.65	58.4	132.36	39.5
1970	236.54	64.6	152.82	43.3
1975	235.51	96.2	226.62	80.3
1976	211.75	121.6	257.54	105.4
1977	198.52	144.1	286.08	124.9

The next table shows the total sales of natural gas in Utah by major service classifications for selected years beginning with the year 1940. This table shows that the total gas usage is continuing to decline from the peak year of 1973 when 131,064,284 Mcf of gas was sold in the State of Utah. The total revenue from the sale of natural gas in Utah amounted to $156,289,440 during 1977 with an average of 324,902 customers served during the year.

NATURAL GAS SALES IN UTAH
(Thousands of Cubic Feet at 12.85 psia)

Year	Residential and Commercial	Industrial	For Resale	Total
1940	2,355,537	12,361,974		14,717,511
1945	4,435,137	19,253,755		23,688,892
1950	11,944,972	18,855,542		30,800,514
1955	22,797,003	33,955,205		56,752,208
1960	37,916,291	41,355,304		79,271,595
1965	47,895,211	62,371,870	15,321	110,282,402
1970	57,516,963	70,223,515	18,455	127,758,933
1975	69,854,715	55,765,669	576,818	126,197,202
1976	65,449,485	55,073,754	443,626	120,966,865
1977	64,500,704	60,457,814	202,161	125,160,679

NATURAL GAS PIPELINE SAFETY
July 1, 1977 to June 30, 1978

Due to the catastrophic nature of gas explosions and fires occurring throughout the country, the United States Congress passed the Natural Gas Pipeline Safety Act of 1968. This act provided that the Federal Government would establish "Minimum Safety Standards" for the transportation or storage of natural and other gases by pipeline systems.

The Act provides for the Federal Department of Transportation to take over safety jurisdiction of all gas pipeline systems and allows certifying states to handle intrastate systems as long as they enforce equal or more stringent standards. Utah has been so certified and handles these matters through the staff of the Division of Public Utilities. Utah also handles interstate Pipeline Safety by contract with the Federal Government. Utah is reimbursed for 50 per cent of the expenses of interstate and intrastate pipeline safety activities.

The Division makes emergency on-scene accident investigations of all reportable incidents and ascertains that all reasonable precautions are being taken to control and to make safe areas of hazard. It also makes periodic inspections of each gas operator's installations and records. This includes Mountain Fuel Supply and Utah Gas Service Company, who are the main distributors, all other interstate and intrastate operators and all master metered apartment complexes and mobile home parks. Propane operators with piped systems are regulated under special circumstances. Inspection includes a review of safety procedures, communication facilities, leak detection and repair practices, engineering detail and standards, personnel training and testing, public information programs, emergency planning and response, accident investigation, safety tests of equipment, construction practices and other matters related to pipeline safety.

There were 256 inspection or accident reports completed during this period in addition to many contacts made which were not described in formal reports. This included a few oil line inspections which were made on a cooperative basis for the Office of Pipeline Safety Operations. All accidents investigated during this period of a serious nature have been caused by third-party damage and were not due to inherent faults of engineering or construction of the systems.

The Divison, in making investigations and reports, works with the personnel of the regulated companies and operators. All responsible personnel of companies or operators contacted have been cooperative and safety conscious.

SECTION IV

COMMUNICATIONS

Of the 13 telephone cases handled by the Public Service Commission during the fiscal year ended June 30, 1978, two were of particular interest. One case resulted in a certificate of convenience and necessity being issued to Royce Electronics. The other case involved Mountain States Telephone and Telegraph Company. In December 1976, Mountain Bell requested an increase of $19,200,000, which Mountain Bell reduced to $14,200,000 after the increase request was reviewed by the Division of Public Utilities. On July 14, 1977, the Commission authorized Mountain Bell to increase its rates by $8,143,000, which did not include an allowance for increased wages as labor negotiations were not complete. On September 15, 1977, the Commission allowed an additional increase of $2,950,000 based on the wage increase which became effective August 7, 1977. The $11,093,000 granted in this case (76-049-04) represents 58% of the original request and 78% of reduced request. Other orders included authorized transfers to extraordinary retirement accounts, tariff changes not involving rate increases, approval of a loan and a name change from Silver Beehive Telephone Company to Beehive Telephone Company.

TELEPHONES BY MAJOR CLASSIFICATION

December 31, 1977	Residence Service	Business Service	Total
Main telephones	384,713	71,152	455,865
Extension telephones	304,007	66,417	370,424
Mobile telephones		1,267	1,267
P.B.X.		94,915	94,915
Coin telephones		8,134	8,134
Total company telephones	688,720	241,885	930,605
Service telephones			15,583
Private line telephones			2,061
Total telephones in service			948,249

The number of company owned telephones in service in Utah for selected years beginning with 1940 is provided in the following tabulation. There was a 7.6 percent increase in the number of telephones during 1977.

NUMBER OF COMPANY TELEPHONES IN UTAH

Year	Net Gain During Year	Number End of Year
1940	4,825	84,450
1945	6,578	117,818
1950	11,031	195,398
1955	11,780	260,870
1960	18,300	357,510
1965	20,491	453,378
1970	32,120	581,665
1971	39,030	620,695
1972	48,334	669,029
1973	54,861	723,890
1974	48,239	772,129
1975	58,900	831,029
1976	50,631	881,660
1977	66,589	948,249

SECTION V

WATER

Three water companies applied for rate increases during the year.

Woodland Bench Water Company of Ogden was granted an increase to $400.00 in its connection fees and an increase to $700.00 per month for unmetered service. The fees had been $100, and $3.00 respectively. These increases were granted April 24, 1978, in Case No. 76-020-01.

White City Water Company of Sandy, in Case No. 77-018-01, dated June 20, 1978, was granted an increase in connection fees of $50.00 from $250.00 to $300.00, and an increase in minimum monthly charges of $5.00 from $3.50 to $8.50. The company was also allowed to collect a $25.00 deposit from customers in rental units and to charge $7.50 for a reconnection.

On June 7, 1978, the Commission granted Flaming Gorge Water System of Manila an increase from $300.00 to $1,000.00 in connection fees and an increase from $8.00 to $13.00 per month in the minimum charge. The company was also allowed to charge $25.00 for a turn-on fee where meter is in place and a $100.00 fee for a reconnect charge.

All of the above increases resulted in small annualized revenue increases, but were sufficient to help each company realize a profit.

Western Public Service Company of Ogden and Highland Utility, a water and sewer utility in Moab, had their certificates canceled during the year. Western, on March 31, 1978, in Case No. 77-017-01, for failure to use the certificate and Highland on December 28, 1977 in Case No. 7157 because it had been purchased by Grand County, a political entity not under the jurisdiction of the Commission.

The Commission granted certificates of convenience and necessity to two new water companies during the year. In Case No. 7079, October 12, 1977, Wanship Cottages Water Company was given authority to serve an area below Wanship Dam along the Weber River containing approximately 15 homes. On June 7, 1978, in Order No. 76-061-01, the Dammeron Corporation was given authority to serve the Dammeron Valley northwest of St. George, an area containing five homes currently, but with a potential of 500 homes.

In Case No. 77-012-01, Nordic Valley Water Company was granted authority to serve additional territory on August 11, 1977. On February 5, 1978, Nordic Valley was allowed to serve its new customers from existing sources until a well could be drilled and approved in the new service area.

SECTION VI

TRANSPORTATION

The Commission is charged with the responsibility of regulating motor carriers, railroads, and carriers engaged in the transportation of passengers of property for hire in the State of Utah. The Division of Public Utilities Motor Carrier Section assists the Commission in this responsibility by issuing interstate carrier licenses and intrastate exempt licenses, maintaining insurance filings, investigating motor carrier complaints, offering testimony at motor carrier hearings, and performs audits of regulated carriers. In addition, the Division's three enforcement officers inspect vehicles operated by all motor carriers and enforce the Commission's regulations on the states highways.

OPERATING AUTHORITY

Hearings and reports dealing with motor carrier operating authority occupies a considerable part of the time of the Commission and the Division of Public Utilities. During the fiscal year, 1,417 orders were issued granting or canceling motor carrier operating authorities. Following is a summary of these orders.

SUMMARY OF PROCEEDINGS INVOLVING MOTOR CARRIER AUTHORITY

Type of Authority	Issued	Canceled
Certificates of Convenience and Necessity	17	10
Contract Carrier Permits	8	2
Interstate Carrier Licenses	177	50
Exempt Licenses	651	502
TOTAL	853	564

The issuance or cancellation of certiciates of convenience and necessity issued to common carriers, and permits issued to contract carriers, requires a formal hearing and an order of the Commission. Interstate carrier licenses require only that the carrier provide evidence of ICC authority, evidence of insurance, and designation of process agent.

Exempt motor carriers are exempt from regulation by the Commission, under Section 54-6-12, Utah Code Annotated 1953. These carriers are issued exempt licenses when they register their operations with the Division and file evidence of insurance. They must also comply with safety regulations.

MOTOR CARRIER INVESTIGATIONS AND ENFORCEMENT

The Division's enforcement officers inspected 533 motor vehicles during the fiscal year and issued 319 citations. Another 92 citations were for unauthorized hauling, 49 for cab card stamp violations, and 181 for violations of safety rules and regulations. There were also 52 warnings for violations of safety rules. The Division collected $130,004 in revenue from the issuance of 153,925 cab card identification stamps. Included in this figure are 23,921 stamps issued to Utah based vehicles and reciprocating states. The reciprocating states are Arizona, California, Michigan, Missouri, Oklahoma, and North Carolina.

MOTOR CARRIER RATES

Orders involving motor carrier rates totaled 25, with a change of only four per cent increase over July 1, 1976 through June 30, 1977. Bus traffic rate increases totaled 12 per cent of the yearly rate cases for a total of three orders issued.

AIR CARRIER RATES

There was only one rate case involving an air carrier during the fiscal year ended June 30, 1978. On April 27, 1978, the Public Service Commission authorized Sky West Aviation to increase its rates as set forth in the Commission's Report and Order (Case No. 78-101-01).

SECTION VII
TABLES

Table No. 1
PROCEEDINGS BEFORE THE PUBLIC SERVICE COMMISSION

July 1, 1977 to June 30, 1978

FORMAL CASES

	Total	Elect.	Gas	Teleph.	Water	Motor Carrier	Railroad	Misc.
No. of Cases Filed	215	42	15	12	5	108	22	11
No. of Cases Concluded	206	35	18	13	6	107	18	9
No. of Hearings	139							
No. of Hearing Days	265							

SUMMARY OF ORDERS ISSUED IN INVESTOR

OWNED ELECTRIC UTILITY RATE CASES

7-1-77 to 6-30-78

TABLE 2

Date of Order	Company	Case Number	Amount Requested	Amount Granted	% of Increase (Decrease) Granted
10-14-77	CP National	77-023-01	1,012,034	779,410	77.01
12-21-77	CP National	77-023-03	69,506	69,506	100.00
12-21-77	CP National	77-023-03	134,629	128,832	95.69
12-13-77	CP National	77-023-06	515,610	515,610	100.00
5-23-77	CP National	77-023-08*	1,513,016	773,166	51.10
			3,244,795	2,266,524	69.85
7-29-77	Strawberry Water Users	77-034-02	138,429	138,429	100.00
9-15-77	Strawberry Water Users	77-034-03	80,086	80,086	100.00
5-31-78	Strawberry Water Users	78-034-01*	146,238	146,238	100.00
5-31-78	Strawberry Water Users	78-034-02	20,965	20,965	100.00
			385,718	385,718	100.00
8-29-77	Utah Power and Light Company	76-035-06*	25,463,000	17,258,472	67.78
2- 7-78	Utah Power and Light Company	77-035-21*	6,909,352	6,909,352	100.00
5-28-78	Utah Power and Light Company	78-035-13	9,207,000	9,207,000	100.00
			41,579,352	33,374,824	80.27
	Total		45,209,865	36,027,066	79.69

General Rate Cases

SUMMARY OF ORDERS ISSUED IN
GAS UTILITY RATE CASES
7-1-77 to 6-30-78 TABLE 3

Date of Order		Case No.	Increase Requested (Decrease)	Increase Granted	% of Request
12-29-77	Mountain Fuel Supply Co.*	77-057-03**	28,603,448	15,803,139	55.25
3-24-78	Mountain Fuel Supply Co.	77-057-03**	--	305,232	1.07
7- 7-77	Mountain Fuel Supply Co.	77-057-06	1,205,061	1,205,061	100.00
10- 3-77	Mountain Fuel Supply Co.	77-057-07	5,325,028	5,325,028	100.00
12-30-77	Mountain Fuel Supply Co.	77-057-09	868,986	868,986	100.00
4- 5-78	Mountain Fuel Supply Co.	78-057-02	6,100,195	6,100,195	100.00
	Mountain Fuel Supply Co. Total		42,102,718	29,607,641	70.32
9-23-77	Utah Gas Service	77-059-05	264,049	264,049	100.00
12- 5-77	Utah Gas Service	77-059-08	59,946	59,946	100.00
3- 3-78	Utah Gas Service*	77-059-09	427,002	288,494	67.56
3- 3-78	Utah Gas Service	78-059-01	152,989	152,989	100.00
	Utah Gas Service Total		903,986	765,478	84.68
	State Total		43,006,704	30,373,119	70.62

*These cases were general rate cases, all other cases involved passing-through increase purchased gas costs to rate payers.

**Count II

SUMMARY OF ORDERS ISSUED IN RAILROAD RATE CASES TABLE 4

Case No.	Date of Order	Nature of Order
77-398-04	8-11-77	Denver & Rio Grande Western Railroad Co., authority to pay Utah Power & Light Company $1,052.80 as reparation, application granted.
77-419-01	9-12-77	Traffic Executive Association -- Eastern Railroads, permission H-271 to publish freight Tariff 4-K and to cancel freight tariff 4-J.
77-398-05	11- 1-77	Denver & Rio Grande Western Railroad Co., amend freight tariff 4682-U, tariff be vacated.
77-400-07	11- 3-77	Union Pacific Railroad Co., Utah Railway Co., and Salt Lake, Garfield and Western Railway Co., authority to republish the provisions of Item 4583, Supplement 44A to UPRR Tariff 6020-K, on bituminous coal from Mohr land to Gosby, Utah.
77-419-03	11- 4-77	Traffic Executive Association -- Eastern Railroads, for increase in storage and demurrage charges.
77-398-06	11-23-77	Denver & Rio Grande Western Railroad Co., authority to make certain adjustments in various rates on transportation of coal.
77-419-02	11-29-77	Traffic Executive Association -- Eastern Railroads, for special permission H-276, authorization to publish.
77-419-04	12- 6-77	Traffic Executive Association -- Eastern Railroads, for special permission H-280.
77-400-08	12-15-77	Union Pacific Railroad Company, Increase its freight charges on a single tariff dealing with the intrastate unit train movement of iron ore.
77-393-01	3-16-78	Certain Utah railroads, to increase rates and charges by 5%.
78-398-03	3-23-78	Denver & Rio Grande Western Railroad Company, increase rates on dolomite, limestone in tariff 7544-E.
78-400-01	3-28-78	Union Pacific Railroad Company for approval of supplement 66A of freight tariff 6020-K.
78-398-02	5- 5-78	Denver & Rio Grande Western Railroad Company, special permission 48, to amend item 315-B, supplement 9 to DRGW tariff 4902-M.
77-398-07	5- 5-78	Denver & Rio Grande Western Railroad Company to abandon and remove spur tracks over and across portions of 500 W between 400 South and 800 South, Salt Lake City.

SUMMARY OF ORDERS ISSUED IN RAILROAD RATE CASES

Case No.	Date of Order	Nature of Order
78-393-01	5-16-78	Certain Utah railroads, authority to increase all diversion and reconsignment tariffs applicable at all points in Utah by 7%.
77-398-01	5-25-78	Denver & Rio Grande Western Railroad Co., authority to close agency station in Price.
78-398-06	6- 6-78	Denver & Rio Grande Western Railroad Co., authority to pay reparation to Mineral Fertilizer Co., Inc.

MOTOR CARRIER CERTIFICATES OF CONVENIENCE
AND NECESSITY ISSUED OR CANCELED
JULY 1, 1977 to JUNE 30, 1978
TABLE 5

Name of Utility	Date of Order	Certificate No.	Case No.
	ISSUED		
Color Country Tours	7-07-77	1919	76-399-01
Rio Grande Motor Ways Inc.	7-07-77	1920	77-297-01
Uintah Freightways	8-05-77	1922S1 S2 S3	77-335-01
Farwest Furniture Transportation	9-08-77	1923	77-407-01
Wycoff Company Inc.	10-05-77	1924	77-369-03
McGregor Transportation	10-18-77	1926	77-414-01
Lawrence F. Jensen	10-18-77	1927	77-411-01
Pony Express	11-04-77	1928	77-412-01
Bruce Distribution	12-15-77	1929	77-420-01
Monument Valley Stage Lines	2-17-78	1931	77-248-01
Barney Trucking	3-10-78	1932	77-416-01
Mike Archuleta Contracting	3-23-78	1933	77-428-01
Slade Moving & Storage	4-25-78	1934	78-315-01
Salt Lake Transfer	5-05-78	1935	78-305-01
Cox Transport	5-05-78	1936	78-433-01
R.W. Jones Trucking	5-23-78	1937	78-214-01
W.R. Hurst Inc.	5-25-78	1939	77-431-01
	CANCELED		
I. Sander	7-21-77	1181	4389
H.A. Backus	10-18-77	1214	4347
Ennis A. Terry	3-23-78	1220	77-428-01
Lyman Truck Lines	2-17-78	1349	77-248-01
Lyman Truck Lines	2-17-78	1349S1	77-248-01
Rupp Trucking	5-05-78	1395	78-433-01
Thomas J. Peck & Sons	5-25-78	1672	77-431-01
Intermountain Mobile Sales	3-23-78	1800	6604
Intermountain Mobile Sales	3-23-78	1800S1	6848
Mahoon & Peterson	10-08-77	1805	6554
Purolator Courier Corp.	10-05-77	1869	7159
Bruce Warehouseing & Distr.	12-15-77	1871	7187

CONTRACT CARRIER PERMITS TO MOTOR CARRIERS
ISSUED OR CANCELED JULY 1, 1977 to JUNE 30, 1978
TABLE 6

Name of Carrier	Date of Order	Permit No.	Case No.
	ISSUED		
Betts, Grant D.	10-18-77	576	77-119-01
Savage Brothers Inc.	11-16-77	577	77-308-01
Wisconsin Provisions Express	11-16-77	578	77-413-01
Thomas J. Peck & Sons	1-07-78	579	77-281-01
Mont Trucking	2-10-78	580	77-422-01
Tower Products Inc.	2-15-78	581	77-429-01
Jensen Trucking	5-05-78	582	77-390-01
K.B. Transportation	6-07-78	583	77-216-01
	CANCELED		
Jardine Trucking	2-03-78	532	6072
Coca-Cola Bottling Co.	8-23-77	554	7021

TABLE NO. 7

PUBLIC UTILITIES UNDER JURISDICTION OF COMMISSION
June 30, 1978

Class of Utility	Number
Airline companies	2
Electric light and power, cooperatives	10
Electric light and power, investor owned	3
Motor carriers holding intrastate authority	273
Motor carriers holding interstate authority	902
Natural gas companies	4
Railroads	9
Telegraph company	1
Telephone companies	19
Terminal companies	2
Water companies	19
Total	1244

TABLE 8

STATEMENT OF COMMISSION FINANCES

JULY 1, 1977 to JUNE 30, 1978

	Public Service Comm.	Div. of Public Util.	Committee Consumer Services	Atty. Gen.	Dept. of Trans.	Central Admin.	Total
Funds Available							
Non-Lapsing Balance 7-1-77							27,505
Public Utility Levy							957,500
Collections							162,750
Federal Funds - DOT, Pipeline Safety							17,881
General Fund Adjustment							17,318
Total Amount Available							1,182,954
Expenditures							
Personal Services	175,681	490,881	32,575			59,808	
Travel	2,990	25,869	2,065			93	
Current Expenses	41,028	261,701	52,548			2,266	
Capital Outlay	18,199	1,836	130			5,009	
Total Expenditures	237,898	780,287	87,318	0	0	67,176	1,172,679
Non-Lapsing Balance							10,275

PUBLIC SERVICE COMMISSION OF UTAH

Fiscal Year Ended June 30, 1979

PART THREE

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SECTION I

PERSONNEL

June 30, 1979

PUBLIC SERVICE COMMISSION

Milly O. Bernard. . . . . Chairman
Kenneth Rigtrup . . . . . Commissioner
Olof E. Zundel. . . . . Commissioner
Victor N. Gibb. . . . . Secretary
A. Robert Thurman . . . . . Administrative Law Judge
Vern D. Wilde . . . . . .Official Court Reporter
Gail G. Evans . . . . . .Secretary

DIVISION OF PUBLIC UTILITIES

Brent H. Cameron . . . . . Director

Utility Accounts and Finance Section

Thomas F. Peel, C.P.A. . . . . Manager
Carl L. Mower. . . . . Assistant Manager
Dan W. Bagnes. . . . . Auditor
Ronald L. Burrup . . . . . Auditor
Sidney R. Harman . . . . . Auditor
Wayne J. Russell . . . . . Auditor
Cherry G. Hearty . . . . . Secretary

Engineering Section

Wayne L. Carlson . . . . . Engineering Inspector
Frederick W. Foley . . . . . Communications Engineer
Darrell S. Hanson. . . . . Rate Engineer
Ray L. Pruett. . . . . Manager of Utility Engineering and Technical Studies
Kathleen Howard. . . . . Secretary
Jane Koller. . . . . Secretary

Economics and Finance

George R. Compton, Ph.D. . . . . Economist

Transportation Section

Donald K. Hales. . . . . .Manager, Regulated Carrier Section
Jack H. Ollinger . . . . . Rates and Tariff Specialist
William D. Sheppard. . . . . .Regulated Carrier Compliance Officer
Tony Speth . . . . . .Regulated Carrier Compliance Officer

Shari B. Holt. . . . . Secretary
Stella V. Manes. . . . . Secretary
Mary L. Shopay . . . . . Secretary

SECTION II
ELECTRIC

The Public Service Commission issued 37 orders in electric utility cases during the fiscal year ended June 30, 1979. Of these orders, five were rate increases or decreases involving investor owned utilities and are summarized in Section VII Table No. 2. Included in this section are summaries of trends, sales of use of electricity in Utah.

A summary of the kilowatt-hours sold and the average number of customers served in Utah by electric utilities regulated by the Commission during the year ending December 31, 1978, is portrayed in the following table. There was an increase of 13.2% in the number of kilowatt-hours sold for resale during 1978. The average number of customers increased by 21,898 or an increase of 6.1%.

KILOWATT-HOUR SALES AND CUSTOMERS

Year 1978	Killowatt-Hours Sold (Thousands)	Average Number of Customers
INVESTOR OWNER UTILITIES		
Residential	2,385,189	326,320
Commerical	1,914,394	30,153
Industrial (including irrigation sales)	3,200,373	8,900
Public street and highway lighting	52,808	1,330
Other sales to public authorities	478,146	137
Total sales to ultimate consumers	8,030,910	366,840
Sales for resale	3,632,366	26
Total sales - investor owned utilities	11,667,176	366,866
COOPERATIVE ELECTRIC ASSOCIATION		
Residential	119,478	12,386
Irrigation	77,753	769
Commerical	41,098	2,002
Industrial	266,482	429
Public street and highway lighting	783	29
Other sales to public authorities	524	38
Total sales to ultimate consumers	506,118	15,653
Sales for resale	14,729	2
Total sales - cooperative electric associations	520,847	15,655
SUMMARY - ALL UTILITIES		
Total sales to ultimate consumers	8,537,028	382,520
Sales for resale	3,647,095	28
Total sales - all utilities	12,184,123	382,548

ELECTRIC RATES AND USE OF ELECTRICITY

The table below shows information on the use and cost of electricity for selected years beginning with the year 1935. During 1978, for the second time there was a decrease in the annual average use of electricity per customer. There was an increase in the average charge per kilowatt-hour. The decreased customer usage was partly due to the increased price of electric power. The increasing spread in price per kilowatt hour between investor owned utilities and cooperative assoications is due mainly to the cooperatives being able to purchase low cost hydroelectric power from the Colorado River Storage Project and the investor owned utilities having to produce from more expensive coal burning steam generators.

TREND OF ELECTRIC RATES AND USE OF ELECTRIC POWER IN UTAH

Year	Residential Service			All Classes of Service
	Annual Average Use Per Customer	Average Charge Per Kilowatt-Hour	Annual Average Bill Per Customer	Average Charge per Kilowatt-Hour
	INVESTOR OWNED UTILITIES			
1935	762 Kwh	4.69¢	$ 35.74	1.88¢
1940	1,170	3.40	39.78	1.41
1945	1,530	2.69	41.11	1.54
1950	2,573	2.29	58.89	1.81
1955	3,657	2.21	80.93	1.81
1960	4,184	2.19	91.58	1.64
1965	4,747	2.26	107.60	1.76
1970	5,800	2.17	125.72	1.66
1971	6,236	2.13	133.02	1.47
1972	6,416	2.23	142.88	1.49
1973	6,823	2.26	154.36	1.71
1974	7,289	2.34	170.64	1.72
1975	7,266	2.93	212.79	1.96
1976	7,430	3.43	254.55	2.18
1977	7,330	3.84	281.74	2.74
1978	7,309	4.49	328.08	2.92
	RURAL ELECTRIC COOPERATIVE ASSOCIATIONS			
1965	5,676 Kwh	2.33¢	$ 132.39	1.58¢
1970	6,596	2.25	148.71	1.55
1971	7,025	2.17	152.45	1.65
1972	7,163	2.15	154.29	1.66
1973	7,976	2.11	168.13	1.73
1974	8,294	2.18	180.73	1.74
1975	8,950	2.20	196.92	1.75
1976	10,285	2.14	219.69	1.77
1977	9,243	2.28	210.47	2.05
1978	9,646	2.46	237.60	2.30

The following table shows the 1978 revenue for each electric utility company, by customer class. Only the Utah jurisdictional revenue is shown.

ELECTRIC UTILITY REVENUE 1978
BY CUSTOMER CLASS
UTAH JURISDICTIONAL ONLY

	Residential	Irrigation Industrial Commercial	Public Auth. Street Light	Sales for Resale	Company Total
Cooperative Electric Assoc.					
Bridger Valley	$ 127,760	$ 90,565	$ ---	$ ---	$ 212,325
Dixie-Escalante REA Assoc.	338,182	389,341	7,142	---	734,665
Empire Elec. Assoc.	60,343	159,938	---	---	220,281
Flowell Elec. Assoc.	63,623	515,904	---	---	579,527
Garkane Power Assoc.	587,504	1,174,971	33,499	400,474	2,196,448
Mexican Hat Power Assoc.	---	17,158	---	---	17,158
Moon Lake Power Assoc.	1,595,671	5,563,587	21,305	269	7,180,832
Mt. Wheeler Power Assoc.	31,015	114,652	12,617	---	158,284
Raft River	63,928	255,538	---	---	319,466
Wells Rural Elec. Assoc.	80,914	252,954	788	---	334,656
Total	$ 2,948,940	$ 8,534,608	$ 75,351	$ 400,743	$11,959,642
Investor Owned					
California Pacific	$ 3,817,805	$ 4,420,416	$ 284,895	$ ---	$ 8,523,116
Strawberry Water Users	453,000	309,432	890,740	---	1,653,172
Utah Power & Light	102,788,367	150,993,764	11,696,626	64,661,089	330,139,846
Total	$107,059,172	$155,723,612	$ 12,872,261	$64,661,089	$340,316,134

SECTION III

NATURAL GAS

The Public Service Commission issued 25 orders in gas utility cases during the fiscal year ended June 30, 1979. Twelve of these orders involved rate increases and are summarized in Table No. 3. Also included in this section are summaries of rates, use, and sales of gas in Utah, as well as a recap of Natural Gas Pipeline Safety measures employed in Utah.

Natural Gas Rates and Use of Gas

The following table summarizes usage and cost of natural gas for selected years beginning with 1940. The average annual bill per residential and commercial customer increased by $31.82 or 11.12 percent during 1978 over 1977. This increase occurred even though there was a 6.21 percent decrease in usage.

TREND OF NATURAL GAS RATES AND USE OF GAS IN UTAH

	Residential and Commercial			All Classes of Service
Year	Annual Average Use Per Customer	Average Charge Per Mcf	Annual Average Bill Per Customer	Average Charge Per Mcf
1940	88.46Mcf	66.4¢	$ 58.72	20.6¢
1945	113.97	63.9	72.87	21.9
1950	157.71	41.6	65.64	26.8
1955	197.80	50.4	99.66	34.3
1960	228.11	57.6	131.39	40.7
1965	226.65	58.4	132.36	39.5
1970	236.54	64.6	152.82	43.3
1975	235.51	96.2	226.62	80.3
1976	211.75	121.6	257.54	105.4
1977	198.52	144.1	286.08	124.9
1978	187.36	169.7	317.90	148.2

The next table shows the total sales of natural gas in Utah by major service classifications for selected years beginning with the year 1940. This table shows that the total gas usage is continuing to decline from the peak year of 1973 when 131,064,284 Mcf of gas was sold in the State of Utah. The total revenue from the sale of natural gas in Utah amounted to $184,832,736 during 1978 with an average of 342,924 customers served during the year.

NATURAL GAS SALES IN UTAH
(Thousands of Cubic Feet as 12.85 psia)

Year	Residential and Commercial	Industrial	For Resale	Total
1940	2,355,537	12,361,974		14,717,511
1945	4,435,137	19,253,755		23,688,892
1950	11,944,972	18,855,542		30,800,514
1955	22,797,003	33,955,205		56,752,208
1960	37,916,291	41,355,304		79,271,595
1965	47,895,211	62,371,870	15,321	110,282,402
1970	57,516,963	70,223,515	18,455	127,758,933
1975	69,854,715	55,765,669	576,818	126,197,202
1976	65,449,485	55,073,754	443,626	120,966,865
1977	64,500,704	60,457,814	202,161	125,160,679
1978	64,126,279	60,004,718	256,626	124,387,624

Natural Gas Pipeline Safety
July 1, 1978 to June 30, 1979

Due to the catastrophic nature of gas explosions and fires occurring throughout the country, the United States Congress passed the Natural Gas Pipeline Safety Act of 1968 which provided that the Federal Government would establish "Minimum Safety Standards" for the transportation or storage of natural and other gases by pipeline systems.

The Act provides for the Federal Department of Transportation to take over safety jurisdiction of all gas pipeline systems and allows certifying states to handle intrastate systems as long as they enforce equal or more stringent standards. Utah has been so certified and handles these matters through the staff of the Division of Public Utilities. Utah also handles interstate Pipeline Safety by contract with the Federal Government. Utah is reimbursed for 50 per cent of the expenses for interstate and intrastate pipeline safety activities.

The Division makes emergency on-scene accident investigations of all reportable incidents and observes to see that all reasonable precautions are being taken to control and to make safe areas of hazard. It also makes periodic inspections of each gas operator's installations and records. This includes all interstate operators and Mountain Fuel Supply and Utah Gas Service Company, major distributors, and all master metered apartment complexes and mobile home parks, also propane operators with piped systems which are regulated under special circumstances. This includes a review of their safety procedures, communication facilities, leak detection and repair practices, engineering detail and standards, personnel training and testing, public safety awareness communication efforts, and all other matters relating to the safe transportation of gas.

There were 260 inspection or accident reports completed during this period in addition to many contacts made which were not described in formal reports. This included a few oil line inspections which were made on a cooperative basis for the Office of Pipeline Safety Operations. All major companies contacted have been very cooperative and most small operators have taken due heed of their needs and improved their safety performance and awareness.

SECTION IV

COMMUNICATIONS

During the fiscal year ended June 30, 1979, the Public Service Commission issued eight orders involving communication companies. Two of these orders involved rate increases.

On July 26, 1978, Western Union Telegraph Company was authorized to increase its rates by $7,299 for its TWX and Telex services in Case No. 78-037-01. This increase amounts to six per cent but only represents a 3.1 per cent pre-tax rate of return.

Continental Telephone Company of the West filed an application (Case No. 78-041-02) on October 12, 1978, seeking to increase its rates by $523,106. On June 8, 1979, the Commission authorized Continental to increase its rates by $163,351, or 31 per cent of the amount requested.

The other cases involved a change in description of service areas, authorization to obtain long-term REA financing, and the authorization of Mountain States Telephone and Telegraph Company to implement Extended Area Service. The Extended Area Service will involve customers in Davis, Salt Lake and Weber Counties.

TELEPHONES BY MAJOR CLASSIFICATION

December 31, 1978	Residence Service	Business Service	Total
Main telephones	405,758	75,355	481,113
Extension telephones	327,510	69,990	397,500
Mobile telephones		1,357	1,357
P.B.X.		99,740	99,740
Coin telephones		8,214	8,214
Total company telephones	733,268	254,656	987,924
Service telephones			14,813
Private line telephones			2,100
Total telephones in service			1,004,837

The number of company owned telephones in service in Utah for selected years beginning with 1940 is provided in the following tabulation. There was a 6.0 percent increase in the number of telephones during 1978.

NUMBER OF COMPANY TELEPHONES IN UTAH

Year	Net Gain During Year	Number End of Year
1940	4,825	84,450
1945	6,578	117,818
1950	11,031	195,398
1955	11,780	260,870
1960	18,300	357,510
1965	20,491	453,378
1970	32,120	581,665
1971	39,030	620,695
1972	48,334	669,029
1973	54,861	723,890
1974	48,239	772,129
1975	58,900	831,029
1976	50,631	881,660
1977	66,589	948,249
1978	56,588	1,004,837

SECTION V

WATER

The Public Service Commission concluded two water cases during the year ended June 30, 1979. One case involved a connection fee increase and the other case involved an extension of service area. In Case No. 78-015-01, decided September 21, 1978, Summit Park Water Company was authorized to increase its connection fee from $225 to $375. Golden Gardens Water Company was authorized to extend service into the areas known as Golden Gardens Subdivision and Golden Gardens Subdivision Extension No. 1. This order was issued February 23, 1979, in Case No. 78-007-01.

SECTION VI

TRANSPORTATION

The Commission is charged with the responsibility of regulating motor carriers, railroads, and air carriers engaged in the transportation of passengers or property for hire in the State of Utah. The Division of Public Utilities Motor Carrier Section assists the Commission in this responsibility by issuing interstate carrier licenses and intrastate exempt licenses, maintaining insurance filing records, issuing cab card identification stamps, maintaining tariff filings, investigating motor carrier complaints, offering testimony at motor carrier hearings, and performing audits of regulated carriers. In addition, the Division's three enforcement officers inspect vehicles operated by all motor carriers and enforce the Commission's regulation on the states' highways.

OPERATING AUTHORITY

Hearings and reports dealing with motor carrier operating authority occupies a considerable part of the time of the Commission and the Division of Public Utilities. During the fiscal year, 1,302 orders were issued granting or canceling motor carrier operating authorities. Following is a summary of these orders.

SUMMARY OF PROCEEDINGS INVOLVING MOTOR CARRIER AUTHORITY

Type of Authority	Issued	Canceled
Certificates of Convenience and Necessity	22	23
Contract Carrier Permits	13	4
Interstate Carrier Licenses	223	41
Exempt Licenses	669	307
Total	927	375

The issuance or cancellation of certificates of convenience and necessity issued to common carriers and permits issued to contract carriers requires a formal hearing and an order of the Commission. Interstate carrier licenses require only that the carrier provide evidence of ICC authority, evidence of insurance, and designation of process agent.

Exempt motor carriers are exempt from regulation by the Commission, under Section 54-6-12, Utah Code Annotated 1953. These carriers are issued exempt licenses when they register their operations with the Division and file evidence of insurance. They must also comply with safety regulations.

MOTOR CARRIER INVESTIGATIONS AND ENFORCEMENT

The Division's enforcement officers inspected 1,166 motor vehicles during the fiscal year ended June 30, 1979, and issued 199 citations. One hundred nine citations were issued for unauthorized hauling, 57 for cab card stamp violations, and 80 for violations of safety rules and regulations. There were also 45 warnings for violations of safety rules. The Division collected $150,946 in revenue from the issuance of 167,675 cab card identification stamps. Included in this figure are 16,728 free stamps issued to Utah based vehicles and reciprocating states. The reciprocating states are Arizona, California, Michigan, Missouri, Oklahoma, and North Carolina.

AIR CARRIERS

There were two orders issued concerning air carriers during the fiscal year ended June 30, 1979. On July 7, 1978, Trans Western Airlines of Utah was issued Certificate No. 1942 in Case No. 78-387-01, and Certificate Nos. 1882 and 1883 issued to Trans Western Airlines Inc., a Colorado corporation, were canceled. On October 24, 1978, Trans Western Airlines of Utah was allowed to implement a reduced "Early Bird Fare" of 50 per cent of currently effective rates subject to limitations as outlined in the Report and Order (Case No. 78-387-02).

MOTOR CARRIER RATES

For the State's fiscal year, 1978 through 1979, there was a large increase in transportation rate cases. The total increase for the year was 71 per cent over the base year, July 1, 1976 through June 30, 1977. The total yearly rate cases increase over the previous year was 64 per cent with buslines showing a 33 per cent increase over the previous year bus rate cases for a total number of four cases.

STATION AGENCY AND STOCKYARD FACILITIES

During the fiscal year, two orders were issued for the abandonment of permanent railroad stations. The first order, dated October 26, 1978, allowed Union Pacific Railroad a replacement with a mobile agency. The final order was issued to The Denver and Rio Grande Western Railroad Company on November 2, 1978, with no mobile agency granted.

SECTION VII

TABLES

Table No. 1

PROCEEDINGS BEFORE THE PUBLIC SERVICE COMMISSION

July 1, 1978 to June 30, 1979

FORMAL CASES

	Total	Elec.	Gas	Telep.	Water	Motor Carrier	Railroad	Misc.
No. of Cases Filed	222	25	28	14	6	118	28	6
No. of Cases Concluded	204	31	25	8	2	112	17	9
No. of Hearings	161							
No. of Heaings Days	296							

SUMMARY OF ORDERS ISSUED IN INVESTOR

OWNED ELECTRIC UTILITY RATE CASES

7-1-78 to 6-30-79

Table No. 2

Date of Order	Company	Case Number	Amount Requested	Amount Granted	% of Increase (Decrease) Granted
9-21-78	CP National	77-023-02	(1,500)	(1,500)	100.00
11-21-78	CP National	78-023-03	(435,346)	(519,346)	119.57
			(458,846)	(520,846)	119.50
5-18-79	Strawberry Water Users	79-034-01*	134,853	75,519	56.00
3-17-78	Utah Power and Light Company	78-035-14*	64,778,000	33,785,000	52.16
	Total		64,477,007	33,339,673	51.71

* General Rate Cases

SUMMARY OF ORDERS ISSUED IN

GAS UTILITY RATE CASES

7-1-78 to 6-30-79

Table No. 3

Date of Order		Case No.	Increase (Decrease) Requested	Increase (Decrease) Allowed	Percent of Increase
7-8-78	Mountain Fuel Supply Co.	78-057-05I*	(169,219)	(169,219)	100.00
11-9-78	Mountain Fuel Supply Co.	78-057-05II*	1,311,216	1,311,216	100.00
11-9-78	Mountain Fuel Supply Co.	78-057-09	238,296	238,296	100.00
12-19-78	Mountain Fuel Supply Co.	78-057-11	3,475,169	3,475,169	100.00
12-7-78	Mountain Fuel Supply Co.	78-057-13	13,170,883	13,170,883	100.00
1-24-79	Mountain Fuel Supply Co.	78-057-14	260,624	260,624	100.00
	Mountain Fuel Supply Total		18,286,969	18,286,969	100.00
12-8-78	Utah Gas Service Co.	78-059-05*	199,291	117,002	58.71
9-27-78	Utah Gas Service Co.	78-059-06	127,830	127,830	100.00
12-8-78	Utah Gas Service Co.	78-059-07	447,773	447,773	100.00
12-8-78	Utah Gas Service Co.	78-059-08	63,767	25,044	39.27
6-4-79	Utah Gas Service Co.	79-059-03	150,945	150,945	100.00
6-4-79	Utah Gas Service Co.	79-059-04	(76,568)	(76,568)	100.00
	Utah Gase Service Total		913,038	792,026	86.75
	State Total		19,200,007	19,078,995	99.37

* These cases were general rate cases, all other cases involved passing-through increase purchased gas costs to rate payers.

TRANSPORTATION

SUMMARY OF ORDERS ISSUED IN RAILROAD RATE CASES

Table No. 4

Case No.	Date of Order	Nature of Order
78-393-02	8-10-78	Certain Utah Railroads received an increase of 4% in freight rates.
78-398-08	8-29-78	By way of Summary Procedure, Denver & Rio Grande Western Railroad Company (D&RG) received a reduction in slag rates.
78-398-09	12-01-78	Under Summary Procedure, D&RG obtained a 5% increase in coal rates.
79-393-03	2-06-79	Certain Utah Railroads were granted a 1% freight rate increase.
79-398-03	3-01-79	D&RG, under Summary Procedure , received a 5% increase on limestone rates.
79-398-07	6-25-79	D&RG, under Summary Procedure, were allowed to publish coal tariffs.

MOTOR CARRIER CERTIFICATES OF CONVENIENCE
AND NECESSITY ISSUED JULY 1, 1978 to JUNE 30, 1979

Name of Carrier	Date of Order	Certificate No.	Case No.
Ray Bethers Trucking	6-08-78	1941	77-427-01
Trans Western Airlines of Ut.	7-11-78	1942	78-387-01
Martin Bros., Inc.	8-10-78	1943	78-435-01
Park City Transport	8-16-78	1944	77-277-01
Barney Trucking	9-06-78	1945	77-416-01
Slade Moving and Storage	9-08-78	1946	78-315-01
Diamond H	9-20-78	1947	77-414-01
Bruce Transfer and Storage	10-06-78	1948	78-436-01
Provo City Lines, Inc.	10-25-78	1956	78-286-01
Savage Brothers	11-01-78	1957	78-308-02
Dalgarno Transportation	11-14-78	1958	78-447-01
Uintah Freightways	11-17-78	1959	78-335-01
Pollard Transportation	12-19-78	1960	78-452-01
Servicar of Utah	12-19-78	1961	78-312-01
Sun Acquisition Corp.	11-14-78	1962	78-458-01
Roadway Express, Inc.	12-29-78	1963	78-457-01
D. Pratt Cole	1-26-79	1964	78-453-01
Bountiful Taxi Service	1-26-79	1965	78-127-01
B-M Service Inc.	1-30-79	1966	78-459-01
Wycoff Company, Inc.	3-13-79	1968	78-369-01
Liquid Transport, Inc.	3-28-79	1969	79-463-01
Mountain West Transportation	5-31-79	1970	79-462-01

MOTOR CARRIER CERTIFICATES OF CONVENIENCE AND NECESSITY CANCELED JULY 1, 1978 to JUNE 30, 1979

Name of Carrier	Date of Order	Certificate No.	Case No.
Arrow Auto Line	9-29-78	136,308	519/972
Milne Truck Line Inc.	12-22-78	465 S1,531 826 S1-5	78-458-01
Salt Lake Transportation	5-31-79	519 S1	2221-S1
Salt Lake Transportation	5-31-79	538 S1-6	1896
A.B. Robinson	6-25-79	596	79-298-01
Ogden Cab & Transfer	5-23-79	809	3044
Harry L. Young	12-19-78	1006	78-452-01
Western Gillette (Roadway)	12-29-78	1050	78-457-01
Trans-Western Tankers	3-28-79	1309-S2,5	79-463-01
Eagle Moving & Transfer	9-08-78	1355	4957
Junior C. Knight	1-26-79	1481	
Een, Perry	9-06-78	1461	5293
Servicar of Utah	1-26-79	1698	78-312-01
Merrico Corporation	7-31-78	1706	6253
Bountiful Cab	1-26-79	1772	78-127-01
Intermountain House Movers	5-23-79	1819	79-201-01
Bankers Dispatch Corp.	3-30-79	1827	78-114-03
Verns Conoco	7-29-78	1849	7036
Jerry's Trucking	8-10-78	1855	7057
Bruce Warehousing Dist.	11-06-78	1872	78-436-01
Sunshine Travel & Tours	5-23-79	1887	78-380-01
Bankers Dispatch Corp.	3-30-79	1901	78-114-03
McGregor Trans.	9-20-78	1926	77-414-01
Pollard Transportation	12-19-78	1960	78-452-01

CONTRACT CARRIER PERMITS TO MOTOR CARRIERS
ISSUED OR CANCELED JULY 1, 1978 to JUNE 30, 1979

Name of Carrier	Date of Order	Permit No.	Case No.
	ISSUED		
David Tyree Bullock	7-26-78	584	78-434-01
Modular West Trans	7-27-78	585	78-441-01
J.C. Bangerter and Sons	9-08-78	586	78-446-01
Fred Wilkey Trucking	9-06-78	587	78-444-01
R. Mark Woolf	9-08-78	588	78-382-01
Universal Refrigeration and Appl.	9-08-78	589	78-338-01
Utah Marblehead Lime	10-25-78	590	78-437-01
Norwood Transportation	12-13-78	591	78-385-01
W.E. McDougall	2-14-79	592	78-450-01
Lee Ray Farnsworth	1-30-79	593	78-449-01
Pearl Pollard Co. Inc.	2-16-79	594	78-284-01
Benson Trucking Co., Inc.	2-16-79	595	78-455-01
W.B. Robinson, Inc.	6-25-79	596	79-298-01
	CANCELED		
Salt Lake Transportation	5-31-79	474	4529
Ashton Supply	10-25-79	482	78-109-01
Heavely Trucking	12-13-78	484	78-385-01
Yonkers Dispatch Corp.	3-30-79	549	78-114-03

TABLE NO. 5

PUBLIC UTILITIES UNDER JURISDICTION OF COMMISSION

June 30, 1979

Class of Utility	Number
Airline companies	2
Electric light and power, cooperatives	10
Electric light and power, investor owned	3
Motor carriers holding intrastate authority	283
Motor carriers holding interstate authority	1084
Natural gas companies	4
Railraods	9
Telegraph company	1
Telephone companies	19
Terminal companies	2
Water companies	19
Total	1436

Table No. 6

STATEMENT OF COMMISSION FINANCES

JULY 1, 1978 to JUNE 30, 1979

	Public Service Comm.	Div. of Public Util.	Committee Consumer Services	Atty. Gen.	Dept. of Trans.	Central Admin.	Total
Funds Available							
Non-Lapsing Balance 7-1-78							10,275
Public Utility Levy							1,319,600
Collections							186,269
Federal Funds - DOT,							19,669
Total Amount Available							1,535,813
Expenditures							
Personal Services	206,454	482,452	44,572			89,617	
Travel	4,944	20,991	3,096			102	
Current Expenses	38,803	248,835	60,856			2,605	
Capital Outlay	9,829	540	0			146	
Total Expenditures	260,030	752,818	108,524	0	192,400	92,470	1,406,242
Balance							129,571
Lapsing Balance							103,671
Non-Lapsing Balance							25,900

PUBLIC SERVICE COMMISSION OF UTAH

Fiscal Year Ended June 30, 1980

PART FOUR

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SECTION I

PERSONNEL

June 30, 1980

PUBLIC SERVICE COMMISSION

Milly O. Bernard	Chairman
David R. Irvine	Commissioner
Brent H. Cameron	Commissioner
David L. Stott	Administrative Secretary
A. Robert Thurman	Administrative Law Judge
Sheila K. McCleve	Administrative Law Judge
Vern D. Wilde	Official Court Reporter
Cherry G. Hanson	Secretary

DIVISION OF PUBLIC UTILITIES

Eugene S. Lambert	Director

Utility Accounts and Finance Section

Thomas F. Peel, C.P.A.	Manager
Carl L. Mower	Assistant Manager
Dan W. Bagnes	Auditor
Ronald L. Burrup	Auditor
Sidney R. Harman	Auditor
Alma M. Richie	Auditor
Wayne J. Russell	Auditor
Martha E. Hartment	Secretary

Engineering Section

Kenneth B. Powell	Manager of Electrical Engineering and Technical Studies
Lowell E. Alt, Jr.	Electric Rate Engineer
Wayne L. Carlson	Engineering Inspector
Frederick W. Foley	Communications Engineer

Engineering Section (Continued)

Darrell S. Hanson. . . . . .Gas Rate Engineer

Ray L. Pruett. . . . . .Manager, Utility Engineering and Service

Rea Bringhurst . . . . . .Secretary

Barbara Gardner. . . . . .Secretary

Jane Koller. . . . . .Secretary

Economics and Finance Section

George R. Compton, Ph.D. . . . . .Economist

Douglas C. W. Kirk . . . . . .Economist

Transportation Section

Donald K. Hales. . . . . .Manager, Regulation Carrier Section

Jack H. Ollinger . . . . . .Rates and Tariff Specialist

Steven J. Davis. . . . . .Regulated Carrier Compliance Officer

William D. Sheppard. . . . . .Regulated Carrier Compliance Officer

Tony Speth . . . . . .Regulated Carrier Compliance Officer

Shari B. Holt. . . . . .Secretary

Marlene W. Kirkpatrick . . . . . .Secretary

Mary L. Shopay . . . . . .Secretary

CHANGES IN PERSONNEL

June 30, 1980

David R. Irvine was appointed to the Utah Public Service Commission on July 16, 1979, replacing Olof E. Zundel. Mr. Irvine holds BS and JD degrees from the University of Utah. Prior to his appointment, Mr. Irvine had been a four-term member of the Utah House of Representatives and had also been engaged in the private practice of law. He is married and has two children.

David L. Stott was appointed Administrative Secretary of the Public Service Commission October 1, 1979, succeeding Victor N. Gibb. Mr. Stott has a BA and JD degree from Brigham Young University. Prior to his appointment with the Commission, Mr. Stott was in the private practice of law. He is married with three children.

Brent H. Cameron was appointed Commissioner of the Public Service Commission February 4, 1980, replacing Kenneth Rigtrup. Commissioner Cameron is a graduate of the University of Utah Law School, and is a member of the Utah State Bar. Prior to his appointment to the Commission, Commissioner Cameron was Director of the Division of Public Utilities, and prior to that employed by the Salt Lake County Attorney's Office as Deputy Salt Lake County Attorney. Commissioner Cameron is married and has two children.

SECTION II
ELECTRIC

The Public Service Commission issued 43 orders in electric utility cases during the fiscal year ended June 30, 1980. Of these orders, 15 were rate increases or decreases involving investor owned utilities and are summarized in Section VII, Table No. 2. Included in this section are summaries of trends, sales, of use of electricity in Utah.

TREND OF ELECTRIC RATES AND USE OF
ELECTRIC POWER IN UTAH

Year	Residential Service			All Classes of Service
	Annual Average Use Per Customer	Average Charge Per Kilowatt-Hour	Annual Average Bill Per Customer	Average Charge per Kilowatt-Hour
		INVESTOR OWNED UTILITIES		
1935	762kwh	4.69¢	$ 35.74	1.88¢
1940	1,170	3.40	39.78	1.41
1945	1,530	2.69	41.11	1.54
1950	2,573	2.29	58.89	1.81
1955	3,657	2.21	80.93	1.81
1960	4,184	2.19	91.58	1.64
1965	4,747	2.26	107.60	1.76
1970	5,800	2.17	125.72	1.66
1971	6,236	2.13	133.02	1.47
1972	6,416	2.23	142.88	1.49
1973	6,823	2.26	154.36	1.71
1974	7,289	2.34	170.64	1.72
1975	7,266	2.93	212.79	1.96
1976	7,430	3.43	254.55	2.18
1977	7,330	3.84	281.74	2.74
1978	7,309	4.49	328.08	2.92
1979	7,587	4.98	377.83	3.47
		RURAL ELECTRIC COOPERATIVE ASSOCIATIONS		
1965	5,676 Kwh	2.33¢	$132.39	1.58¢
1970	6,596	2.25	148.71	1.55
1971	7,025	2.17	152.45	1.65
1972	7,163	2.15	154.29	1.66
1973	7,976	2.11	168.13	1.73
1974	8,294	2.18	180.73	1.74
1975	8,950	2.20	196.92	1.75
1976	10,285	2.14	219.69	1.77
1977	9,243	2.28	210.47	2.05
1978	9,646	2.46	237.60	2.30
1979	10,944	2.49	271.98	2.42

A summary of the kilowatt-hours sold and the average number of customers served in Utah by electric utilities regulated by the Commission during the year ending December 31, 1979, is portrayed in the following table. There was an increase of 8.2% in the number of kilowatt-hours sold to ultimate consumers and a decrease of 11.4% in the number of kilowatt-hours sold for resale during 1979. The average number of customers increased by 18,090 or an increase of 4.7%.

KILOWATT-HOUR SALES AND CUSTOMERS

Year 1979	Kilowatt-Hours Sold (Thousands)	Average Number of Customers
INVESTOR OWNED UTILITIES		
Residential	2,594,795	342,011
Commercial	2,039,126	31,572
Industrial (includes irrigation sales)	3,487,989	9,089
Public street and highway lighting	54,598	1,441
Other sales to public authorities	523,392	139
Total sales to ultimate consumers	8,699,900	384,252
Sales for resale	3,217,035	35
Total sales - investor owned utilities	11,916,935	384,287
COOPERATIVE ELECTRIC ASSOCIATIONS		
Residential	139,618	12,758
Irrigation	86,699	851
Commercial	44,506	2,163
Industrial	268,018	483
Public street and highway lighting	664	21
Other sales to public authorities	1,164	73
Total sales to ultimate consumers	540,669	16,349
Sales for resale	14,762	2
Total sales - cooperative electric associations	555,431	16,351
SUMMARY - ALL UTILITIES		
Total sales to ultimate consumers	9,240,569	400,601
Sales for resale	3,231,797	37
Total sales - all utilities	12,472,366	400,638

The following table shows the 1979 Revenue for each electric utility company, by customer class. Only the Utah jurisdictional revenue is shown

ELECTRIC UTILITY REVENUE 1979

By Customer Class Utah
Jurisdictional Only

	Residential	Irrigation Industrial Commercial	Public Auth. Street Light	Sales for Resale	Company Total
COOPERATIVE ELECTRIC ASSOC.					
Bridger Valley	$ 138,278	$ 102,575	$ ——	$ ——	$ 240,853
Dixie Escalante REA	432,500	443,262	——	——	875,762
Empire Elec. Assoc.	74,162	206,168	——	——	280,330
Flowell Elec. Assoc.	63,056	448,582	——	——	511,638
Garkane Power Assoc.	645,284	1,356,718	26,027	432,588	2,460,617
Mexican Hat Power Assoc.	——	23,144	——	——	23,144
Moon Lake Power Assoc.	1,912,917	6,195,674	22,267	42	8,130,900
Mt. Wheeler Power Assoc.	44,266	129,973	15,627	——	189,866
Raft River	72,595	295,704	——	——	368,299
Wells Rural Elec. Assoc.	86,809	245,402	814	——	333,025
Total	$3,469,867	$9,447,202	$ 64,735	$432,630	$13,414,434
INVESTOR OWNED					
California Pacific	$ $4,510,669	$ 4,898,543	$ 316,506	$ ——	$ 9,725,718
Strawberry Water Users	548,294	317,556	1,542,502	——	2,408,352
Utah Power & Light	126,729,048	189,951,534	13,962,395	70,916,284	401,559,261
Total	$131,788,011	$195,167,633	$15,821,403	$70,916,284	$413,693,331

SECTION III

NATURAL GAS

The Public Service Commission issued 26 orders in gas utility cases during the fiscal year ended June 30, 1980. Ten of these orders involved rate increases and are summarized in Table No. 3. Also included in this section are summaries of rates, use, and sales of gas in Utah, as well as a recap of Natural Gas Pipeline Safety measures employed in Utah.

Natural Gas Rates and Use of Gas

The following table summarizes usage and cost of natural gas for selected years beginning with 1940. The average annual bill per residential and commercial customer increased by $63.86 or 20.09 percent during 1979 over 1978. This increase was considerably greater than the 3.98 percent increase in usage.

TREND OF NATURAL GAS RATES AND USE OF GAS IN UTAH

	Residential and Commercial		All Classes of Service	
Year	Annual Average Use Per Customer	Average Charge Per Mcf	Annual Average Bill Per Customer	Average Charge Per Mcf
1940	88.46Mcf	66.4¢	$ 58.72	20.6¢
1945	113.97	63.9	72.87	21.9
1950	157.71	41.6	65.64	26.8
1955	197.80	50.4	99.66	34.3
1960	228.11	57.6	131.39	40.7
1965	226.65	58.4	132.36	39.5
1970	236.54	64.6	152.82	43.3
1975	235.51	96.2	226.62	80.3
1976	211.75	121.6	257.54	105.4
1977	198.52	144.1	286.08	124.9
1978	187.36	169.7	317.90	148.2
1979	194.82	195.9	381.76	176.3

The next table shows the total sales of natural gas in Utah by major service classifications for selected years beginning with the year 1940. This table shows that the total gas usage increased for the first time since 1973 when 131,064,284 Mcf of gas was sold in the State of Utah. The total revenue from the sale of natural gas in Utah amounted to $228,018,262 during 1979 with an average of 361,017 customers served during the year.

NATURAL GAS SALES IN UTAH
(Thousands of Cubic Feet as 12.85 psia)

Year	Residential and Commercial	Industrial	For Resale	Total
1940	2,355,537	12,361,974		14,717,511
1945	4,435,137	19,253,755		23,688,892
1950	11,944,972	18,855,542		30,800,514
1955	22,797,003	33,955,205		56,752,208
1960	37,916,291	41,355,304		79,271,595
1965	47,895,211	62,371,870	15,321	110,282,402
1970	57,516,963	70,223,515	18,455	127,758,933
1975	69,854,715	55,765,669	576,818	126,197,202
1976	65,449,485	55,073,754	443,626	120,966,865
1977	64,500,704	60,457,814	202,161	125,160,679
1978	64,126,279	60,004,718	256,626	124,387,624
1979	70,212,548	59,002,185	13,993	129,228,726

Natural Gas Pipeline Safety
July 1, 1979 to June 30, 1980

Due to the catastrophic nature of gas explosions and fires occurring throughout the country, the United States Congress passed the Natural Gas Pipeline Safety Act of 1968 which provided that the Federal Government would establish "Minimum Safety Standards" for the transportation or storage of natural and other gases by pipeline systems.

This law was amended November 30, 1979, by Public Law 96-129 of the 96th Congress.

This Act may be cited as the "Pipeline Safety Act of 1979."

Title I was amended and authority extended dealing with natural gas and liquified natural gas.

Title II covers Liquid Pipeline Safety and provides for consideration of all phases of the pipeline transportation of "hazardous liquids" which are defined:

(a) Petroleum or any petroleum product, and

(b) Any substance or material which is in liquid state (excluding liquified natural gas) when transported by pipeline facilities and which, as determined by the Secretary, may pose an unreasonable risk to life or property when transported by pipeline facilities.

The Acts provide for the Federal Department of Transportation to take over safety jurisdiction of all described pipeline systems and allows certifying states to handle intrastate systems as long as they enforce equal or more stringent standards. (Utah has adopted the Federal regulations and changes thereto as State Standards.) Utah has been certified and handles natural gas and propane safety through the staff of the Division of Public Utilities. Utah also handles interstate Pipeline Safety by contract with the Federal Government. Utah has been asked to consider handling safety activities of the liquid lines. Utah is reimbursed for 50 per cent of the expenses for interstate and intrastate pipeline safety activities.

The Division makes emergency on-scene accident investigations of all reportable incidents and observes to see that all reasonable precautions are being taken to control and make safe areas of hazard. It also makes

periodic inspections of each gas operator's installations and records. This includes all interstate operators and Mountain Fuel Supply and Utah Gas Service Company major distributors and all master metered apartment complexes and mobile home parks, also propane operators with piped systems which are regulated under special circumstances. This includes a review of their safety procedures, communication facilities, leak detection and repair practices, engineering detail and standards, personnel training and testing, public awareness communication efforts of safety hazards, and all other safety matters.

There were 286 inspection or accident reports completed during this period in addition to many contacts made which were not described in formal reports. This included a few oil line inspections which were made on a cooperative basis for the Office of Pipeline Safety Operations. All major companies contacted continue to be very cooperative and most small operators have taken due heed of their needs and improved their safety performance and awareness.

SECTION IV
COMMUNICATIONS

There were 19 telephone orders issued during the fiscal year ended June 30, 1980, none of which involved rate increases. These orders involved minor extensions of service area, tariff charges not involving rate increases, and authorizations to upgrade service in specified areas. In Case No. 79-049-04, Mountain States Telephone and Telegraph Company was ordered to pay nine per cent interest on customer deposits while another part of the order made certain provisions for serving the hearing impaired. This section also shows the number of telephones in the State of Utah and shows the growth over the last 40 years.

TELEPHONES BY MAJOR CLASSIFICATION

December 31, 1979	Residence Service	Business Service	Total
Main telephones	423,790	79,112	502,902
Extension telephones	349,236	71,781	421,017
Mobile telephones		1,776	1,776
P.B.X.		99,814	99,814
Coin telephones		8,363	8,363
Total company telephones	773,026	260,846	1,033,872
Service telephones			14,804
Private line telephones			2,501
Total telephones in service			1,051,177

The number of company owned telephones in service in Utah for selected years beginning with 1940 is provided in the following tabulation. There was a 4.6 percent increase in the number of telephones during 1979.

NUMBER OF COMPANY TELEPHONES IN UTAH

Year	Net Gain During Year	Number End of Year
1940	4,825	84,450
1945	6,578	117,818
1950	11,031	195,398
1955	11,780	260,870
1960	18,300	357,510
1965	20,491	453,378
1970	32,120	581,665
1971	39,030	620,695
1972	48,334	669,029
1973	54,861	723,890
1974	48,239	772,129
1975	58,900	831,029
1976	50,631	881,660
1977	66,589	948,249
1978	56,588	1,004,837
1979	46,340	1,051,177

SECTION V

WATER

The Public Service Commission concluded several cases during the year ended June 30, 1980. Five of those cases involved rate increases. Those companies allowed rate increases were Wilkinson Water Company in Case No. 79-019-01 decided July 17, 1979; Storm Haven Water Company on October 24, 1979, in Case No. 79-014-01; Consumers Water Agency in Case No. 79-002-01, order dated January 23, 1980; Flaming Gorge Water Company in Case No. 80-006-01 on April 14, 1980; and Crossroads Water Company in combined Case Nos. 80-063-01 and 80-063-02 with order dated May 13, 1980.

Crossroads Water Company had also applied for authority to change ownership and this question was taken under advisement. Two other cases involved failure of Crossroads Water Company and Golden Gardens Water Company to file annual reports. An application by Golden Gardens Water Company to extend its service area was dismissed as the applicant had failed to supply sufficient information for the Commission to make a decision.

SECTION VI
TRANSPORTATION

The Commission is charged with the responsibility of regulating motor carriers and railroads, engaged in the transportation of passengers or property for hire in the State of Utah. The Division of Public Utilities' Motor Carrier Section assists the Commission in this responsibility by issuing interstate carrier licenses and intrastate exempt licenses, maintaining insurance filing records, issuing cab card identification stamps, maintaining tariff filings, investigating motor carrier complaints, offering testimony at motor carrier hearings, and performing audits of regulated carriers. In addition, the Division's three enforcement officers inspect vehicles operated by all motor carriers and enforce the Commission's regulation on the state's highways.

OPERATING AUTHORITY

Hearings and reports dealing with motor carrier operating authority occupies a considerable part of the time of the Commission and the Division of Public Utilities. During the fiscal year, 2,103 orders were issued granting or canceling motor carrier operating authorities. Following is a summary of these orders.

SUMMARY OF PROCEEDINGS INVOLVING MOTOR CARRIER AUTHORITY

Type of Authority	Issued	Canceled
Certificates of Convenience and Necessity	28	17
Contract Carrier Permits	12	6
Interstate Carrier Licenses	394	79
Exempt Licenses	873	694
Total	1,307	796

The issuance or cancellation of certificates of convenience and necessity issued to common carriers, and permits issued to contract carriers requires a formal hearing, and an order of the Commission. Interstate carrier licenses require only that the carrier provide evidence of ICC authority, evidence of insurance, and a designation of process agent.

Exempt motor carriers are exempt from regulation by the Commission, under Section 54-6-12, Utah Code Annotated 1953. These carriers are issued exempt licenses when they register their operations with the Division and file evidence of insurance. They must also comply with safety regulations.

MOTOR CARRIER INVESTIGATIONS AND ENFORCEMENT

The Division's enforcement officers inspected 925 motor vehicles during the '79-'80 fiscal year and issued 71 citations. Also, 51 citations were issued for unauthorized hauling, 16 for cab card stamp violations, and 34 for violations of safety rules and regulations. There were also 12 warnings for violations of safety rules.

The Division collected $180,360 in revenue from the issuance of 189,893 cab card identification stamps. Included in this figure are 9,533 free stamps issued to Utah based vehicles and reciprocating states. The reciprocating states are California, Michigan, Missouri, Oklahoma, Arizona, and North Carolina.

STATION AGENCY AND STOCKYARD FACILITIES

On December 8, 1980, Union Pacific Railroad was allowed an abandonment of its Geneva and Provo permanent station. This station was replaced with a mobile agency.

SUMMARY OF ORDERS ISSUED IN RAILROAD RATE CASES

Case No.	Date of Order	Nature of Order
79-383-01	7-11-79	Certain Utah railroads increased freight rates of seven per cent.
79-383-09	9-13-79	Certain Utah railroads received a 2.6 per cent freight rate increase.
79-398-01	10-17-79	Denver & Rio Grande Western Railroad Company (D&RG) established empty car rates.
79-398-09	11-14-79	D&RG increased passenger fare by 20 per cent.
79-398-11	12- 4-79	D&RG received six per cent on coal rates.
79-393-04	1- 7-80	Certain Utah railroads received 1.1 per cent freight increases.
79-398-10	1-15-80	D&RG canceled certain freight rates.
79-393-05	2- 6-80	Certain Utah railroads increased freight rates by 7.8 per cent.
80-398-01	3-20-80	Under Summary Procedure, D&RG was allowed 4.4 per cent increase on limestone rates.
80-393-01	5-13-80	Certain Utah railroads were granted 1.1 per cent freight increase.

MOTOR CARRIER RATES

Due to the increased costs to operate motor carriers, especially fuel costs, the orders issued jumped to a new high of 188 per cent from the base period of July 1, 1977 through June 30, 1978. Rate cases increased 68 per cent over the previous year. Bus passenger rate cases totaled 10 orders for its per cent of this year's total, amounting to 15 per cent. These orders are summarized in Table No. 4.

SECTION VII

TABLES

Table No. 1

PROCEEDINGS BEFORE THE PUBLIC SERVICE COMMISSION

July 1, 1979 to June 30, 1980

FORMAL CASES

	Total	Electric	Gas	Telephone	Water	Motor Carrier	Railroad	Misc.
No. of Cases Filed	335	55	26	20	13	196	16	9
No. of Cases Concluded	299	43	26	19	9	169	27	6
No. of Hearings	258							
No. of Hearing Days	345							

SUMMARY OF ORDERS ISSUED IN INVESTOR

OWNED ELECTRIC UTILITY RATE CASES

7-1-79 to 6-30-80

Table No. 2

Date of Order	Company	Cases Number	Amount Requested	Amount Granted	Percent of Increase (Decrease) Granted
9-11-79	CP National	79-023-04	1,284,597	1,284,597	100.00
1-11-80	CP National	79-023-07*	762,006	288,218	37.82
9-22-79	CP National	79-023-08	135,630	135,113	99.62
5-22-80	CP National	80-023-03	967,934	751,292	77.62
			3,150,167	2,459,220	78.07
1- 4-80	Strawberry Water Users	79-034-02	52,874	31,559	59.69
9-24-79	Strawberry Water Users	79-034-03	94,978	81,884	86.21
12-13-80	Strawberry Water Users	79-034-03	--	11,261	11.86
	Strawberry Water Users	80-034-01*	301,342	237,230	78.72
			449,194	361,934	80.57
12-21-79	Utah Power and Light Company	78-035-14*	--	(5,935,535)	(9.16)
7-20-79	Utah Power and Light Company	78-035-21*	21,740,000	11,940,000	54.92
8-21-79	Utah Power and Light Company	78-035-21*	--	1,292,000	5.94
8-21-79	Utah Power and Light Company	79-035-07	4,164,000	4,164,000	100.00
1-25-80	Utah Power and Light Company	79-035-12*	35,375,000	13,403,000	37.89
4-24-80	Utah Power and Light Company	79-035-12*	32,694,000	32,694,000	100.00
12-21-79	Utah Power and Light Company	79-035-15	19,839,000	19,839,000	100.00
			113,812,000	77,396,465	68.00
	Total		117,411,361	80,217,619	68.32

SUMMARY OF ORDERS ISSUED IN

GAS UTILITY RATE CASES

Table No. 3 7-1-79 to 6-30-80

Date of Orders		Case No.	Increase (Decrease) Requested	Increase (Decrease) Allowed	Percent of Increase
8-17-79	Mountain Fuel Supply Co.	79-057-06	10,040,527	10,040,527	100.00
8-17-79	Mountain Fuel Supply Co.	79-057-03*	23,381,559	16,376,000	70.04
11-6-79	Mountain Fuel Supply Co.	79-057-11	19,551,396	15,697,035	80.29
2-1-80	Mountain Fuel Supply Co.	80-057-03	8,922,244	5,233,940	58.66
5-19-80	Mountain Fuel Supply Co.	80-057-01*	18,765,000	10,500,000	55.95
	Mountain Fuel Supply Total		80,660,726	57,847,502	71.72
10-1-79	Utah Gas Service Co.	79-059-05	624,571	584,240	93.54
11-22-79	Utah Gas Service Co.	79-059-06	567,953	559,630	98.53
1-18-80	Utah Gas Service Co.	80-059-01	12,997	12,997	100.00
2-5-80	Utah Gas Service Co.	80-059-02	154,466	136,069	88.09
3-28-80	Utah Gas Service Co.	80-059-03	1,048,810	860,268	82.02
	Utah Gas Service Co. Total		2,408,797	2,153,204	89.39
	State Total		83,069,523	60,000,706	72.22

* These cases were general rate cases, all other cases involved passing-through increase purchased gas costs to rate payers

TABLE No. 4

SUMMARY OF ORDERS ISSUED IN MOTOR CARRIER RATE CASES

Period	Total Orders Issued	Increase from 1976-1977	Increase over Previous year
1976-1977	24	-	-
1977-1978	25	4%	4%
1978-1979	41	71%	64%
1979-1980	69	188%	68%

UTILITY CERTIFICATES OF CONVENIENCE AND NECESSITY
ISSUED OR CANCELED JULY 1, 1977 to JUNE 30, 1980

Table No. 5

Name of Utility	Date of Order	Certificate No.	Case No
	ISSUED		
Joyce Electronics	7-12-77	1921	77-064-01
Manship Cottage Water Co.	10-12-77	1925	7079
Dixie-Escalante REA	3-13-78	1930	77-066-01
Beehive Telephone Co.	5-24-78	1938	78-052-01
The Dammeron Corp.	6-07-78	1940	76-061-01
Utah Power & Light	10-24-78	1949 - 1955	78-035-05
Golden Gardens Water Co.	3-31-78	1967	78-007-01
Perseret G & T	5-07-80	1997	80-506-01
	CANCELED		
Dixie Rural Electric. Assoc.	12-20-77	1556	77-066-01
Escalante Valley Electric Assoc.	12-20-77	1635	77-066-01
Highland Utility Corp.	12-28-77	1524	7157
Western Public Service	3-21-78	1376	77-017-01

TABLE NO. 6

Certificates of Convenience and Necessity Issued to Motor Carriers
July 1, 1979 to June 30, 1980

NAME OF CARRIER	DATE OF ORDER	CERTIFICATE NUMBER	CASE NUMBER
Imperial Excavation Co.	7-05-79	1971	79-465-01
Key Limousine Service dba Wetco Inc.	8-03-79	1972	7170
Wasatch Freight Lines Inc.	8-03-79	1973	79-473-01
Geodyne Transport,	9-20-79	1974	79-466-01
Old Salty Railroad	9-04-79	1975	78-454-01
Clark Tank Lines, Inc.	9-04-79	1976	79-144-01
Airline Baggage Courier	9-20-79	1977	79-474-01
Quickhop Corporation	10-10-79	1978	79-477-01
Cedar City Moving & Storage, Inc.	11-14-79	1979	78-137-01
Uintah Towing Service	11-26-79	1980	7103
Key Limousine Service	12-18-79	1981	79-360-01
Redman Van and Storage	12-18-79	1982	79-290-01
Mountain West Transportation Co.	1-07-80	1983	79-462-04
McFarland and Hullinger	1-07-80	1984	78-374-02
A. B. Construction	2-04-80	1985	79-484-01
Haws Mobile Home Transporting	2-04-80	1986	79-482-01
Bob Orton Trucking	2-04-80	1987	79-485-01
L. R. England and Sons	2-15-80	1988	79-483-01
A. Brent Draper Trucking	3-03-80	1989	80-377-01

TABLE NO. 6
Continued

NAME OF CARRIER	DATE OF ORDER	CERTIFICATE NUMBER	CASE NUMBER
Paul Ott Mangum	3-21-80	1990	80-490-01
L.G.R. Percival	4-03-80	1991	80-496-01
Lanita P. Madson, dba Stat Express	4-03-80	1992 1992 s-1	80-494-02
Britannia Moving and Storage, Inc.	4-24-80	1993	80-497-01
Robinson Transport, Inc.	4-24-80	1994	80-495-01
A. C. Bussing	5-30-80	1995	80-499-01
L. J. Transport, Inc.	5-07-80	1996	80-489-01
R. E. Trucking	6-05-80	1998	80-492-01

TABLE NO. 7

Motor Carrier Certificates of Convenience and Necessity Canceled

NAME OF CARRIER	DATE OF ORDER	CERTIFICATE NUMBER	CASE NUMBER
Howard Company	4-03-80	671	80-494-02
Howard Company	4-03-80	761 s-1	80-494-02
Central Cartage	4-17-80	788	80-138-01
Mike Ribe	9-20-79	967	79-466-01
Leo Q. Slater	3-05-80	1389	5090
Doyle A. Peterson	7-06-79	1474	79-465-01
Sterling Homes, Inc.	4-03-80	1522	80-496-01
Cedar Storage and Moving	11-14-79	1634	78-137-01
Harold A. Baxter	6-05-80	1693	80-492-01
Art J. Robinson	4-24-80	1789	80-495-01
Colonial Scenic Tours	10-02-79	1793	79-147-01
Lyon Moving and Storage	4-24-80	1806	80-497-01
Trans-American Van Service,Inc.	5-07-80	1826	80-331-01
Skewes & Hamilton	1-30-79	1847	78-459-01
Pearl Pollard Co.	3-03-80	1853	80-377-01
Wilderness Touring Packing & Hunting	9-06-79	1854	7056
Monty's Mobile Home Transporting	3-05-80	1866	7103
Monty's Mobile Home Transporting	3-05-80	1866 s-1	7103

TABLE NO. 8

Contract Motor Carrier Permits Issued or Canceled
July 1, 1979 to June 30, 1980

NAME OF CARRIER	DATE OF ORDER	PERMIT NUMBER	CASE NUMBER
	ISSUED		
Wetco Inc.dba Key Limousine Service	9-03-79	597	7170
Lee Ray Farnsworth	9-20-79	598	79-449-01
Admiral Transport Corp.	12-04-79	599	79-481-01
American-Strevell Trans.,Inc.	12-10-79	600	79-476-01
ELM Enterprises,Inc.	12-18-79	601	79-486-01
McDougald Oil Co., Inc.	1-15-80	602	79-450-01
Bonneville Trans. Assoc.	2-06-80	603	79-488-01
H. S. Sowards & Sons, Inc.	2-27-80	604	79-313-01
J. C. Trucking, Inc.	2-27-80	605	79-487-01
A. Brent Draper Trucking	3-03-80	606	80-377-01
Husky Oil Trans. Co.	4-04-80	607	79-480-01,02
Ute Warehousing Corp.	6-05-80	608	80-505-01
	CANCELED		
O. Eugene Wilson	10-16-79	520	5712
K.E. McDougald	1-15-80	592	79-450-01
Pearl Pollard Company	3-03-80	594	80-377-01

TABLE NO. 9

PUBLIC UTILITIES UNDER JURISDICTION OF COMMISSION

June 30, 1980

Class of Utility	Number
Airline companies	0
Electric light and power, cooperatives	11
Electric light and power, investor owned	3
Motor carriers holding intrastate authority	300
Motor carriers holding interstate authority	1,399
Natural gas companies	4
Railroads	9
Telegraph company	1
Telephone companies	19
Terminal companies	2
Water companies	19
TOTAL	1,767

STATEMENT OF COMMISSION FINANCES

Table No. 10

JULY 1, 1979 to JUNE 30, 1980

	Public Service Comm.	Div. of Public Util.	Committee Consumer Services	Atty. Gen.	Dept. of Trans.	Central Admin.	Total
Funds Available							
Non-Lapsing Balance 7-1-79							25,900
Public Utility Levy							1,447,500
Collections							204,562
Federal Funds - DOT, Pipeline Safety							22,303
State Cutback (4%)							(91,482)
Supplemental Appropriations							150,000
Federal Funds - PURPA, Rate and Solar							348,430
Total Amount Available							2,107,213
Expenditures							
Personal Services	235,098	650,683	58,000			89,650	
Travel	5,072	21,410	3,100			113	
Current Expenses	41,202	522,885	54,400			2,802	
Capital Outlay	2,867	23,921	1,000			1,605	
Total Expenditures	284,239	1,218,899	116,500	0	205,000	94,170	1,918,808
Balance							188,405
Lapsing Balance							64,291
Non-Lapsing Balance							124,114