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To: Public Service Commission

From: Division of Public Utilities
Philip Powlick, Director
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Artie Powell, Manager
Marlin H. Barrow, Technical Consultant

Date: July 29, 2009

Subject: Garkane Energy's Revised New Rate Schedules Docket No. 09-028-T01

ISSUE:

Garkane Energy Cooperative, Inc., (Garkane) filed with the Utah Public Service Commission, (PSC) new Rate Schedules.

RECOMMENDATION:

The Division recommends that the PSC acknowledge Garkane's new rate schedules, with an effective date of July 1, 2009, and make them available for public inspection.

DISCUSSION:

Garkane filed new rate schedules with an effective date of July 1, 2009. The new rate schedules reflect rate increases for all schedules and include the rates for the recently acquired distribution assets of Hildale, Utah, which Garkane now serves, after receiving the approval of the PSC.¹

With the acquisition of the Hildale, Utah distribution assets, Garkane now has separate residential service schedules for Kanab, Hildale and for residential service outside of these two areas.

¹ PSC Erratum Report and Order, Docket No. 09-028-03, June 10, 2009

The following table compares the monthly charges and rates in the July 1, 2009 residential rate schedules from the previous monthly charges and rates for these residential areas.

CURRENT						
	Hildale	% Chg	Kanab	% Chg	Other	% Chg
Base Rate	\$ 12.50	NA	\$ 14.00	0.00%	\$ 14.00	0.00%
First 1,000 kWh	\$ 0.1064	NA	\$ 0.0760	7.04%	\$ 0.0700	7.69%
Over 1,000 kWh	\$ 0.1064	NA	\$ 0.0610	19.61%	\$ 0.0550	22.22%

PREVIOUS						
	Hildale		Kanab		Other	
Base Rate	NA		\$ 14.00		\$ 14.00	
First 1,000 kWh	NA		\$ 0.0710		\$ 0.0650	
Over 1,000 kWh	NA		\$ 0.0510		\$ 0.0450	

Pursuant to 54-4-1.1 of the Utah Code, Garkane's Board of Directors approved these new rates at their regularly scheduled board meeting held on June 22, 2009. A public hearing was held on June 22, 2009 at 1:00 p.m. at the Garkane's business office in Hatch, Utah to discuss the changes to members.

The Division recommends the Commission acknowledge the new Rate Schedules of Garkane Energy Cooperative, Inc., effective July 1, 2009, and make them available for public inspection.

Cc: Carl Albrect, CEO, Garkane Energy Cooperative, Inc.
 Rea Petersen, DPU Customer Service
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 Mike Peterson, Director, Utah REA