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Department of Commerce
Division of Public Utilities

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MEMORANDUM

To: Utah Public Service Commission

From: Utah Division of Public Utilities
Philip Powlick, Director
Artie Powell, Energy Section Manager
Abdinasir Abdulle, Technical Consultant
Sam Liu, Utility Analyst II
Jamie Dalton, Utility Analyst II

Date: August 24, 2009

Ref: Docket No. 09-035-T12. Advice Filing 09-11 Regulation 12 – Line Extension Policy, Housekeeping Filing

RECOMMENDATION (approval)

The Division of Public Utilities (Division) recommends that the Public Service Commission (Commission) approve the proposed Tariff changes, Regulation 12 – Line Extension Policy for the State of Utah and the replacement sheets –Third Revision of Sheet No. 12R.8, Fourth Revision of Sheet No. 12R.9 and First Revision of Sheet No. 12R.10. The Company is requesting an effective date of August 31, 2009.

ISSUES AND RECOMMENDATIONS

On September 23, 2008, Rocky Mountain Power (Company) submitted a compliance filing to the Commission's Order dated August 14, 2008 regarding its proposed Tariff changes to Electric Service Regulation No. 12 – Line Extension Policy. These proposed changes included, among other things, language added to paragraph 3(d). This language reads as follows: "When the extension is to property that is not part of an improved development, the Company may require the Applicant to pay for facilities on the Applicant's property to provide for additional service

reliability or future development.” On October 23, 2008, the Division filed a memorandum with the Commission recommending that the Commission approve the Company’s filing. Consequently, the Commission approved the filing on October 28, 2008.

An additional change to Regulation 12 was proposed in the 2007 general rate case and was approved by the Commission. This change was dealing with street lighting and resulted in the addition of a new paragraph, 3(e) to Regulation 12 to the Company’s October 10, 2008 filing in compliance with the Commission’s Phase II Order on the Stipulation in Cost of Service, Rate Design in Docket No. 07-035-93.

3(e) The Extension Allowance to streetlights taking service under Rate Schedule 11 or 12 is equal to five times the annual revenue from the lights to be added. The Applicant must advance costs exceeding the Extension Allowance prior to the lights being added.

The current approved Sheet 12R.8 includes the correct language for paragraph 3(d) but excludes paragraph 3(e). The purpose of this filing is to add paragraph 3(e) to the current filing.

After reviewing the Company’s application, the Division finds that the proposed changes comply with the Commission’s previous Orders. Therefore, the Division recommends that the Commission approve the proposed Tariff changes, Regulation 12 – Line Extension for the State of Utah, and the replacement sheets –12R.8, 12R.9, and 12R.10 effective August 31, 2009.

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