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State of Utah
Department of Commerce
Division of Public Utilities

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ACTION REQUEST RESPONSE

REDACTED

To: Public Service Commission

From: Division of Public Utilities

Chris Parker, Director
Artie Powell, Energy Section Manager
Charles Peterson, Technical Consultant
Justin Christensen, Utility Analyst

Date: November 5, 2013

Subject: Docket No. 13-035-163: In the Matter of the Application of Rocky Mountain Power for Approval of its Agreement for Electric Service to Additional Customers with Spring City, Utah.

RECOMMENDATION: (Approve)

The Utah Division of Public Utilities (Division) recommends that the Public Service Commission of Utah (Commission) approve the Customer Service Agreement as being in the public interest.

ISSUE

In an application dated October 4, 2013, Rocky Mountain Power (RMP or the Company) requests that the Commission approve its agreement with Spring City (City), whereby the Company and City agree pursuant to Utah Code Annotated § 63G-4-201, 203 and Utah Admin.

Code R746-100-3, that Spring City will provide electric service to specified customers (Customers), [REDACTED] [REDACTED] [REDACTED] which are located outside the municipal boundaries of the City.

DISCUSSION

The recently passed Senate Bill 180 (SB 180) provides a framework for the transfer of customers between an electric corporation and a municipality. SB 180 passed in the 2013 legislative session and effective May 14, 2013, provides a framework for transfer of customers between a municipality that provides electric service and an electric corporation. Specifically, this statute provides a framework for new customers who request service after June 15, 2013.

Contracts under this statute are approved by the Commission.

The Customers are approximately 2.5 miles outside Spring City’s boundary.¹ This agreement will not affect any other current Rocky Mountain Power Customers.

The agreement between the Company and the City is dated September 27, 2013.² The petition is provided as a convenience to the Customers and is based upon the unique circumstances and conditions associated with the location of the requested service. The Division understands that the Customers have requested electric service and that for convenience to the Customers, Spring City and the Company have agreed that it is most cost effective for the City to provide service to the Customers at this time. Therefore, pursuant to Utah Administrative Code Section 10-8-14, the parties have petitioned the Commission for approval of the Agreement. Given the location of the Customer relative to the Company’s facilities and the City, the Division agrees that is better from an economic standpoint for the City to provide service at this time.

¹ Response to Division data request 1.3.

² September 27, 2013 is the date of the most recent signature on the document.

Conclusion

Given these factors, the Division recommends that the Commission approve RMP's agreement with Spring City.

CC David Taylor, Rocky Mountain Power
Michele Beck, Office of Consumer Services
Cheryl Murray, Office of Consumer Services
Service List