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State of Utah
Department of Commerce
Division of Public Utilities

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ACTION REQUEST RESPONSE

PUBLIC

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: September 8, 2014

Subject: Docket No. 14-035-115: In the Matter of the Application of Rocky Mountain Power for Approval of its Agreement for Electric Service by Ephraim City, Utah to Additional Customers After June 15, 2013 Outside of Municipal Boundaries

RECOMMENDATION: (Approve)

The Utah Division of Public Utilities (Division) recommends that the Public Service Commission of Utah (Commission) approve the Customer Service Agreement (Agreement) between Rocky Mountain Power and Ephraim City.

ISSUE

In an Application dated August 27, 2014, Rocky Mountain Power (RMP or the Company) requested that the Commission approve the Agreement with Ephraim 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 Ephraim City will provide electric service to specified customer [REDACTED] (Customer), whose property is located outside the municipal boundaries of the City.

DISCUSSION

Senate Bill 180 (SB 180), passed in the 2013 General Session, provides a framework for the transfer of customers between an electric corporation and a municipality. 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.

According to the Company and the City, the Customer is located approximately 600 feet from the nearest Ephraim City distribution facilities and about 1.5 miles from the nearest Rocky Mountain Power distribution facilities. The Customer is not currently receiving any electric service at the requested location, and has requested service from the City. This agreement will not affect any other current Rocky Mountain Power Customers.

The Agreement between the Company and the City is dated July 30, 2014.¹ The Agreement has been entered into as a convenience to the Customer and is based upon the unique circumstances and conditions associated with the location of the Customer; i.e. that it is presently uneconomic for the Company to provide electric service to the Customer, but it is relatively convenient and economical for the City to provide electric service. Pursuant to Utah Code Section 10-8-14, the parties have petitioned the Commission for approval of the Agreement.

Conclusion

Given these factors, the Division recommends Commission approval of RMP's Agreement with Ephraim City.

¹ July 30, 2014 is the date of the most recent signature on the document.

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