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Division of Public Utilities

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ACTION REQUEST RESPONSE

To: **Public Service Commission**

From: Division of Public Utilities
Chris Parker, Director
Energy Section
Artie Powell, Manager
Doug Wheelwright, Technical Consultant
Eric Orton, Technical Consultant

Date: June 10, 2016

Subject: Bridger Valley Electric Association Docket No. 16-022-T01

AMMENDED TARIFF; In the Matter of Bridger Valley Electric Association's Proposed Tariff Revisions

RECOMMENDATION

The Utah Division of Public Utilities (Division) recommends that the Public Service Commission of Utah (Commission) accept Bridger Valley Electric Association (BVEA)'s changes to its tariff Schedules, and make them available for public inspection.

BACKGROUND

The board of BVEA approved these tariff rate increases on November 10, 2015 with an effective date of July 1, 2016. Customers/members were notified beginning January 20, 2016. BVEA filed notification of these changes to its Tariff Schedules with the Commission on May 25, 2016. On June 2, 2016 the Commission issued an Action

Request to the Division to investigate this notification. The Division submitted its response on June 7, 2016.

On June 8, 2016 BVEA filed amended tariff sheets. On that same date the Commission issued an Amended Action Request directing the Division to investigate the filing and do so in a timely manner. This is the Division's response to that Amended Action Request.

ISSUE

BVEA's customers were given ample notification of the proposed rate changes as specified in Utah Code 54-3-3 and 54-4-1.1. Also, the Commission was notified at least 30 days prior to the proposed effective rate change as required by Commission Rule (R 746-405-2-E.2) and Utah Code 54-3-3. The Division believes that BVEA has complied with Commission rule and Utah Code prior to implementing its rate changes.

On June 7, 2016 BVEA amended its filing to change the words "State of Wyoming" in the title, to "State of Utah". On June 8, 2016 BVEA provided the tariff sheets with the corrected state name. On June 9, 2016 the Division notified BVEA that would be beneficial to file the changes to its tariff in legislative format which, according to Utah Code 54-3-3 aids the applicant in 'stating plainly the change'. Within minutes it emailed the tariff sheets in legislative format to both the Division and Commission. No other changes were made to the rates or the language other than the state name.

DISCUSSION

BVEA represented to its customers/members that this rate increase is necessary based on an 8% rate increase from their electric wholesaler, which will be effective July 1, 2016. The reason for this increase is to cover costs based on "additional controls forced upon the power plant by the EPA in their effort to reduce coal use." BVEA also explained to its customers/members that it is necessary for the co-op to pass these costs on to the customers/members "or we soon would lack the resources to maintain a reliable infrastructure."

The Division has reviewed BVES's filing and attached tariff sheets. The filed tariff schedules appear to implement the rates approved by BVEA's board, and now has the correct state in the title.

CONCLUSION

The Division recommends that the Commission acknowledge BVEA's new tariff Schedule, with an effective date of July 1, 2016, and make it available for public inspection.

Cc: Jud Redden, Bridger Valley Electric Association
Maria Wright, Division of Public Utilities, Customer Service
Michele Beck, Office of Consumer Services
Mike Peterson, Utah Rural Electric Association