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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: December 6, 2016

Subject: Action Request Response in Docket No. 16-025-T01, Empire Electric Association, Inc.

RECOMMENDATION

The Division of Public Utilities (Division) recommends that the Public Service Commission of Utah (Commission) acknowledge the changes to the Empire Electric Association, Inc. (Empire) tariff sheets with an effective date of January 1, 2017 and make them available for public inspection.

BACKGROUND

Empire submitted some proposed tariff changes to the Commission for acknowledgement in accordance with Section 54-7-12-7(a), (b), (c), (d), of the Utah Code. On November 25, 2016, the Commission issued an Action Request to the Division directing it to perform an investigation of this filing. On December 1, 2016 the Commission issued an Amended Action Request adding that “In the tariff filing sent out, Empire Electric included last year’s tariff filing in the electronic copy

(the correct physical filing was sent).” It directed the Division to “Please consult the correct tariff filing for November 25, 2016.” This is the Division’s response to that Amended Action Request.

ISSUE

In the original filing, the Division noticed that the dates on the Commission’s web site showed a filing date of November 23, 2015 with an effective date of January 1 2016. The filing and effective dates caused the Division to contact Empire who determined that the electronic documents it originally filed with the Commission were incorrect. Empire subsequently sent the correct documentation and the Division has been using those documents as the reference source for its investigation. The updated documents are the same ones which now appear on the Commission’s web site.

Empire recently completed a cost of service study which indicated that the following changes in rates should be made. The proposed changes in the monthly grid access charge for single phase customers can be summarized as follows: Residential will increase from \$30.70 to \$32.00, General Service will increase from \$30.65 to \$32.00 and Irrigation will increase from \$30.70 to \$33.00. Also included were a few grammatical and formatting changes which were made to simplify the tariff sheets. The proposed changes will become effective January 1, 2017.

DISCUSSION

Empire is a rural electric cooperative distributing electric energy to its members and the public in certificated service areas in southwestern Colorado and parts of San Juan County, Utah. Empire’s Utah consumers pay the same rates as Empire’s Colorado consumers. Empire is organized as an electric cooperative for the purpose of distributing electricity to its members and the public at cost (54-7-12-7(a)).

On November 11, 2016, Empire held a Board meeting where these new rates were approved (54-7-12-7(b)). The affected members and customers were given notice of the meeting not less than 10 days prior to the date that the meeting was held in accordance with 54-7-12-7(c) with

notification sent to members and published in the local paper the last week of November 2016. Additionally, copies of the notice were also sent to the Rural Utilities Service, the National Rural Utilities Cooperative Finance Corporation and the Rural Development Electric Program.

Copies of all rate tariffs are on file at Empire's headquarters, and are available for inspection during regular business hours. Empire has informed customers that "Any customer who desires to complain about the proposed changes may file a written complaint, at least 10 days before the proposed effective date".

CONCLUSION

The Division recommends the Commission acknowledge the changes and revisions to Empire's tariff sheets with an effective date of January 1, 2017 and make them available for public inspection.

Cc: Josh Dellinger, General Manager, Empire Electric Association, Inc.
Maria Wright, Division of Public Utilities
Mike Peterson, Director Utah Rural Electric Association
Michele Beck, Office of Consumer Services